



Request for City Council Committee Action From the Department of Public Works

Date: March 20, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee
Board of Estimate & Taxation

Subject: Water Division Capital Appropriation Adjustment for Security Improvements

Recommendation:

- a) Amend the 2007 – 2011 Adopted Capital Improvement Program (Resolution 2006R-610) by increasing the 2007 appropriation and revenue source for WTR14 Facilities Security Improvements by \$500,000 and decreasing the 2008 adopted amount by \$500,000. The increase would be applied to the following: \$500,000 to Fund/Agency/Org 7400-950-9535 WTR14 Facilities Security Improvements and revenue source Fund/Agency/Org 7400-950-9535-3846 (Water Revenue Bonds), and
- b) Request that the Board of Estimate and Taxation incur indebtedness and issue and sell additional bonds in 2007 in the amount of \$500,000, the proceeds of which are needed to fully fund WTR14 Facilities Security Improvements in 2007.

Previous Directives:

- December 11, 2006: Resolution 2006R-611, increasing the amount for the Water Division Facilities Security Improvement project (WTR14) in the Water Capital Agency (7400-950-9535) by \$750,000.
- December 11, 2006: Resolution 2006R-610, increasing the amount for the Water Division Facilities Security Improvement project (WTR14) in the Water Capital Agency (7400-950-9535) by \$500,000.
- December 19, 2005: Resolution 2005R-658, initial \$2,000,000 for the Water Division Facilities Security Improvement project (WTR14) in the Water capital Agency (7400-950-9535).

Prepared by: Robert Verke, P.E. Water Capital Principal Engineer 661-4905

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Shahin Rezanian P.E., Director, Water Treatment and Distribution Services

Permanent Review Committee (PRC)	Approval _____	Not applicable	<u> X </u>
Policy review Group (PRG)	Approval _____	Not applicable	<u> X </u>

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Not Applicable
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

Public Works is requesting the appropriation increase as it allows the completion of the WTR14 Facilities Security Improvement work in 2007. The funding increase is necessary to encumber dollars and allow the proper city officials to enter into an installation contract in 2007.

Public Works/Finance Recommendations:

The adopted 2007-2011 capital improvement program anticipates issuing 2008 Water Revenue Bonds for the final \$500,000 needed for the project. However, completing the project in 2008 instead of 2007 would require a re-bid, at an expected increase in cost. We therefore recommend advancing the final \$500,000 in Water Revenue Bonds from 2008 to 2007 in order to encumber and execute the installation contract. No other capital projects will be impacted by this recommendation.

Cc: Shahin Rezania, Public Works
Rhonda Rae, Public Works
Greg Schroeder, Public Works
Mike Abeln, Finance
Roger Simonson, Finance