



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim Shannon

SUBJECT: SEE BELOW

DATE: August 5, 2020

Approved

Date

8/6/2020

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN VARIOUS FUNDS TO REBUDGET FUNDS TO 2020-2021 FOR COMPLETION OF PROJECTS

RECOMMENDATION

- (a) Adopt the following 2020-2021 Appropriation Ordinance and Funding Sources Resolution amendments in the Convention Center Facility District Capital Fund:
- (1) Increase the Beginning Fund Balance by \$96,000; and
 - (2) Establish the Public Art appropriation to the Office of Economic Development by \$96,000.
- (b) Adopt the following 2020-2021 Appropriation Ordinance and Funding Sources Resolution amendments in the Sewer Service and Use Charge Capital Improvement Fund:
- (1) Increase the Beginning Fund Balance by \$691,000; and
 - (2) Increase the Public Art appropriation to the Office of Economic Development by \$691,000.

OUTCOME

Approval of this memorandum will allow for the timely completion of the projects identified in this memorandum.

BACKGROUND

At the end of each fiscal year, all appropriations lapse and any unspent funds become part of the following year's beginning fund balance. In order to complete projects not completed at the end of the 2019-2020 fiscal year, remaining funds must be re-appropriated, or rebudgeted, to 2020-2021. Usually, such funds are rebudgeted through the 2019-2020 Annual Report scheduled for City Council consideration in October 2020. However, due to the urgency to complete projects, the Administration is recommending to rebudget certain funds at this time.

ANALYSIS

Due to delays in the project identified in this memorandum, a rebudget adjustment will be necessary to complete the projects described below during late summer and early fall.

Public Art - Convention Center Facility District Capital Fund

The rebudget of funds in the amount of \$96,000 is necessary for the Office of Economic Development to complete the public art lighting design and installation component of this project. This early rebudget will secure funds needed to encumber the funds for the construction documentation, lighting and controls purchase, installation, and necessary administrative charges to complete the project by October 2020. The public art project is part of a two-part project, with the first component enhancing the Convention Center parking garage entryway along Market Street with a 3,300-square foot mural (completed) and a lighting component to illuminate the mural and pedestrian pathway in the evening.

Public Art - Sewer Service and Use Charge Capital Improvement Fund

The rebudget of funds in the amount of \$691,000 is necessary for the Office of Economic Development to complete the fabrication and installation of the public art project at the Children's Discovery Museum. This public art project is part of a two-part project that maps, educates, and makes visible to residents and visitors the mostly invisible sanitary sewer and storm sewer systems and how water flows through these systems.

CONCLUSION

The early rebudgets are necessary for the timely completion of the projects identified in this memorandum.

EVALUATION AND FOLLOW-UP

No additional follow up actions with the City Council are expected at this time.

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the August 18, 2020, City Council agenda.

COORDINATION

This memorandum has been coordinated with the Office of Economic Development.

COMMISSION RECOMMENDATION/INPUT

This item does not have input from any board or commission.

FISCAL/POLICY ALIGNMENT

This memorandum is consistent with the City Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

A year-end reconciliation was completed for the projects recommended in this memorandum to ensure that unexpended funds are available to rebudget. There is no net increase in total project costs.

BUDGET REFERENCE

The table below identifies the fund and appropriation recommended to be modified.

Fund #	Appn #	Appn. Name	Current Total Appn.	Rec. Budget Action	2020-2021 Proposed Capital Budget Page*	Last Budget Action (Date, Ord. No.)
798	R999	Beginning Fund Balance	\$2,410,079	\$96,000	N/A	6/23/2020, 79605
798	406E	Public Art (Convention Center Exhibit Hall Lightening and Ceiling Upgrades Project)	\$0	\$96,000	V-480	6/23/2020, 30437
545	R999	Beginning Fund Balance	\$17,536,270	\$691,000	V-32	6/23/2020, 79605
545	5957	Public Art	\$94,000	\$691,000	V-35	6/23/2020, 30437

* The 2020-2021 Proposed Capital Budget was adopted by the City Council on June 23, 2020.

HONORABLE MAYOR AND CITY COUNCIL

August 5, 2020

Subject: Rebudget of Funds to 2020-2021 to Complete Projects

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CEQA

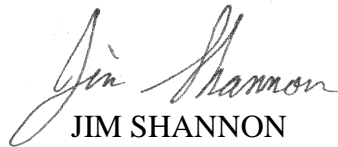
Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.



JIM SHANNON
Budget Director

I hereby certify that there will be available for appropriation in the designated fund in the amounts listed below in Fiscal Year 2020-2021 moneys in excess of those heretofore appropriated therefrom:

Convention Center Facility District Capital Fund	\$96,000
Sewer Service and Use Charge Capital Improvement Fund	\$691,000



JIM SHANNON
Budget Director

For questions please contact Jim Shannon, Budget Director, at 408-535-8142.