

**Parks, Recreation and Cultural Services
Memorandum #7-2011**

DATE: May 26, 2011

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: William A. Simmons, City Manager *WAS*
Amanda J. Peterson, Director of Parks, Recreation & Cultural Services *ajp*
Shawn Cordsen, Finance Director *SC*

SUBJECT: CR- 53 Recreation Center Rehabilitation Project Grant Acceptance
CB-1753 Recreation Center Rehabilitation Project Appropriation
Amendment & Supplemental Appropriation

RECOMMENDATION: Staff recommends approval of the attached Resolution and Ordinance, which would 1) accept grant funding in the amount of \$500,000, 2) approve a Supplemental Appropriation to appropriate those funds in the Capital Projects Fund and 3) approve an Appropriation Amendment in the amount of \$700,000 in the Conservation Trust Fund for the purposes of replacing the roof and the HVAC system at the Recreation Center.

BACKGROUND: As identified previously, the roof and HVAC system at the Recreation Center are in need of replacement. The total cost for these two projects is estimated at \$1,700,000. With the information available at the time of 2011 budget preparation, it did not appear that there were sufficient funds available to complete both projects in 2011. Consequently, funding was appropriated in the 2011 budget in the amount of \$500,000 to replace a portion of the HVAC system (\$225,000 in the Conservation Trust Fund, \$275,000 in the Capital Projects Fund).

An appropriation in the amount of \$1,025,000 was made in 2010 in the Conservation Trust Fund for the purposes of completing all fire code compliance renovations at the Recreation Center. Through CR-141 this bid was awarded to Construction Concepts in the fall of 2010, for a total contract cost (including contingency) of \$433,749.80. This significant savings resulted in an increase in the funds available in the Conservation Trust Fund.

Staff recommended leveraging these savings, along with the funding already budgeted in 2011 for the HVAC system, to seek grant funding to complete both the HVAC and the roof. At the study session on January 20, 2011, Council gave direction to staff to move forward with a grant application to seek the additional funding needed to complete this project, utilizing the savings and budgeted funds as a match. A grant application was submitted to the Adams County Open Space Advisory Board requesting \$500,000 for this project. The grant was recommended by the board to receive full funding, and that recommendation was approved by the County Commissioners on May 11, 2011.

BUDGET/TIME IMPLICATIONS: There are sufficient funds available in the Conservation Trust Fund to allow for an increase in appropriation for the 2011 budget by \$700,000. This leaves an estimated 2011 ending fund balance of approximately \$130,000.

Funding Summary

2011 Adopted Budget , Conservation Trust Fund	\$225,000
2011 Adopted Budget, Capital Projects Fund (ADCO)	\$275,000
2011 Appropriation Amendment, Conservation Trust Fund	\$700,000
<u>2011 Supplemental Appropriation, Capital Projects fund (ADCO grant)</u>	<u>\$500,000</u>
TOTAL	\$1,700,000

The grant agreement must be signed and submitted to Adams County no later than June 27, 2011. The grant is for 29.4% of the total project, up to \$500,000 and does require matching funds of 70.6%, or \$1,200,000 as identified above.

STAFF REFERENCE: Please contact Amanda Peterson at apeterson@northglenn.org or by phone at 303.450.8727 for any further questions.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S BILL

ORDINANCE NO.

No. CB-1753
Series of 2011

Series of 2011

A BILL FOR A SPECIAL ORDINANCE AMENDING THE 2011 BUDGET RECOGNIZING REVENUES AND APPROPRIATING EXPENDITURES BY APPROPRIATION AMENDMENT, FOR THE PAYMENT OF THE COSTS AND EXPENSES OF THE MUNICIPAL GOVERNMENT, AGENCIES AND OFFICES OF THE CITY OF NORTHGLENN, COLORADO, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2011

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT THE 2011 BUDGET SHALL BE AMENDED AS FOLLOWS:

Section 1. Supplemental appropriation.

- (a) **Capital Projects Fund. Amend the 2011 Capital Projects Fund budget to increase estimated revenues in the amount of \$500,000 as follows:**

\$500,000 to record the acceptance of the Adams County Open Space Grant for purposes of replacing the roof and HVAC at the Recreation Center.

Recognize an increase in 2011 Capital Projects Fund restricted fund balance in the amount of \$500,000 represented by the above description.

- (b) **Capital Projects Fund. Amend the 2011 Capital Projects Fund budget to increase appropriations in the amount of \$500,000 as follows:**

\$500,000 to record the use of the Adams County Open Space Grant for purposes of replacing the roof and HVAC at the Recreation Center.

Recognize a decrease in 2011 Capital Projects Fund restricted fund balance in the amount of \$500,000 represented by the above description.

Section 2. Appropriation amendment.

- (a) **Conservation Trust Fund. Amend the 2011 Conservation Trust Fund budget to increase appropriations in the amount of \$700,000 as follows:**

\$700,000 increase to account for the matching funds in association with the acceptance of the Adams County Open Space Grant for purposes of replacing the roof and HVAC at the Recreation Center.

Recognize a decrease in 2011 Capital Projects Fund unassigned fund balance in the amount of \$700,000 represented by the above description.

Section 3. The City Council of the City of Northglenn, Colorado, hereby finds and declares that in making appropriations provided by this ordinance:

- (a) No appropriation for debt service has been reduced or transferred.
- (b) No appropriation has been reduced below any amount required by law to be appropriated.
- (c) No appropriation has been reduced by more than the unencumbered balance thereof.
- (d) In the case of each transfer of all or part of any unencumbered appropriation, such transfer has been requested and approved by the City Manager.
- (e) In the case of each reduction of an appropriation, the City Manager has rendered his report and recommendations thereon and has requested and approved such reduction.
- (f) In the case of the appropriation amendment, the City Manager has certified that there are funds available for appropriation.

INTRODUCED, READ AND ORDERED POSTED this _____ day of _____, 2011.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

PASSED ON SECOND AND FINAL READING this _____ day of _____, 2011.

JOYCE DOWNING
Mayor

ATTEST:

APPROVED AS TO FORM:

JOHANNA SMALL, CMC
City Clerk

COREY Y. HOFFMANN
City Attorney