

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Budget Amendment for Stagecoach Road Reconstruction Phase II

ORIGINATING DEPARTMENT

Finance

BACKGROUND INFORMATION

Various projects are funded through the Capital Improvement Program (CIP). The CIP is funded through the issuance of revenue bonds, general obligation bonds, and certificates of obligation and can be used only for purposes outlined in the bond covenant.

In July 2013, the council approved staff recommendation to award a contract to McLean Construction for the Stagecoach Road Reconstruction Phase II (CCMR 13-087R).

In October 2014, the council approved staff recommendation to award a contract to Gary W. Purser Construction for the Elms Road Extension Project (CCMR 14-139R).

In March 2015, the council approved additional funding for contingency-related expenditures and change orders for the Stagecoach Road Reconstruction and Elms Road Extension projects (CCMO 15-015).

DISCUSSION/CONCLUSION

The City of Killeen approves the CIP budget along with the Annual Budget and Plan of Municipal Services in September each year. Although staff provides estimates based upon the best information at the time, the budget needs to be amended periodically as more accurate information becomes available. Changes in scope, schedules, or a shortage of funds due to unforeseen circumstances require that a budget amendment be approved by City Council.

Additional funds are needed to complete the Stagecoach Road Reconstruction Phase II project.

FISCAL IMPACT

The 2011 Certificates of Obligation Fund will increase by \$434,000 for Stagecoach Road Reconstruction Phase II to finish the project. Upon approval, changes to the FY 2016 budget are as follows:

Expenditures

Account	Description	Original Budget	Change	Amended Budget
343-3490-800-58-36	Stagecoach	\$3,595,257	\$434,000	\$4,029,257

RECOMMENDATION

Staff recommends that City Council approve the attached ordinance amending the FY 2016 Annual Budget and Plan of Municipal Services increasing the Certificates of Obligation 2011 fund accounts by \$434,000 for the Stagecoach Road Reconstruction Phase II project.