

Agenda Report

ATTN: DEREGULATION COMMITTEE
TO: CITY COUNCIL **DATE:** February 2, 1998
FROM: City Manager
SUBJECT: Amendments to FY 1998-2002 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council amend the City Manager's FY 1998-2002 Adopted Capital Improvement Program (CIP) to include the Water and Power Department's categories of programs as detailed in Attachment 1.

BACKGROUND:

On December 8, 1997, the City Council adopted the City's FY 1998-2002 Capital Improvement Program (CIP) budget. At that time, the City Council was informed that the Water and Power Department would submit its CIP budget at a later date. The two categories of appropriations that were not included in the original presentation and which are now being presented for adoption are: (1) Water System and (2) Power System programs for facilities improvement and additional construction.

Water System Programs

Improvement of existing facilities and construction of new ones. These are ongoing projects that need funding in FY 1998.

Power System Programs

Improvement of existing facilities and construction of new ones. These are ongoing projects that need funding in FY 1998.

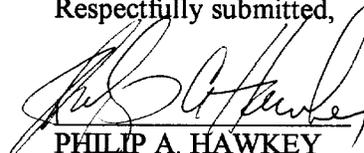
Attachment 1 shows all the projects that are currently active in both programs, while Attachment 2 shows all the ones to be deleted in FY 1998 from both programs. Due to their urgency, two projects were started in FY 1998 through journal vouchers. These are the last two projects listed in Attachment 1 under the Electric System. They are described in detail in Attachment 3.

FISCAL IMPACT:

The General City Charter Capital Reserve Fund is funding (\$800,000 in FY 1998 and \$1,000,000 in FY 1999 and later) for the Fiber Optic Communications Backbone project.

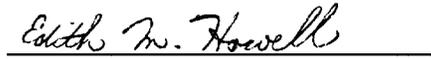
The total Capital Improvement Budget for Fiscal Year 1998 for the Water Fund and Power Fund are \$6,615,000 and \$8,300,000, respectively. Funding for the water related projects will come from a combination of water rates and reserve funds. As previously discussed with the City Council, Power Fund projects will be funded through the issuance of Electric Revenue Bonds.

Respectfully submitted,



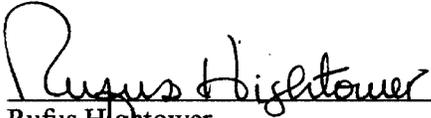
PHILIP A. HAWKEY
City Manager

Prepared by:



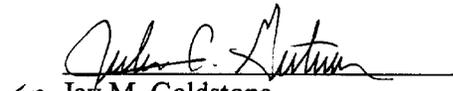
Edith Howell
Financial Services Manager
Water and Power Department

Approved by:



Rufus Hightower
General Manager
Water and Power Department

Concurrence:



FOR Jay M. Goldstone
Director
Finance Department

Attachments