



MEMORANDUM

Date: January 6, 2026

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso
City Manager

From: Matt Willman
Utilities Director

Subject: **Approving the Transfer of Funds (\$2.6M) from Project SE35032301 Pump Station R Rehabilitation to Project SE35042006 Solids Dewatering System Upgrade. Grant Funding Has Been Earmarked to this Project for Multiple Years With \$8.3M Needed. The Transfer of \$2.6 Added to the Existing Budget Will Provide the Total Amount Needed to Advertise and Bid the Project (File ID: 25-4880)**

Introduction

Approving the Transfer of Funds (\$2.6M) from Project SE35032301 (Pump Station R Rehabilitation) to Project SE35042006 (Solids Dewatering System Upgrade) at the WWTP. Grant Funding of \$3M has Been Acquired for this Project Over Multiple Years With \$8.3M Needed. The Transfer of \$2.6 Added to the Existing Budget Will Provide the Total Amount Needed to Advertise and Bid the Project.

Background

The Belt Filter Press is a part of the Solids Dewatering process of the Wastewater Treatment Plant (WWTP). The press separates the sludge from the fluids; the water is processed further and eventually pumped into the deep wells, the sludge is then hauled to the mainland. This piece of equipment is original to the plant and has reached its life expectancy and needs to be replaced soon. New equipment should be more efficient in reducing the moisture content thus reducing sludge hauling fees following the upgrade. Task Order approved via Resolution 19-077 initiated the effort of replacement suggesting the equipment was at the end of its useful life then, nearly 7 years ago.

Procurement

The City has accumulated multiple years of Stewardship funding to be applied toward the project. However, if we were to stay the course at this rate it could be a few more years until the full amount (\$8.3M) for construction is collected. This could jeopardize the operation if the SDW system failed prior to being funded.

The rehabilitation of Pump Station R (PS R) is fully funded at \$3,000,000 and is not as critical to the operation as the Solids Dewatering process is. The funding of PS R can be replenished by a Utility Bond later in FY 26, only delaying the rehabilitation of the station by 6 months or so.

A transfer from PS R to SDW is recommended.

Recommendation

The City Manager's Office recommends the Mayor and Commission approve the resolution authorizing the City Manager and Finance Director to transfer funds of \$2,600,000 from SE35032301 (PS R) 4013503-5356500 to SE 35042006 (SDW) 4013504-5356500.

And to seek & procure financing to replenish an appropriate amount back to the PS R project.