



Agenda Item No. 2.a.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of November 16, 2006

From: Gayle S. Prior, Capital and Grant Programs Manager
Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
a. **BUDGET INCREASE IN THE FY 06/07 BRIDGE DIVISION**
CAPITAL BUDGET RELATIVE TO CONTRACT NO. 2007-B-2,
MERCHANT ROAD IMPROVEMENTS AND REALIGNMENT

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize a budget increase in the amount of \$622,723 to be funded by the Presidio Trust relative to Contract No. 2007-B-2, the *Merchant Road Improvements and Realignment* capital project.

This matter will be presented to the Board of Directors at its November 17, 2006, meeting for appropriate action.

Summary

The *Merchant Road Improvements and Realignment* project consists of improvements to Merchant Road that benefit both the District and the Presidio Trust. The District and the Presidio Trust negotiated a Cooperative Agreement to allocate the respective costs associated with the project. On June 23, 2006, the Board of Directors awarded Contract No. 2007-B-2, *Merchant Road Improvements and Realignment*, to Granite Rock Company in the amount \$1,318,861 and authorized a project budget in the amount of \$1,075,448 to cover the District's share of the project. The project budget amount did not include the Presidio Trust's share of the project in the amount of \$622,723 and, therefore, did not reflect the total project cost of \$1,698,171.

Fiscal Impact

This project is included in the Fiscal Year 06/07 Bridge Division Capital Budget in the amount \$1,075,448 and is 50% grant funded. A project budget increase of \$622,723, funded by the Presidio Trust, is required to represent the entire cost of the project.