



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of December 11, 2012
Second Reading Ordinance for the City Council Meeting of December 18, 2012

DATE: December 6, 2012

TO: Ronald L. Olson, City Manager

FROM: Pete Anaya, P.E., Director of Planning and Environmental Services
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Ordinance to Amend Capital Improvement Program Budget for Bond 2012 Projects

CAPTION:

Ordinance amending the FY 2013 Capital Improvement Budget adopted by Ordinance No. 029565 to add the voter-approved Bond 2012 projects as listed in Attachment 1; increasing revenues and expenditures in the amount of \$30,674,000.

PURPOSE:

To amend the Fiscal Year 2013 Capital Improvement Program Budget to include the Bond 2012 voter-approved projects as shown in Attachment 1 so work on these projects may begin.

ATTACHMENT ONE SUMMARY:

CIP Fiscal Year 2012 – 2013 is to be amended as follows for the General Obligation Bonds:

Streets:	\$17,662,000
Parks:	4,000,000
Public H & S:	855,000
Public Facilities:	<u>1,298,000</u>
Sub-total:	\$ 23,815,000 General Obligation Funds

A separate agenda item for this week will include a Reimbursement Resolution to reimburse the City for General Obligation Bond expenditures incurred prior to the bonds being sold.

CIP Fiscal Year 2012 – 2013 is to be amended as follows for the associated utility work required:

Water:	\$1,325,000
Wastewater:	1,063,000
Storm Water:	4,281,000
Gas:	95,000
MIS:	<u>95,000</u>
Sub-total:	\$6,859,000 Utility Funds
Total Amendment:	\$30,674,000

An additional \$6,764,000 of utility revenue bonds will be sold in the City's upcoming bond issuance program to cover these programmed costs. MIS costs cannot be paid for with utility revenue bonds and will be the responsibility of the department. Future year expenditures will be included in the FY 2014 Capital Improvement Program Budget as it is developed.

BACKGROUND AND FINDINGS:

On Tuesday, November 6, 2008, the City of Corpus Christi held an election to consider eight ballot propositions to fund major capital improvements for the community, Bond Issue 2012. City voters approved seven of the eight propositions for a total of \$88,010,000 to be funded from ad valorem property taxes (a General Obligation Bond Issue) in Street, Public Health and Safety, Public Facilities, and Parks and Recreation. The projects target the City's most immediate needs to improve existing physical facilities, provide for growth, and protect the City's investment in its infrastructure.

Prior to the election, the city issued Request for Qualification (RFQ) No. 2012-03 Bond Issue 2012 and CIP Projects to solicit firms which would be interested in working on these projects. On November 7, 2012, the results of the RFQ were released and staff began negotiating design contracts for the first fourteen street projects. These contracts are scheduled to come before Council for approval in the January 2013 timeframe.

ALTERNATIVES:

1. Do not amend the Capital Improvement Program (CIP) Budget at this time. Projects would then be delayed and not begin until the Fiscal Year 2013 – 2014 CIP Budget is approved. (not recommended)

OTHER CONSIDERATIONS:

Approving the amendment will allow the projects to move forward as per the proposed Bond 2012 execution schedule and allow for timely completion of the projects.

CONFORMITY TO CITY POLICY:

Conforms to statutes regarding City Ordinances, FY2012-2013 Capital Budget; and is consistent with the City's Comprehensive Plan.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

N/A

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		212,844,400		212,844,400
This item		30,674,000		30,674,000
BALANCE		243,518,400		243,518,400

Comments: Only Year One of the FY 2013 Capital Improvement Program Budget is being amended with this item.

RECOMMENDATION:

City Staff recommends approval of the ordinance to amend the Fiscal Year 2013 Capital Improvement Program Budget so work on the projects may begin.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Attachment One