



## Legislation Text

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**File #:** 52073, **Version:** 1

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### **Fiscal Note**

The proposed resolution amends the 2018 Sewer Utility Capital Budget to transfer \$69,170 of Sewer Revenue Bond funding from the Sewer Reconstruction capital program (MUNIS 11536) to the Thurber Lift Station Replacement (project 11672) within the Lift Station Rehabilitations capital program.

### **MUNIS:**

11536-83-173 (\$69,170)

11672-83-173 \$69,170

### **Title**

Amending the 2018 Sanitary Sewer Utility Capital Budget to transfer \$69,170 in existing budget authority from the Sewer Reconstruction 2017 project to the Thurber Lift Station Replacement to provide adequate funding to bid and construct the Thurber Lift Station.

### **Body**

WHEREAS, on May 16, 2017, the Common Council adopted RES-17-00430 (Legistar File # 46795) authorizing the City's acquisition of the Waunona Sanitary District #2 and partial funding of the replacement of the district's lift station. Based upon discussions with the District, it was anticipated that the District would have approximately \$170,000 in remaining funds to transfer to the City to fund the replacement. The City's acquisition of the District became effective on August 15, 2017; and,

WHEREAS, the Adopted 2018 Sanitary Sewer Utility Capital Budget has \$400,000.00 including of \$155,000 Sewer Reserves and \$65,000 from the municipal agreement with the Town of Blooming Grove and \$170,000 from the Waunona Sanitary Sewer District; and,

WHEREAS, \$69,170 of the expected \$170,000 from the Waunona Sanitary District was not transferred to the City of Madison Sewer Utility. Upon the City's investigation, the City learned that, in December, 2016 and again May, 2017, while discussions were underway on the City's acquisition of the District, the District approved and issued \$48,812 in bonuses to their staff and Commissioners and purchased a \$5,000 memorial monument stone to recognize the existence of the Waunona Sanitary District. It appears that the District either misrepresented or neglected to inform the City of the actual financial condition of the Waunona Sanitary District before the transfer of the District's assets to the City of Madison Sewer Utility, resulting in the Sewer Utility receiving less money than was expected; and,

WHEREAS, the Adopted 2017 Sanitary Sewer Utility Budget has \$69,170 of Sanitary GO borrowing authority available in account 11536 Sewer Reconstruction 2017.

NOW, THEREFORE, BE IT RESOLVED, that the 2018 Sanitary Sewer Utility Budget is hereby amended to transfer existing budget authority between major projects as described in the fiscal note.