



Nixa Utilities & Public Works
Nixa, Missouri
417.725.2352 www.nixa.com



MEMORANDUM

To: Mayor and City Council
Cc: Jimmy Liles, CA
From: Doug Colvin
Date: 07.19.2021
RE: Second Reading Council Bill #2021-076 - Budget Amendment for Outstanding Invoice from 2014

The attached Bill authorizes a budget amendment in the Water Fund to cover a long outstanding bill for maintenance work on Water Tower #5.

In April of 2014, the City solicited bids to complete maintenance and inspection work to Water Tower #5. Utility Services Co. (USC) was awarded the bid to complete interior inspection and painting as well as touch up work on the rest of the tower. The contractor completed their work and left the job site but failed to meet the standards we expect. City crews had to follow up with cleanup operations such as removing a sand pile left from sandblasting the interior bowl and other job site cleanup. The company also, did not provide an inspection report as required by the contract specifications, nor did they send an invoice for the work.

Through at least October of 2015, Milton Dickensheet had numerous conversations and emails with the company asking for both the report and final invoice in the amount of \$43,340. Mr. Dickensheet also sent a certified letter requesting the same on October 15th of that year. The City had carried over the funds in the 2015 budget anticipating closure of the project and receipt of both the report and invoice. That did not happen.

Fast forward to May 4th of this year when the city received a request from USC for final payment of the outstanding bill. Following several conversations and emails between staff and USC, the company finally sent an invoice, dated October of 2015 along with an after the fact report.

Though the report does not meet the requirements originally set out, we have been advised to make the payment. Because this has not been carried over in the budget since 2015, staff request a budget amendment for the amount so we can close out the issue.

Staff recommends passage of Council Bill #2021-076.

1 **AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING THE**
2 **2021 ANNUAL BUDGET TO APPROPRIATE FUNDING FOR AN OUTSTANDING**
3 **INVOICE FOR MAINTENANCE WORK ON WATER TOWER #5.**
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5
6 **WHEREAS** in April of 2014, the City solicited bids for the maintenance and
7 inspection of Water Tower #5; and
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9 **WHEREAS** Utility Service Co. was awarded the contract to complete the work
10 and did not provide a final invoice for the work; and
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12 **WHEREAS** the City’s repeated requests for Utility Service Co. to provide a final
13 invoice for the work went unanswered; and
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15 **WHEREAS** Utility Service Co., on May 4, 2021, has finally provided a final
16 invoice for the work; and
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18 **WHEREAS** because it was not anticipated that this invoice would be issued, the
19 City does not currently have funds budgeted to pay this invoice; and
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21 **WHEREAS** Section 67.040 RSMo. provides that after a budget has been
22 approved no increase in the revenues or expenditures from any fund shall be made
23 unless the governing body adopts a measure setting forth the facts and reasons making
24 the increase necessary and authorizing the increase; and
25

26 **WHEREAS** Section 8.7 of the City Charter authorizes the City Council to amend
27 budgeted revenues and expenditures upon the request of the City Administrator; and
28

29 **WHEREAS** the City Administrator has requested a budget amendment in the
30 amount of \$45,925.00 and for the purposes contemplated by this Ordinance; and
31

32 **WHEREAS** the City Council desires to amend the City’s 2021 budget for the
33 purposes identified herein.
34

35 **NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF**
36 **NIXA, AS FOLLOWS, THAT:**
37

38 **SECTION 1:** The City of Nixa’s 2021 Annual Budget is hereby amended in the
39 accounts and the amounts as shown on “Council Bill Exhibit A,” which is attached
40 hereto and incorporated herein by this reference.
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42 **SECTION 2:** City Council finds that the budget amendment enacted by this
43 Ordinance has been recommended by the City Administrator. The City Administrator is
44 directed to cause the appropriate accounting entries to be made in the books and
45 records of the City to reflect the budget amendment enacted by this Ordinance.
46

City of Nixa, MO Budget Amendment

<u>Budget Amendment Amount</u>	<u>Fund</u>	<u>G/L Description</u>	<u>G/L Line #</u>	<u>Revenue Source</u>
\$43,340.00	Water	Miscellaneous	02-800-5142500	Current

Explanation: To amend the current budget of the City of Nixa to appropriate funds for Invoice from 2014 that was never received for painting of Water Tower #5

This proposed Budget Amendment has been approved and requested by the City Administrator, pursuant to City Charter section 8.7.

Jimmy Liles, City Administrator

Authorized by Passage of Ordinance No. _____

Date of Passage: _____