

SUMMARY REPORT TO MANAGER
For City Council Meeting of April 24, 2006

SUBJECT: Setting a public hearing to amend the 2005-06 Major Street Fund budget.

INITIATED BY: Bradd Maki, Assistant City Engineer *BAM*

RESOLUTION SUMMARY:

Resolution to set a public hearing for Monday, May 8, 2006 on the proposal to amend the 2005/06 Major Street Fund budget to increase revenues to recognize a \$90,000 transfer from the Local Street Fund, and to increase appropriations by the same to fund unanticipated construction costs on the North Saginaw Road Reconstruction project.

ITEMS ATTACHED:

1. Letter of Transmittal
2. Resolution
3. Location Map

CITY COUNCIL ACTION:

3/5 affirmative vote required for adoption



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TO: Karl S. Tomion, City Manager
FROM: Bradd Maki, Assistant City Engineer *BDM*
DATE: April 21, 2006
SUBJECT: Fund Transfer between the Local and Major Street Funds

On January 23, 2006, the City Council approved an agreement with MDOT to reconstruct N. Saginaw Road from Drake Street to Perrine under which we received a \$375,000 grant.

The total estimated cost for this project is \$1,180,000. The City contribution would be the balance of the grant contribution and the total project cost, or \$805,000.

The total project costs are estimated to be greater than originally anticipated due to inflationary construction cost increases, higher costs for consultant services than anticipated, and the need to accommodate an adequate reserve for contingencies. Currently, the City has budgeted \$715,000 toward the total cost of this project. The estimated additional costs of \$90,000 will be required to complete the N. Saginaw Road Reconstruction project.

The City received a favorable bid for the Local Street Sturgeon Creek Parkway Project. This will allow the City to reduce expenditures in the Local Street Fund by \$90,000.

We recommend that the City Council schedule a public hearing on a budget amendment for the 2005-06 fiscal year that:

- Reduces Local Street funding for the Sturgeon Creek Parkway project by \$90,000, and
- Increases Major Street funding for the N. Saginaw Road project by \$90,000.

A resolution scheduling the public hearing is attached for your consideration.



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BY COUNCILMAN

RESOLVED, that in accord with Section 11.6 of the Charter of the City of Midland, a public hearing shall be conducted at 7:00 p.m., Monday, May 8, 2006, in the Council Chambers of City Hall on the proposal to amend the 2005/06 Major Street Fund budget to increase revenues by \$90,000 to recognize a transfer from the Local Street Fund, and to increase appropriations by the same to fund unanticipated construction costs on the North Saginaw Road Reconstruction project.

YEAS:

NAYS:

ABSENT:

I, Selina Tisdale, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all of the Councilmen present at a regular meeting of the City Council held Monday, April 24, 2006.

Selina Tisdale, City Clerk

