

## CITY COUNCIL AGENDA ITEM

### CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Adoption of Ordinance No. 610 Amending the 2011 Budget for the Roads Capital Fund

**DEPARTMENT:** Administrative Services

**PRESENTED BY:** Debbie Tarry, Assistant City Manager

**PROBLEM/ISSUE STATEMENT:**

In the Adopted 2012-2017 Capital Improvement Plan (CIP) projected 2011 expenditures total \$34,410,533 in the Roads Capital Fund while the current expenditure budget is only \$33,889,151. Since that time there has also been a contract increase, in excess of that estimated in the CIP, for the Richmond Beach Overcrossing Bridge Replacement project that requires an additional \$52,278 increase in the 2011 projections. A budget amendment is required to provide sufficient spending authority to complete project work for 2011 as included in the CIP and the revised Richmond Beach Overcrossing projection.

**RESOURCE/FINANCIAL IMPACT:**

The following table summarizes the change in appropriation and use of fund balance

Fund	Current Appropriation	Proposed Amendment	Proposed Appropriation	Current Budgeted Use of Fund Balance	Revenue Adjustments	Chg in Fund Balance	Resulting Use of Fund Balance
Roads Capital Funds	\$ 33,889,152	\$ 573,679	\$ 34,462,831	\$ 3,986,940	\$ 1,046,304	\$ (472,625)	\$ 3,514,315
All Other Funds	\$ 50,301,183	\$ -	\$ 50,301,183	\$ 6,702,988	\$ -	\$ -	\$ 6,702,988
<b>Total City</b>	<b>\$ 84,190,335</b>	<b>\$ 573,679</b>	<b>\$ 84,764,014</b>	<b>\$10,689,928</b>	<b>\$ 1,046,304</b>	<b>\$ (472,625)</b>	<b>\$ 10,217,303</b>

**RECOMMENDATION**

Staff recommends that Council approve Ordinance No. 610, amending the 2011 budget.

Approved By:

City Manager City Attorney 

## **INTRODUCTION**

Council adopted the 2012-2017 Capital Improvement Plan (CIP) on June 27, 2011. Along with the six-year forecast, the CIP included current year (2011) projections for both expenditures and revenues for the capital funds. In the Adopted 2012-2017 CIP the Roads Capital Fund projected expenditures total \$34,410,533 while the current expenditure budget is only \$33,889,151. A budget amendment is required to provide sufficient spending authority to complete project work for 2011 as included in the CIP.

## **BACKGROUND**

During the development of the 2012-2017 CIP staff reviewed the 2011 estimated expenditures and revenues of capital. Keeping the total project budget whole, estimated expenditures and revenues are either moved ahead into the current year if needed or pushed out into the future to be used as the projects progress. The proposed 2012-2017 CIP included current year estimates for current and new projects where work would occur during 2011. Several projects within the Roads Capital Fund were projected to either spend more or less than originally expected than when the 2011 budget was developed. Ordinance No. 610 will adjust the 2011 appropriation for these projects to provide funding as presented in the 2012-2017 CIP.

### **Budget Amendment**

Ordinance No. 610 will support the current year CIP budgets for the following capital projects in the Roads Capital Fund.

*Traffic Safety Improvements:* The appropriation will increase from \$190,000 to \$200,000. The additional funding is required to complete the 2011 work plan. Available fund balance will be used to fund this increase.

*Traffic Signal Rehabilitation Program:* The appropriation will increase from \$150,000 to \$160,000. The additional funding is required to complete the 2011 work plan. Available fund balance will be used to fund this increase.

*Briarcrest Safe Routes to School:* This is a new project that was not included in the adopted 2011 budget. The City has been awarded a grant that will fund approximately 89% of the project. Work will begin in 2011 and be completed in 2012. The requested appropriation for 2011 is \$50,000. This will be funded totally by the grant.

*Aurora Avenue North Improvements 165th – 185th:* The 2011 appropriation will be increased from \$10,418,858 to \$12,592,501. Construction costs have been higher than originally expected due to required change orders. On April 25, 2011, Council authorized the City Manager to increase the Marshbank Construction, Inc. contract due to weather conditions, the replacement of a leaking water main, removal of contaminated material, and design modifications to the Seattle City Light infrastructure. The additional appropriation will be funded with grant and utility reimbursements.

*Aurora Avenue North Improvements 185th to 192nd:* The 2011 appropriation will be reduced from \$11,365,641 to \$10,923,016. The cost of real estate acquisition has been

less than originally estimated. This will result in a reduction in the amount of fund balance required to fund this project.

*Aurora Avenue North Improvements 185th to 192nd:* The 2011 appropriation will be reduced from \$8,232,587 to \$6,839,923. Project design work will occur in future years. A corresponding amount of grant funding will be reduced.

*Annual Sidewalk Improvements:* The 2011 appropriation of \$50,000 will be eliminated as this project has been removed from the CIP and incorporated into the Traffic Safety Improvements project.

*Richmond Beach Overcrossing:* The 2011 appropriation of \$1,035,397 will be increased to \$1,250,722 to cover additional costs necessary to complete the project. On May 9, 2011, Council authorized the City Manager to execute a supplement to the professional services contract with KBA for construction management and inspection services. On July 25<sup>th</sup>, Council is also being asked for authorization to increase the construction contract amount and contingency. The additional appropriation will be covered by grant reimbursements.

#### **ALTERNATIVES ANALYZED:**

##### **Alternative 1: Take no action.**

If the Council chose not to approve this budget amendment project work would not occur as planned in the CIP and the total project budgets would be less than required to complete as designed.

