

INTEROFFICE MEMORANDUM

June 20, 2011

MEMO TO: J. Russell Allen
City Manager

FROM: Stephen Bentley, Capital Improvement Program Manager
David Erwin, Assistant Controller

SUBJECT: Budget Note 36 – CIP Technical Correction - Remote Operations Initiatives
Phase 1 CIP Budget

The City's Remote Operations initiatives include the planning, acquisition and development of new multi-departmental operations centers and the improvements to those existing. The locations are geographically distributed to address the City's growth and service needs. Five Remote Operations locations are part of the overall initiative. These locations include Marsh Creek, Mt. Herman, Downtown, Northeast and Wilders Grove.

In FY2009, FY2010, and FY2011 the Council adopted a capital budget of \$144,371,020 to complete phase 1 of the remote operations facilities. Currently, \$52,005,839 of this total has been authorized for expenditure, supported mainly by an August, 2010 bond sale and a federal grant award, leaving \$92,365,181 on the ledger for remaining phase 1 projects. Based on our consultant's most recent updated estimates, the total proposed budget for phase 1 work, excluding the \$52,005,839 already authorized, is \$98,089,943. The incremental amount of \$5,724,762 is proposed to be budgeted in FY12.

The current version of the proposed CIP document included the full \$98,089,943 in the CIP's phase 1 given that this amount still requires further funding authorization. Given, however, that the amounts remain as active budgets on the City's books, it is appropriate to modify the CIP schedule to reflect only the incremental additional budget needed.

The adjustment of the original CIP is being proposed as a technical adjustment to the final adopted CIP document, summarized as follows:

Bond Funded Facilities, Major Construction	2011-12	2012-13	2013-14	2014-15	2015-16	Phase I Summary	Phase II Summary
Remote Operations Center, Downtown	\$ 2,481,035	\$ -	\$ -	\$ -	\$ -	\$ 2,481,035	\$36,569,621
Remote Operations Mt. Herman	647,584	-	-	-	-	647,584	60,565,447
Remote Operations Northeast	983,636	-	-	-	-	983,636	3,370,724
Marsh Creek Maintenance Facility	1,612,507	-	-	-	-	1,612,507	12,892,140
Remote Operations Wilder's Grove	-	-	-	-	-	-	24,210,064
Subtotal, Bond Funded Facilities, Major Construction	\$ 5,724,762	\$ -	\$ -	\$ -	\$ -	\$ 5,724,762	\$ 137,607,996

All corresponding CIP totals will also be updated in the final CIP and operating budget documents and ordinances.