

BOARD OF ALDERMEN

ITEM NO. C(5)

AGENDA ITEM ABSTRACT

MEETING DATE: October 3, 2006

TITLE: A Request to Approve a Budget Amendment

DEPARTMENT: Management Services	PUBLIC HEARING: YES ____ NO <u>x</u>
ATTACHMENTS: A: Capital Project Ordinance	FOR INFORMATION CONTACT: L. Bingham Roenigk, 918-7439

PURPOSE:

The Board of Aldermen, at its regular meeting on June 27, 2006, authorized the Town Manager to execute a contract with Stewart, Cooper, Newell Architects for the design and construction management/contract administration services for Fire Station #2. Prior to executing a contract with the architectural firm, a project ordinance must be adopted. The Board is requested to establish a project budget for Fire Station #2 to be financed with installment financing proceeds.

INFORMATION:

The project budget proposed in the capital project ordinance is: \$2,749,703. This is \$224,878 higher than originally estimated in the FY06-07 CIP. The increase reflected will support increased anticipated costs for architectural services and increased costs for computer and phone technology upgrades needed as a result of Fire Station #2. The actual cost for construction, contingencies, and even technology will not be known until Phase I of the architectural study is done. At a later date, this information will be presented to the Board and any amendments to the project budget will need to be approved by the Board.

FISCAL IMPACT:

The true fiscal impact of the project budget for Fire Station #2 is indicated in debt service costs. At this time, projected debt service is : \$318,538 beginning in FY07-08, based on a fifteen-year loan schedule at 5%.

STAFF RECOMMENDATION:

Approve budget amendment as requested.