



Meeting Date: March 6, 2017

Consent Docket Item: 4f

Report No.: CC-17-30

Department: Transportation

Subject: Transportation Improvement Fund (1/2 cent Sales Tax) Budget Amendment

Budget Impact: The proposed budget amendment increases funding for the pavement management program and removes funding from bridge repair/replacement projects as follows:

- 17TR01260-54009: Pavement Management (+\$947,717);
- 14TR03260-54009: Bridge Repair/Replacement Construction (-\$1,300,000);
- 14TR03260-54014: Bridge Repair/Replacement ROW (-\$2,000,000).

Prior Council Action or Part of an Approved Project: Yes

Related Items: [CC-17-08](#) Revised FY17 Pavement Management Program Project Recommendations
[CC-16-112_PMS_Rec.pdf](#) FY17 Pavement Management Program Project Recommendations

Alternatives:

1. Approve the proposed budget amendment. The actual budgeted amount for pavement management in FY17 (\$1,448,457) is \$947,717 less than what was reported to the Council in the revised pavement management report. The proposed budget amendment must be approved in order to implement the full revised FY17 pavement management program as approved by the Council. In addition to full implementation of the revised FY17 pavement management program, approval of the budget amendment will open up funds for other potential sales tax projects. However, the bridge projects will be deferred until adequate funding is available in the Transportation Fund or another funding source is identified.
2. Do not amend the budget. The FY17 pavement management program will have to be scaled back to the actual budgeted amount (\$1,448,457). The bridge projects will remain funded at the budgeted levels. The funding amounts contained in the bridge project accounts are rough estimates and were budgeted as placeholders. If the budget is not amended, the available balance in the Transportation Fund is expected to drop below zero based on year-end projections. When the available balance drops below zero, approved projects can't be funded and will be put on hold until available balance is an amount greater than zero. Simply stated, as it stands at this time, the budgeted expenditures for FY17 in the Transportation Fund exceed the beginning year fund balance plus projected revenues.

3. Amend the budget to allow for the full implementation of the revised FY17 pavement management system (add \$947,717 to pavement management) and to maintain a positive balance in the Transportation Fund. The current projections indicate that the available balance at year end will be approximately negative \$440,000. This alternative will require a \$1,400,000 decrease in funding for the bridge projects.

Recommendation: It is recommended that the Council approve the proposed budget amendment.

Prepared by: Sharla Lovern, Interim Transportation Director

Reviewed by: Dan Blankenship, Deputy City Manager

Submitted by: Norman McNickle, City Manager