



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** January 11, 2021
SUBJECT: Ordinance No. 3678, Public Hearing and consideration to approve an amendment to the FY 2020/2021 Adopted Budget.
PRESENTER: Robert Myers, Budget Director

SUMMARY:

The City Council is requested to open a public hearing and receive public comment on amendments to the 2020/2021 Adopted Budget. At the conclusion of the public hearing, Council is requested to consider the approval of Ordinance No. 3678, approving the proposed budget amendments.

GENERAL DESCRIPTION:

The Fiscal Year 2020/2021 Budget was adopted by the City Council on August 17, 2020 and became effective at the start of the fiscal year on October 1, 2020. On December 14, 2020 the City Council approved an amendment to the budget for COVID-19 purchases and the annual encumbrance roll. Since that time, events have occurred that require an amendment to the budget. The changes reflected in this amendment are summarized below.

BUDGET AMENDMENTS:

On November 4, 2020 voters approved the issuance of general obligation debt in the amount of \$49.8 million to fund citywide street improvements. Tonight's amendment is in the total amount of \$16,125,000 to add funding in the amount of \$15,740,000 for new street projects as part of the street bond program and to add additional funding of \$385,000 for the Iron Horse Boulevard Project as part of the street bond program.

The new street projects proposed to be funded in FY 2021 as part of the street bond program include the following:

- Bedford Euless Road - \$3,415,000
- Glenview Drive West - \$4,515,000
- Nor'East Drive - \$1,530,000
- North Hills Drive - \$2,120,000
- Meadow Oak Drive - \$570,000
- Pearl Street - \$690,000
- Southampton Drive - \$1,080,000



- Diamond Loch West Courts - \$130,000
- Stonybrooke Drive - \$870,000
- Nob Hill Drive - \$820,000

Funding from tonight's proposed amendment includes funding for all costs associated with the reconstruction of these streets. Funding for these projects will be available through the planned spring 2021 debt issuance.

In addition to the funding required for these new projects, staff is also requesting changes to the Iron Horse Boulevard Reconstruction project (ST2101) in order to adjust the project based on the receipt of a grant award from the U.S. Economic Development Administration ('EDA'). The project is requested to be split into the Iron Horse Boulevard East project and Iron Horse Boulevard West project for the following amounts.

- Iron Horse Boulevard East project - \$5,275,000
- Iron Horse Boulevard West project - \$4,230,000

The total amount approved in the current budget for the original combined project is \$9,120,000. The proposed split projects reflect an overall increase of \$385,000 from the original combined project. Due to the anticipated timing of the project, staff updated cost estimates to account for inflation in construction expenses. Funding sources for these two projects include \$4,220,000 in grant funds from the EDA, \$1,825,000 in certificates of obligation, and \$3,460,000 in general obligation debt.

The impact of the amendment on the Fiscal Year 2020/2021 Capital Budget is summarized below.

Category	Amended 2020/21	1.11.21 Amendment	Amended 2020/21
Street & Sidewalk	\$14,235,550	\$16,125,000	\$30,360,550
Drainage	450,000	-	450,000
Utility	2,639,906	-	2,639,906
Parks & Recreation	664,000	-	664,000
Aquatic Park	125,000	-	125,000
Facilities	274,400	-	274,400
Major Capital Equipment	643,400	-	643,400
Economic Development	-	-	-
CIP Personnel	353,105	-	353,105
Other	517,511	-	517,511
Total CIP Project Expenditures	<u>\$19,902,872</u>	<u>\$16,125,000</u>	<u>\$36,027,872</u>

In order to amend the budget, the City is required to conduct a public hearing to receive public comments. A notice of public hearing was posted in the Star Telegram on Wednesday, December 30, 2020.



RECOMMENDATION:

Approve Ordinance No. 3678.