



Date: March 8, 2011

To: Thomas J. Bonfield, City Manager

Through: Theodore L. Voorhees, Deputy City Manager

From: Joel V. Reitzer, Jr., Director, General Services Department
Al Walker, Sr. Business Services Manager, General Services Department

Re: **FY 2010-11 CIP Budget Amendment Requests for CIP Ordinance #14025**

Executive Summary

The General Services Department requests an amendment to the Capital Improvements Program (CIP) Ordinance #14025 to reallocate authorized and unused funding from the following completed projects to fully fund other capital projects.

- The General Services Department requests an amendment to Ordinance #14025 Section 1 - Culture and Recreation to reallocate a portion of the authorized and unused funding from Bethesda Park, Old Chapel Hill Road Park and Walltown Park Upgrade to fund a new Athletic Court Improvements Project (including tennis and basketball courts) at multiple park locations.
- The General Services Department requests an Impact Fee transfer to reallocate a portion of the authorized and unused Zones 1 and 2 Impact fees and GO Bond funding from Bethesda Park and Old Chapel Hill Road Park along with remaining unallocated Recreation and Open Space funds in Zones 1, 2 and 3 Impact Fees to fund the new DPR Operations Facility.

Recommendation

The General Services Department recommends that the City Council (1) authorize the expenditure of impact fees equally from Zones 1, 2, and 3 for the design and construction of the DPR Operations Facility and (2) adopt an ordinance amending the General Capital Improvement Project Ordinance, Fiscal Year 2010-2011, as amended, the same being Ordinance #14025 for the purpose of adding two new projects – Athletic Courts Improvements (\$607,495.00) and the DPR Operations Facility (\$1,586,545.00).

A summary of all changes for impacted operating funds is shown in the table below:

Athletic Courts Improvements		Re-Allocated Funding
	OCHRP - 2005 GO Bonds	\$109,299.00
	Bethesda Park – 2005 GO Bonds	\$459,200.00

	Walltown Park – 2005 GO Bonds	\$38,996.00
Total		\$607,495.00

DPR Operations Facility		Re-Allocated Funding
	Zone 1 Impact Fees*	\$429,242.00
	Zone 2 Impact Fees*	\$429,242.00
	Zone 3 Impact Fees*	\$429,242.00
	2005 GO Bonds	\$226,639.00
	Friendly Rest Home	\$76,180.00
Total		\$1,586,545.00

*Using an equal amount from each fee zone yields 3x the lowest amount

Background

The Capital Improvement Program (CIP) is a statement of the City of Durham's policy regarding long-range physical development. It is vital to the City because it is the principal planning tool designed to achieve urban growth and development. This program is developed for a six year period and is updated and revised annually. In order to be included in the CIP, the project requires a total expenditure of at least \$100,000 and a useful life of at least 10 years.

By providing a planned schedule, cost estimates, and location of public sector improvements, the Capital Improvement Program provides private sector decision makers with valuable information upon which to base investment decisions. It also provides local elected officials and the public with valuable information concerning proposed public facilities and their associated costs. Ultimately, this coordination of orderly and efficient programs of private and public investment will benefit the City.

Issues/Analysis

1. The Durham Parks and Recreation Department (DPR) has a need for a project to fund the re-surfacing of tennis courts and basketball courts in several City parks. Prior facility assessments noted deficiencies in many courts, and some deficiencies have been included in the ongoing park renovation projects. This project seeks to address the deficiencies that have not been included in a renovation project or were removed from a park renovation project scope because of cost. As funding allows, tennis courts will be re-surfaced at Rock Quarry, Southern Boundaries, and Elmira Parks and basketball courts at Southern Boundaries, Crest St., and C. R. Woods Parks. Design and owner costs will be handled through the General Services Department out of the project budget. Funds available for design and construction total \$607,495.00 and the anticipated time frame for planning, design and construction of these renovations is approximately 12-18 months.
2. DPR is seeking to construct an approximately 10,000-11,000 SF Operations Facility at the site of the existing Friendly Rest Home on Archdale Road in Durham. The estimated cost for design is \$150,000 and the estimated cost for construction is approximately \$1.45 million dollars. The anticipated time frame for planning, design and construction of this new facility is approximately 30-36 months.

Alternatives

The Budget Ordinance Amendment is required in order to proceed with the CIP improvements; therefore, no viable alternatives exist.

Financial Impacts

Athletic Courts Improvements (New)

Project Funding Sources:

OCHRP – 2005 GO Bonds	3000H901-764000-CH100	\$109,299.00
Bethesda Park – 2005 GO Bonds	3000H901-764000-CH080	\$459,200.00
Walltown Park – 2005 GO Bonds	3000H901-764000-CH090	\$38,996.00
Total		\$607,495.00

Funding Uses Summary:

DPR Priority Court Renovations

*Project Budget \$607,495.00

Rock Quarry Tennis	
Southern Boundaries Tennis	
C.R. Wood Basketball	
Southern Boundaries Basketball	
East Durham Basketball	
Lyon Park Basketball	
Forest Hills Tennis	

*Project Budget includes Owner's Expenses that may include but are not limited to Permits, Surveys, Engineering Services and Reviews.

As Funding Allows – Additional Court Renovations

Elmira Tennis	
Northgate Tennis	
Oval Tennis	
Burton Basketball	
Morreene Basketball	
Birchwood Basketball	
Cornwallis Basketball	
East End Basketball	
Elmira Basketball	
Lakeview Basketball	
Old Farm Basketball	
Solite Basketball	

DPR Operations Facility (New)

Project Funding Sources:

DPR Operations Facility		Re-Allocated Funding
Zone 1 Rec Unallocated		\$429,242.00
Zone 2 Impact Fees	3000H000-764000-CH080	\$402,562.00
Zone 2 Rec Unallocated		\$26,680.00
2005 GO Bonds	3000H000-670107-CH090	\$74,213.00
Zone 3 Rec/OS Unallocated		\$429,242.00
2005 GO Bonds	3000H901-764000-CH080	\$148,426.00
Zone 1 Impact Fees Friendly	3307C000-764000-CL002	\$13,333.00
Zone 2 Impact Fees Friendly	3307C000-764000-CL002	\$13,334.00
Zone 3 Impact Fees Friendly	3307C000-764000-CL002	\$13,333.00
COPS Friendly Rest Home	3307C000-764000-CL002	\$36,180.00
Total		\$1,586,545.00

Funding Uses Summary:

Design		\$150,000.00
Construction		\$1,162,710.00
Contingency		\$130,749.00
Other/Owner Costs/Permits		\$143,086.00
Total		\$1,586,545.00

SDBE SUMMARY

There are no SDBE issues with regard to this item.

Attachments:

Ordinance amending the General Capital Project Ordinance, Fiscal Year 2011, the same being Ordinance #14025