



City of Grand Island

Tuesday, January 22, 2008

Council Session

Item G15

**#2008-27 - Approving Grant Funding and Related Appropriation
for Hike/Bike Trail Construction**

Staff Contact: Steve Paustian

Council Agenda Memo

From: Steve Paustian, Parks & Recreation Director

Meeting: January 22, 2008

Subject: Approving Grant Funding and Related Appropriation for Hiker/Biker Trail Construction

Item #'s: G-15

Presenter(s): Steve Paustian, Parks & Recreation Director

Background

Before fiscal 2007 ended, the City had been informed of its award of a grant for hike/bike trail development. At the end of fiscal year 2007, The Parks and Recreation Department and City Finance encumbered \$62,000 in the Capital Projects Fund to provide for the required city match. As the U.S. Corp of Engineers had not approved the final disposition of the grant, we were reluctant to put figures in the 2008 budget.

Discussion

The grant award is for funds of \$347,907. Some design work was incurred in 2007, leaving a projected cost to complete of \$374,600 and a remaining encumbrance for this project of \$27,515. Thus, there is no financial impact on the Capital Projects budget, as the grant revenues and encumbrance offset the costs. However, neither the revenue nor appropriation for the trails is in the 2008 budget. At the same time, we have encountered a significant delay in the property acquisition for the Capital Avenue Widening project, which makes it extremely unlikely that anywhere near the \$3.9 million budgeted for that project will be spent in this fiscal year. Therefore, council is asked to approve the appropriation for hike/bike trails of \$348,000 to be funded from unbudgeted grant monies and carryover encumbrance.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve

2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the Resolution to provide the appropriation to spend new grant monies for hike/bike trails, without increasing total project spending.

Sample Motion

Move to approve the Resolution to increase budgeted spending for the Hike/Bike Trails by \$374,600, with no total budget increase for the Capital Projects Fund.

R E S O L U T I O N 2008-27

WHEREAS, prior to the end of fiscal year 2007, the City of Grand Island was awarded a grant in the amount of \$347,907.00 for further development of the Hike/Bike Trail; and

WHEREAS, the Parks and Recreation Department encumbered the required match of \$62,000.00 at the end of fiscal year 2007 out of the Capital Projects budget; and

WHEREAS, projected costs to complete work for the Hike/Bike trail are in the amount of \$374,600.00, and neither these costs or the grant revenue was budgeted for. An encumbrance in the amount of \$27,515.00 remains, which will leave no financial impact on the Capital Projects budget.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the appropriation of grant monies for the Hike/Bike Trail in the amount of \$374,600.00, with the encumbrance, will not cause a budget increase for the Capital Projects Fund, and is hereby approved.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, January 22, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk