June 10, 2015

To: Mayor and City Council Members

From: Douglas G. Faseler
City Manager

Re: General Fund Budget Adjustment

Attached is a proposed budget adjustment to the General Fund budget for two projects.

The first project involves the installation of a traffic signal at the intersection of 123 Business and 123 Bypass. Staff recently inquired into the timing of the installation of the signal. We learned that due to the offset of a driveway to several businesses east of 123 Bypass that the driveway was needing be reconstructed in order to align with 123 Business. The estimated cost of this work could be upwards to $50,000. TxDOT is proposing that this cost be split between the City and TxDOT. Due to the need and interest in the installation of this signal staff informed TxDOT that the City would be willing to participate. Therefore included in the budget adjustment is $25,000 as the City's share.

The other item is funding for half of the engineering fees to design the improvements needed on Eighth Street and Rio Nogales Drive to serve the future SIRO development. The City's share of this fee is $57,132. The other half of the fee is to be paid by SEDC and this will be going before the SEDC Board for approval at their next Board meeting.

Please let me know if you have any questions.

C.c. Terry Trevino
Joe Ramos