



AGENDA MEMORANDUM

First Reading for the City Council Meeting of January 26, 2021
Second Reading for the City Council Meeting of February 9, 2021

DATE: January 12, 2021

TO: Peter Zaroni, City Manager

FROM: Jeff H. Edmonds, P.E., Director of Engineering Services
jeffrey@cctexas.com
361-826-3851

Heather Hurlbert, Director of Finance & Business Analysis
heatherh3@cctexas.com
361-826-3227

Amend the Cole Park Pier Funding Allocation

CAPTION:

Ordinance amending Ordinance No. 032311 to increase the appropriation of Type B funding for the Cole Park Pier to \$5,000,000 from the unreserved fund balance of the Type B Sales Tax Fund, decrease the appropriation of the unreserved balance of the General Fund to \$1,527,670, transferring funds in the amount of \$7,777,670 to the Park CIP Fund and amending the budget.

SUMMARY:

The appropriation of additional funds for a total appropriation of \$5,000,000 from the Type B Corporation will provide funding for the reconstruction of Cole Park Pier with significantly improved public amenities.

BACKGROUND AND FINDINGS:

On December 22, 2020, a construction contract was awarded to JM Davidson Ltd. for Cole Park Pier Improvements, located in Council District 2, in an amount not to exceed \$7,542,527 with funding of \$4,415,430 from the Type B Sales Tax Fund, \$1,250,000 from the Community Enrichment Fund, and \$1,877,097 from the General Fund unreserved fund balance. Staff recommended executing a deductive change order to reduce the total funding needed from the General Fund, but this would result in removal of much of the public amenities included in the design.

On January 11, 2021, the Type B Corporation approved additional funding to increase Type B's contribution to this project to \$5,000,000. With the additional contribution from Type B Corporation the project will be able to be built as designed and the contribution from the General Fund unreserved fund balance will decrease to \$1,527,670.

With the appropriation of additional funds from the Type B Corporation, the decreased appropriation of the unreserved balance of the General Fund, the FY20-21 operating budget and capital budget adopted by Ordinance No. 032203 are amended to increase expenditures by \$235,143. Funds totaling \$7,777,670 will be transferred to the Park CIP and budget amended to reflect the total project.

ALTERNATIVES:

City Council could reject the appropriation of funding; however, this would delay the start of Cole Park Pier improvements project and require a deductive change order to remove many of the public facing amenities.

FISCAL IMPACT:

The fiscal impact in FY 2021 is an amount of \$7,777,670 with funding of \$1,527,670 from the General Fund, \$5,000,000 from Type B Sales Tax Fund, and \$1,250,000 from Community Enrichment Fund.

Funding Detail:

Fund:	1146 – Type B – Economic Development
Organization/Activity:	15050
Mission Element:	707
Project # (CIP Only):	18171 Cole Park Pier
Account:	251850 – Appropriable Fund Balance
Amount:	\$5,000,000

Fund:	1020 – General Fund
Organization/Activity:	12920
Mission Element:	141
Project # (CIP Only):	18171 Cole Park Pier
Account:	251850 – Appropriable Fund Balance
Amount:	\$1,527,670

Fund:	4720 – Community Enrichment Fund
Organization/Activity:	4720-13042-141, 4720-21300-141, 4720-21316-141, 4720-21336-141, 4720-21383-141, 4720-21400-141, 4720-21409-141, 4720-21429-141, 4720-21460-141, 4720-21629-141, 4720-21637-141
Mission Element:	141
Project # (CIP Only):	18171 Cole Park Pier
Account:	550030 – Improvements other than Building
Amount:	\$1,250,000.00

RECOMMENDATION:

Staff recommends the approval of \$5,000,000 from the Type B Corporation and decreasing the appropriation amount from the unreserved fund balance of the General Fund to \$1,527,670.

LIST OF SUPPORTING DOCUMENTS:

Ordinance