



Memphis City Council Summary Sheet

Resolution to accept \$500,000 from Valero Tennessee Refinery to fund a Supplemental Environmental Project (SEP) for the City of Memphis Division of Public Works as part of a Global Legal Settlement between Valero and the EPA.

- The Division of Public Works is requesting that the City Council make a resolution to accept and commit these SEP funds to an existing CIP project to replace the lagoon cover no. 1 at T.E. Maxson Wastewater Treatment Plant for the purpose of hydrogen sulfide and odor control.
- No changes to an existing ordinance or resolution are required.
- An existing contract with Valero will be modified establishing the funding amount and project completion date. A CIP budget amendment will be required.
- Existing CIP funds replaced by the SEP funds will be returned to the Sewer Fund CIP Budget.

RESOLUTION

WHEREAS, the Council of the City of Memphis approved South Plant Expansion Project number SW02033 as part of the Public Works Fiscal Year 2010 Capital Improvement Budget; and

WHEREAS, on September 1, 2009 Council of the City of Memphis approved funding for a construction contract/contingency with Chris-Hill Construction Co., LLC in the amount of \$3,932,605.00 ; and

WHEREAS, the City of Memphis has entered into an agreement with the Valero Tennessee Refinery (VTR), which VTR has agreed to provide funding in the amount of \$500,000.00 for a Supplemental Environmental Project (SEP) for the City of Memphis Division of Public Works as part of a Global Legal Settlement between Valero and the EPA; and

WHEREAS, it is necessary to accept the Local Other Revenue funding in the amount of \$500,000.00 from VTR; and

WHEREAS, it is necessary to amend the Fiscal Year 2010 Capital Improvement Budget by replacing the allocation and appropriation of \$500,000.00 from Sewer Revenue Bonds with Local Other Revenue for the South Plant Expansion, project number SW02033; and

WHEREAS, the original allocation of \$500,000.00 in Sewer Revenue Bonds should remain in project number SW02033 to be used at a future date.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Local Other Revenue funding from the Valero Tennessee Refinery in the amount of \$500,000.00 be accepted by the City of Memphis.

BE IT FURTHER RESOLVED by the Council of the City of Memphis that the Fiscal Year 2010 Capital Improvement Budget be and is hereby amended by replacing the allocation and appropriation of \$500,000.00 from Sewer Revenue Bonds with Local Other Revenue for the South Plant Expansion, project number SW02033.

BE IT FURTHER RESOLVED that the original allocation of \$500,00.00 in Sewer Revenue Bonds remain in South Plant Expansion, project number SW02033 to be used for a future date.