Memo to City Council
Date: November 10, 2026
Submitted By: Nate Miller
Asst. Director Nixa Utilities & Public Works

RE: Budget Amendment for Sludge Holding Basin CIP Project

Background:

The Sludge Holding Basin project was included in the city's 2026 Capital Improvement Program (CIP) budget with an allocation of $3,400,000.

Bids for the project were opened on October 18, 2026, with five bids received. The lowest bid was $4,278,000, exceeding the 2026 budgeted amount by $878,000.

Analysis:

Staff is requesting a budget amendment of $878,000 to increase the 2026 project budget to $4,278,000, allowing the city to award the bid and execute a contract.

Although the city's proposed 2027 CIP budget includes $4.3 million for this project, city policy requires the full contract amount to be budgeted before a contract can be awarded and executed.

This amendment is primarily administrative in nature, as significant project expenditures are not anticipated during the remainder of 2026. However, the amendment is necessary to move forward with awarding the project under the city's purchasing and budgeting policies.

Delaying the award and rebidding the project in 2027 could expose the city to higher construction costs. Given current market conditions and continued increases in construction and material costs, staff believes moving forward with the current bid is in the city's best financial interest.

Recommendation:

Staff recommends approval of this budget amendment as presented. No Council vote is requested at this meeting. The proposed ordinance will return to Council for second reading on November 24th.

MEMO PREPARED BY:

Nate Miller | Asst. Director Nixa Utilities & Public Works

417-725-2353

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING THE 2026 ANNUAL BUDGET IN THE AMOUNT OF $878,000.00 TO APPROPRIATE FUNDS FOR A NEW SLUDGE HOLDING BASIN AT THE WASTEWATER TREATMENT PLANT.

WHEREAS Section 67.040 RSMo. provides that after a budget has been approved no increase in the revenues or expenditures from any fund shall be made unless the governing body adopts a measure setting forth the facts and reasons making the increase necessary and authorizing the increase; and

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

WHEREAS the City Administrator has requested a budget amendment in the amount of $878,000.00, as reflected in "Council Bill Exhibit A," for the purposes referenced therein; and

WHEREAS On August 11, 2026, Council authorized the City Administrator to solicit bids for the construction of a new sludge holding basin at the Wastewater Treatment Plant; and

WHEREAS $3,400,000.00 was budgeted as part of the Capitol Improvement Project for 2026; and

WHEREAS the bids came in over budget at $4,278,000.00; and

WHEREAS to stay conforming with the 2026 Capital Improvement Project and City purchasing policies, City Staff is requesting a budget amendment; and

WHEREAS the City Council desires to amend the City's 2026 budget for the purposes identified herein.

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

SECTION 1: The City of Nixa's 2026 Annual Budget is hereby amended in the accounts and the amounts as shown on "Council Bill Exhibit A," which is attached hereto and incorporated herein by this reference.

SECTION 2: The City Council finds that the budget amendment enacted by this Ordinance has been recommended by the City Administrator. The City Administrator is directed to cause the appropriate accounting entries to be made in the books and records of the City to reflect the budget amendment enacted by this Ordinance.

SECTION 3: This Ordinance shall be in full force and effect from and after its final passage by the City Council and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

[Remainder of page intentionally left blank. Signatures follow on next page.]

ADOPTED BY THE COUNCIL THIS _____ DAY OF _____ 2026.

ATTEST:

_____ _____

PRESIDING OFFICER CITY CLERK

APPROVED BY THE MAYOR THIS _____ DAY OF _____ 2026.

ATTEST:

_____ _____

MAYOR CITY CLERK

APPROVED AS TO FORM:

_____

CITY ATTORNEY

Council Bill Exhibit A

Budget Amendment
City of Nixa, MO

Budget Amendment Amount	Fund	G/L Description	G/L Line #	Revenue Source
$ 878,000.00	Wastewater	Capital - Infrastructure	03-900-5452500-WW202401	Current Revenues

Explanation: To amend the current budget of the City of Nixa by $878,000.00, to add to the existing project budget for the construction of a new sludge holding basin.

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: _____

Total Budget Amendments by Department Year to Date:

Electric	$88,906
Water	$39,660
Wastewater	$7,000
ARPA	
Admin	
Legal	
Economic Development	
Police	$83,261
Street	$175,000
Park	$128,851
Planning & Development	
TOTAL	$522,678