

COUNCIL TRANSMITTAL

TO: Rocky Fluhart, *RF*
Chief Administration Officer **DATE:** October 31, 2006

FROM: Rick Graham, Director *RG*
Public Services Department

SUBJECT: Appropriation of Sorenson Unity Center Construction Funds
Budget Amendment #1

STAFF CONTACT: Rick Graham 535-7774
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DOCUMENT TYPE: Budget

RECOMMENDATION: That the City Council appropriate \$4,733,843 in prior year donations and interest earnings earmarked to construct the Sorenson Unity Center.

BUDGET IMPACT: None

DISCUSSION: The City Council was briefed on this issue during the September 15, 2006 Budget Amendment #1 briefing meeting. On September 29, 2006 the Council voted to continue this amendment item to a future Council meeting for consideration to allow time to receive project construction bids and to ensure that adequate funding is available to construct and house the computer clubhouse program within the Sorenson Unity Center.

Project bids have been received and final contract negotiations are proceeding. Though the low bid exceeded the consultant/engineering estimate New Market Tax Credit funding is available to close the final construction cost gap and allow for the construction of two additional classroom spaces that will house the computer clubhouse program within the Center. No additional City funds are needed to construct the project. (A discussion on the New Market Tax Credit funding initiative is scheduled for November 7, 2006.)

So that the project can move forward the Public Services Department requests that the Council appropriate the \$4,733,843 and authorize its use for the construction of the project.

PUBLIC PROCESS: Hearing was held on September 29, 2006.