

ORDINANCE NO. 7416

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2022-23 OPERATING BUDGET ("BUDGET AMENDMENT NO. 2"); PROVIDING FOR SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE ELECTRIC UTILITY FUND; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council approved the 2022-23 Operating Budget and appropriated the necessary funds out of the Electric Utility Fund for various operations and activities of the City that may be lawfully funded through such source;

WHEREAS, the City Charter provides that the City Council may approve any amendments and supplements to the budget as deemed necessary; and

WHEREAS, the City Council has reviewed and concurred with a Policy Report that establishes the need for change to the appropriation from the Electric Utility Fund;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS, THAT:

Section 1

The City Council hereby authorizes and approves Budget Amendment No. 2, for the purpose and in the amount as shown in Exhibit "A" ("Policy Report"), attached hereto as Exhibit A and incorporated herein by reference.

Section 2

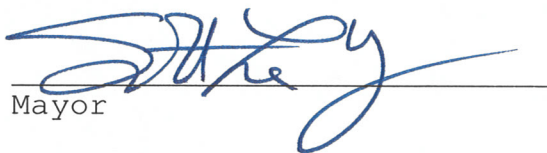
The City Council hereby amends Ordinance No. 7361, Section 1, adjusting the operating appropriation in the Electric Utility Fund in the amount and for the purpose specified in the Policy Report.

Section 3

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

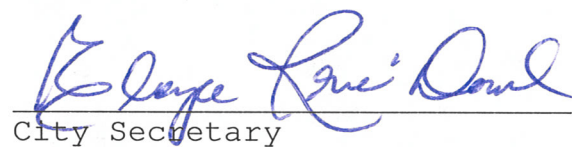
PASSED AND APPROVED this the 4th day of April, 2023.

CITY OF GARLAND, TEXAS

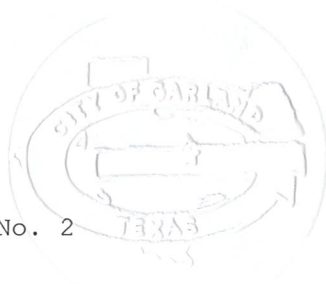


Mayor

ATTEST:



City Secretary





GARLAND POLICY REPORT

City Council Work Session Agenda

Work Session Item 3. b.

Meeting Date: March 20, 2023
Item Title: 2022-23 Budget Amendment No. 2
Submitted By: Allyson Bell Steadman, Budget Director
Strategic Focus Areas: Sound Governance and Finances

ISSUE

Amend the 2022-23 Adopted Budget to appropriate \$4,355,728 in the Electric Utility Fund for GP&L Production to cover additional maintenance and repair costs on the Olinger and Spencer Power Plants.

OPTIONS

- A. Approve 2022-23 Budget Amendment No. 2 as proposed.
- B. Do not approve 2022-23 Budget Amendment No. 2.

RECOMMENDATION

Option (A) – Approve 2022-23 Budget Amendment No. 2 as proposed. An ordinance amending the FY 2022-23 Adopted Budget will be included on the April 4, 2023, City Council Regular Meeting agenda for consideration.

BACKGROUND

Due to the extreme heat experienced last summer, coupled with the Electric Reliability Council of Texas' (ERCOT) move to operate the grid more conservatively, the generating units at the Olinger and Spencer Power Plants operated more frequently and for longer periods of time compared to historical operations. Because of the additional demands and stress placed on these older units, numerous mechanical issues manifested themselves during this last summer. To address these issues, as well as to address ERCOT's plan to continue its conservative operation of the grid, Garland Power & Light is requesting an increase to FY 2022-23 Operating appropriations for the operation and maintenance of the Olinger and Spencer Power Plants.

Additional requested funding includes, but is not limited to, the following repairs: (1) Spencer Unit 5-1 Boiler Feed Pump; (2) Spencer Unit 5-B Forced Draft Fan; (3) Olinger Unit 3B Circulating Water Pump; (4) Olinger Flue Gas-Recirculating Fan Motor; (5) Olinger Unit 3 Generator Hydrogen Seals; and (6) Olinger 50-Ton Crane Hoist. In addition, funds are requested for contractual services to help support operational staffing at the Spencer Power

Plant.

CONSIDERATION

Consider approval of an Ordinance amending the FY 2022-23 Adopted Budget at the April 4, 2023, City Council Regular Meeting. Funding for this request will come from excess fund balance reserves in the Electric Utility Fund following the 2021-22 fiscal year-end.
