

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Fiscal Year 2017 Drainage Utility Fund
Budget Amendment

ORIGINATING DEPARTMENT

Public Works - Environmental Services

BACKGROUND INFORMATION

The City currently holds a Municipal Separate Storm Sewer System (MS4) permit with the Texas Commission on Environmental Quality (TCEQ). As part of that permit, the City is responsible for the water quality in our watercourses. That TCEQ permit and current city ordinances require the City to respond to, contain, and remediate any known point discharge not comprised entirely of storm water.

On the morning of Friday, August 12, 2016, the City responded to a gas fire at 4415 E. Veterans Memorial Boulevard. Due to the nature of the contamination, the City utilized CG Environmental - Cleaning Guys, LLC. to respond to the gas fire. Testing, final disposal and remediation were not completed until October 21, 2016.

DISCUSSION/CONCLUSION

Staff coordinated emergency environmental response compliance with various regulatory agencies. The regulatory agencies included Environmental Protection Agency (EPA), U.S. Department of Transportation, TCEQ, and Texas Parks & Wildlife (TPW). The Fiscal Year 2016-2017 adopted budget (Ordinance #16-044) did not include funding for this magnitude of emergency environmental response.

FISCAL IMPACT

The Fiscal Year 2017 budget will be revised to reflect the increase of \$214,199.02 in expense account 575-3476-432.47-99 (Professional Services - Special Services account). Funding is available in the 575 Drainage Utility Fund's fund balance. The adopted FY17 expenditures in the Drainage Utility are \$4,236,547.00. The impact to the Drainage Utility Fund's reserve account will be a reduction from a projected FY17 ending fund balance of \$4,102,671.00 to \$3,888,471.98.

RECOMMENDATION

City staff recommends that the City Council approve the attached ordinance authorizing the additional expenditure of \$214,199.02 for the August 12, 2016, emergency environmental response.