##### **Alternative 2: Approve Ordinance No. 610 (Recommended)**

Approval of ordinance No. 610 will provide the budget authority for the completion of the work that was planned to occur during 2011 and would keep the total project as planned in the CIP. Also, the budget amendment will result in accurately reflecting the anticipated expenditures in the Roads Capital Fund

#### **COUNCIL GOAL(S) ADDRESSED**

Adoption of Ordinance No. 610 will support Goal No. 2 – Provide safe, efficient and effective infrastructure to support our land use, transportation and surface water plans and Goal No. 4 – Construct the Aurora Improvements from 165<sup>th</sup> to 205<sup>th</sup> Streets

#### **RESOURCE/FINANCIAL IMPACT**

The chart below details the changes to each project in the Roads Capital Fund.

City of Shoreline 2011 Capital Improvement Plan Program Summary Roads Capital Fund				
Project	2011 Budget	2011 Projected	Budget Amend	Revenue Source
<b>Expenditures</b>				
<b>REPAIR AND REPLACEMENT</b>				
<b>Pedestrian / Non-Motorized Projects</b>				
Curb Ramp, Gutter & Sidewalk Program	\$267,233	\$267,233		
Traffic Safety Improvements	\$190,000	\$200,000	10,000.00	Fund Balance
<b>System Preservation Projects</b>				
Annual Road Surface Maintenance Program	\$970,033	\$970,033		
Traffic Signal Rehabilitation Program	\$150,000	\$160,000	10,000.00	Fund Balance
<b>CAPACITY CONSTRUCTION</b>				
<b>Pedestrian / Non-Motorized Projects</b>				
Briarcrest Safe Routes to School		\$50,000	50,000.00	Grant
<b>Safety / Operations Projects</b>				
Aurora Avenue North 185th - 192nd	\$11,365,641	\$10,923,016	(442,625.00)	Fund Balance
Aurora Avenue North 192nd - 205th	\$8,232,587	\$6,839,923	(1,392,664.00)	Grants
<b>NON-PROJECT SPECIFIC</b>				
General Fund Cost Allocation Overhead Charge	\$44,604	\$44,604		
Roads Capital Engineering	\$200,000	\$200,000		Fund Balance
Transportation Master Plan Update	\$159,365	\$159,365		
<b>Projects to be completed in Current Year (2011)</b>				
Annual Sidewalk Improvements	\$50,000		(50,000.00)	Fund Balance
Aurora Avenue North 165th - 185th	\$10,418,858	\$12,592,501	2,173,643.00	Grants/Reimbursements
Neighborhood Traffic Safety Program (NTSP)	\$161,657	\$161,657		
Richmond Beach Overcrossing 167AOX	\$1,035,397	\$1,250,722	215,325.00	Grants
Sidewalks - Priority Routes	\$524,780	\$524,780		
Transportation Planning Program	\$119,000	\$119,000		
<b>Total Expenditures</b>	<b>\$33,889,155</b>	<b>\$34,462,834</b>	<b>573,679.00</b>	

### RECOMMENDATION

Staff recommends that Council approve Ordinance No. 610, amending the 2011 budget.

Approved By:      City Manager \_\_\_\_ City Attorney \_\_\_\_

Attachment A – Ordinance No. 610 Amending the 2011 City Budget

## ORDINANCE NO. 610

### AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING THE 2011 BUDGET BY INCREASING THE APPROPRIATION TO THE ROADS CAPITAL IMPROVEMENT PLAN

WHEREAS, the 2011 Budget was adopted in Ordinance 585 and amended by Ordinances No. 600 and 603; and

WHEREAS, the 2012-2017 Capital Improvement Plan (CIP) was adopted by Ordinance No. 607 on June 27, 2011 and included estimates for continuing and new projects where work would occur during 2011; and

WHEREAS, the adopted 2012-2017 CIP projected expenditures totaled \$34,410,533 in the Roads Capital Fund for 2011 and the current Budget allocates \$33,889,151; and

WHEREAS, an adjustment of the current year Budget appropriation for these projects is needed for the completion of the work that was planned to occur during 2011; and

WHEREAS, the City of Shoreline is required by RCW 35A.33.00.075 to include all revenues and expenditures for each fund in the adopted budget; now therefore

### THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1. Amendment.** The City hereby increases the 2011 Budget Roads Capital Fund appropriation in the Fund Appropriation Table of Section 1 of Ordinance No. 603 from \$33,889,152 to \$34,462,831 and the total funds appropriation to \$84,764,014 as follows:

General Fund	\$33,169,072	
Street Fund	\$2,552,749	
Code Abatement Fund	\$100,000	
State Drug Enforcement Forfeiture Fund	\$12,000	
Federal Drug Enforcement Forfeiture Fund	\$18,000	
Public Arts Fund	\$99,416	
Revenue Stabilization Fund	\$605,000	
Federal Treasury Forfeitures Fund	\$25,000	
General Capital Fund	\$4,292,849	
City Facility-Major Maintenance Fund	\$276,303	
Roads Capital Fund	\$33,889,152	<u>\$34,462,831</u>
Surface Water Utility Fund	\$5,450,147	
Vehicle Operations/Maintenance Fund	\$191,563	
Equipment Replacement Fund	\$134,199	
Unemployment Fund	\$15,000	
Unlimited Tax GO Bond 2006	\$1,695,050	
Limited Tax GO Bond 2009	\$1,662,267	
Total Funds	<del>\$84,187,767</del>	<u>\$84,764,014</u>

**Section 2.** Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

**ADOPTED BY THE CITY COUNCIL ON JULY 25, 2011.**

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Keith A. McGlashan, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott Passey  
City Clerk

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Ian Sievers  
City Attorney

Date of Publication:           , 2011  
Effective Date:                           , 2011