

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

8/18/11
WPD

SUBJECT: Approve an ordinance amending the Fiscal Year 2010-2011 Watershed Protection Department Capital Budget (Ordinance No. 20100913-003) to increase appropriations by \$2,000,000 for the Little Shoal Creek Tunnel.

CURRENT YEAR IMPACT:

Project Name:	Little Shoal Creek Tunnel
Project Authorization:	2010-2011 Capital Budget
Funding Source:	Cost Participation Agreement
Fund/Dept/Unit:	4850 6307 NEW

Current Budget	0
Unencumbered Balance	0
This Action	<u>2,000,000</u>
Estimated Available	<u>2,000,000</u>

ANALYSIS / ADDITIONAL INFORMATION: Approval of this budget amendment will make funds available for the Little Shoal Creek Tunnel project.

The International Bank of Commerce is the owner of, and desires to redevelop, lots 1 through 8 of Block 51, located at the northeast corner of the intersection of 5th Street and Nueces Street, as mixed-use development. Redevelopment of this property requires the relocation of the Little Shoal Creek Tunnel, which runs through the lots and under several existing structures. The International Bank of Commerce is contributing \$2 million to the City via a Community Facilities Agreement for the construction of the relocation of the Little Shoal Creek Tunnel into Nueces Street from West 5th Street to West 8th Street. The relocation and upgrading of this storm drain tunnel is part of the Watershed Protection Department's long-range plans and this developer contribution allows the work to be done now rather than at a future date.

The financial support from IBC is in the form of a Letter of Credit. The City will regularly submit draws against the Letter of Credit as the project progresses and IBC will promptly provide payment to the City.