

CITY COUNCIL

READ FILE COVER SHEET

Subject: **Ordinance 1148 concerning Approving Budget Amendment
2024-10 for Sewer Camera**
(Public Hearing & 2nd Reading)

Date: **4/16/2024**

Notice: Any comments made after 5:00 p.m. on the Thursday before the Council Meeting will not be seen in the agenda packet.

- Purpose:
- FYI
 - Read and Comment as Needed**
 - Action Required by May 6, 2024**
 - In Confidential File Drawer

Approve:

Johnny Boker Yes No No Comment
Comment: _____

Casi Boyer Yes No No Comment
Comment: _____

Vicki Jones Yes No No Comment
Comment: _____

Jim Ringsaker Yes No No Comment
Comment: _____

Jason Robertson Yes No No Comment
Comment: _____

Tammy Lynn Schneegas Yes No No Comment
Comment: _____

Note: N/A

CITY COUNCIL
OF
HAVRE DE GRACE, MARYLAND
ORDINANCE NO. 1148
BUDGET AMENDMENT 2024-10

Introduced by _____ Council Member Robertson _____

AN ORDINANCE BY THE MAYOR AND CITY COUNCIL OF HAVRE DE GRACE BY THE AUTHORITY OF ARTICLE XI-E OF THE MARYLAND CONSTITUTION, THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND SECTION 37 OF THE HAVRE DE GRACE CITY CHARTER FOR THE PURPOSE OF AMENDING THE CITY BUDGET FOR FISCAL YEAR 2024, TO ADDRESS ADDITIONAL ALLOCATION OF FUNDS FOR THE CITY OF HAVRE DE GRACE FOR FISCAL YEAR 2024

On: April 15 2024
at: 7:00 p.m.

Ordinance introduced, read first time, ordered posted and public hearing scheduled.

PUBLIC HEARING

A Public Hearing is scheduled for May 6, 2024 at 7:00 p.m.

EXPLANATION
Underlining indicates matter added to existing law.
[Bold Brackets] indicate matter deleted from existing law.
Amendments proposed prior to final adoption will be noted on a separate page with line references or by handwritten changes on the draft legislation.

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Exhibit A



INTER-CITY MEMORANDUM

To: City Council President James E. Ringsaker, Jr.
From: Mayor William T. Martin
Date: 3/27/2024
RE: Proposed Budget Amendment 2024-10

The City's sewer camera has become unusable and must be replaced, see the attached internal correspondence. The City has identified a replacement camera for \$81,279.

Additionally, the City is undergoing preliminary engineering for the Pump Station and Main at Gashey's Creek. Due to anticipated delays in shipping material and vendor availability, we do not anticipate having this project completed in this fiscal year. The project has an authorized budget of \$500,000 with \$428,000 unencumbered to-date.

I am therefore requesting that we increase the Water Distribution Capital Assets, Account 09-1232-6501, by \$81,300 to authorize the acquisition of the replacement camera. To fund this request, I am requesting a decrease of \$81,300 to the Gashey's Creek Pump Station and Main project, account 09-1232-9064.

Please contact George DeHority or EJ Millisor if you have any questions or require additional information regarding this budget amendment request.

3/27/24, 10:45 AM

City of Havre de Grace Mail - Request for Replacement Sewer Camera



The City of Havre de Grace

George DeHority <georged@havredegracemd.com>

Request for Replacement Sewer Camera

1 message

EJ Millisor <ejm@havredegracemd.com>

Mon, Mar 25, 2024 at 2:38 PM

To: George DeHority <georged@havredegracemd.com>

Cc: Jeff Keithley <jeffk@havredegracemd.com>, Michele Widman <michelew@havredegracemd.com>, Nick Muzaca <nickm@havredegracemd.com>, Christopher Ricci <chrisr@havredegracemd.com>

Hi George,

Recently the city's sewer camera malfunctioned where the lights wouldn't come on, it wouldn't reverse, and the camera wouldn't shut down until it died, which made it highly difficult to retrieve underground without causing further damages. Upon trouble shooting with a third party contractor, the cost of repairs, downtime to fix, and software needed to upgrade makes our camera obsolete and cost prohibitive to repair. Without a sewer camera underground utility locating requires guesswork which may result in future damages with ongoing underground utility projects citywide.

Due to budgetary constraints, I am requesting fund 9 transfer \$23,117.79 this year for a replacement lease to own sewer camera which will have to be paid over a few year period. The capability of this new camera will be a dual asset for stormwater culverts and wastewater, to trace long runs of sewer mains/culvers block-to-block to troubleshoot repairs or video inspections, locate blockages, and determine who is responsible to fix the problems underground.

Thank you for your consideration.

Respectfully,
EJ

EJ Millisor
Director of Public Works
City of Havre de Grace
313-919-8865 (cell)
410-939-1800 x1107 (office)



Due to Financing Rate and the current Debt levels, the City has determined that purchase is the best option, see attached financing schedule


*GD
3/26/24*


Amortization Schedule


Amortization Schedule to Tax-Exempt Lease/Purchase Agreement #16717 Schedule #001

Equipment Cost: \$81,279.00

Payment Number	Due Date	Payment Amount	Interest Portion	Principal Portion	Purchase Price
1	7/1/2024	\$23,522.23	\$1,905.96	\$21,616.27	N/A
2	7/1/2025	\$23,522.23	\$5,301.71	\$18,220.52	\$43,386.26
3	7/1/2026	\$23,522.23	\$3,682.61	\$19,839.62	\$22,615.97
4	7/1/2027	\$23,522.23	\$1,919.64	\$21,602.59	\$0.00

Note:
 Effective Financing Rate = 6.12%


Note # 2
 Financing Agreement calls for \$500
 "Processing Fee". Including Fee
 the effective financing rate = 6.39%


Signature: 
 Signature of Michele Widman
 Title: Procurement Officer

BUDGET AMENDMENT

March 27, 2024

Amendment # 2024-10

SOURCE OF FUNDS

Account Number	Account Title	Amount
	Water & Sewer Fund 9	
Total Sources		\$0.00

USE OF FUNDS

Account Number	Account Title	Amount
	Water & Sewer Fund 9	
09-1232-6501	Capital Expenditures (Sewer Camera)	\$81,300.00
09-1232-9064	Gashey's Creek PS and Main	(\$81,300.00)
Total Uses		\$0.00

REASON FOR ADJUSTMENT

To fund a replacement sewer camera.

AUTHORITY

City Council on 4/15/24.

APPROVAL

MAYOR	_____	Date: _____
ADMINISTRATION	_____	Date: _____
FINANCE	_____	Date: _____