

CITY OF SAN ANTONIO
AVIATION DEPARTMENT
INTERDEPARTMENTAL CORRESPONDENCE

TO: Mayor and City Council

THROUGH: Terry M. Brechtel, City Manager

FROM: Kevin C. Dolliole, Aviation Director

COPIES TO: J. Rolando Bono, Finance, Management and Budget, Legal

SUBJECT: Airport Capital Improvement Fund Budget

DATE: November 13, 2003

SUMMARY & RECOMMENDATION

The proposed ordinance establishes a budget of \$500,000.00 in the Airport Capital Improvement Fund to facilitate Airport improvements, which were previously charged to the Airport Operating Fund. In certain cases, City personnel are utilized for building modifications and improvements, which are required in order to accommodate an Airport tenant with new lease space or convert an existing area for re-use. The proposed budget will provide the necessary funding for these types of improvements.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

On a frequent basis, City personnel perform minor construction work, which is not practical to contract out due to the size of the project or the time requirement for the improvement. The capital related work is generally performed by the Aviation Department. However, work is also performed by other City departments. In such cases, the Aviation Department directly pays the expense or reimburses the other department. Recently Public Works Department personnel cleared the former North Loop Service Center site at San Antonio International Airport. A portion of the proposed budget will be utilized to reimburse Public Works for the expenses it incurred.

Capital related expenses have had a depletive effect on the Airport Operating Fund budget. In addition, unlike the City's operating budget, funds for capital improvements are generally appropriated and authorized on a contract basis and not on a program basis. Thus, capital improvement funds authorized for a specific construction contract can only be used for items specified within the contract.

POLICY ANALYSIS

The proposed action is consistent with current policy of recording operating expenses in the operating funds and capital expenses in capital funds. All City contracting rules still apply.

FISCAL IMPACT

The proposed ordinance appropriates \$500,000.00 in the Airport Capital Improvement Fund. This project budget is included in the City's Six Year Capital Improvement Program. Funds are available for this budget.

COORDINATION

This item was coordinated with the City's Finance Department and Management and Budget Department.

SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure Form is not required for this proposed action.

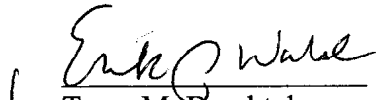


Kevin C. Dolliole
Aviation Director



J. Rolando Bono
Deputy City Manager

Approved:



Terry M. Brechtel
City Manager