

AGENDA



Thursday, January 27, 2011

Budget**Item No. 6****RECOMMENDATION FOR COUNCIL ACTION**

Subject: Approve an ordinance amending the Fiscal Year 2010-2011 Public Works Department Capital Budget to increase appropriations by: \$27,260,000 for pedestrian-related improvements, Americans with Disabilities Act improvements, bikeway projects, and the Boardwalk Trail over Lady Bird Lake, and \$9,750,000 for street reconstruction for a total increase of \$37,010,000; and amending the Fiscal Year 2010-2011 Transportation Department Capital Budget to increase appropriations by: \$16,975,000 for mobility improvements and \$2,305,000 for traffic signal projects, for a total increase of \$19,280,000. These increases are to initiate projects authorized by the November 2010 Bond Election.

Amount and Source of Funding: Funding in the amount of \$56,290,000 will be provided by the future issuance of Public Improvement Bonds, approved by the voters on November 2, 2010. Related to Item # 7.

Fiscal Note: A fiscal note is attached.

For More Information: Mike Trimble, Capital Planning Officer, 974-3442; Howard Lazarus, Public Works Director, 974-7190; Rob Spillar, Transportation Director, 974-2488.

City of Austin voters approved Proposition 1 authorizing \$90 million of General Obligation Bonds to fund capital improvement projects and programs in the November 2010 Bond Election. This budget amendment, in the amount of \$56,290,000, provides funding for work to begin on many of the projects included in the program. The remaining funding will be submitted for approval by Council as part of the annual capital budget process.

This budget amendment includes the following amounts:

Public Works Department: \$27,260,000 for pedestrian improvements, Americans with Disabilities Act improvements, bikeway projects, and the Boardwalk Trail over Lady Bird Lake, and \$9,750,000 for street reconstruction.

Austin Transportation Department: \$16,975,000 for mobility improvements, and \$2,305,000 for traffic signal projects.

The \$56.29 million budget amendment is based on the projected amount of funds that will be obligated in Fiscal Year 2010-11, in order to have appropriations in place for the full amount of a contract before it is awarded.

A reimbursement resolution is also included as a separate, but related, item on this Council agenda. A reimbursement resolution is required by federal and state law whenever a bond issuer plans to use bond proceeds to retroactively reimburse itself for expenditures already incurred. The use of reimbursement resolutions is approved in the City's financial policies and allows the City to start projects to be funded with bonds in advance of the City's next scheduled general obligation bond sale. The City typically schedules its annual issuance of general obligation debt in August to coordinate with the budget cycle.