



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting January 28, 2025
Second Reading Ordinance for the City Council Meeting February 11, 2025

DATE: January 28, 2025

TO: Peter Zaroni, City Manager

FROM: Kevin Smith, Director of Aviation
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<p>Ordinance amending and appropriating funds for the Construction Contract Closeout Audit of Terminal Building Rehabilitation Phase II by Talson Solution, LLC</p>
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CAPTION:

Ordinance appropriating \$50,000.00 from the Airport Unreserved Operating Fund Balance for the Construction Contract Closeout Audit of Terminal Building Rehabilitation Phase II by Talson Solutions, LLC, and amending the operating budget.

SUMMARY:

This is an ordinance to appropriate \$50,000 from the Airport's Operating unreserved fund balance for the audit by Talson Solutions LLC "Construction Contract Closeout Audit" for the Terminal Rehab Building – Phase 2 project and amending the FY 2025 operating budget.

BACKGROUND AND FINDINGS:

The Corpus Christi International Airport was notified in October 2024 of an upcoming audit to be performed by Talson Solutions, LLC for the airport's Terminal Rehab Building (Phase 2) capital improvement project as required by the City's Internal Audit Department's annual work plan. A kick-off meeting occurred on November 11, 2024. The meeting outlined the "Audit Scope Areas", presented the methodology for testing, and provided engagement timelines and milestones. Site visits and interviews were scheduled and completed. The airport provided all requested documentation through City Engineering for upload and presentation to Talson Solutions, LLC by the required deadline. Invoices for services are pending a funding source. Airport operating funds must be used for this audit as federal funds can only be used to cover the cost of a required 'single audit' under accepted government auditing standards and OMB Circular A-133. Furthermore, such audit must be specifically designed to ensure compliance with federal grant requirements and proper use of those funds directly related to the

management and oversight of the federal grant money received by the airport.

ALTERNATIVES:

There is no alternative for this request.

FISCAL IMPACT:

The fiscal impact is amending the Airport's FY25 budget by appropriating \$50,000.00 from the unreserved fund balance and transferring to the Airport Operational Fund.

FUNDING DETAIL:

Fund:	4610
Organization/Activity:	35000
Department:	53
Project # (CIP Only):	N/A
Account:	530000
Amount:	\$50,000

RECOMMENDATION:

Staff recommends approval of this ordinance to amend the Airport's FY25 Budget

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Statement of Work