



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 3
December 1, 2008

SUBJECT: Approval of resolution to authorize Budget Amendment #2009-4

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

Attached is the Budget Amendment which includes the following: (a) COAM retro (within budgeted amount and liability recorded for prior years), (b) Fire Station No. 2 for 5% increase in construction cost of project from CDPA estimate several years ago (see memo attached), (c) Haggerty pinch-point project, balance due to RCOC (this is within the contract and budget amount and represents a rollover from the prior year), and (d) Forensic Drying Evidence Cabinet (based on recent case this purchase is necessary for health reasons).

RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2009-4

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

**BUDGET AMENDMENT #2009-4
RESOLUTION**

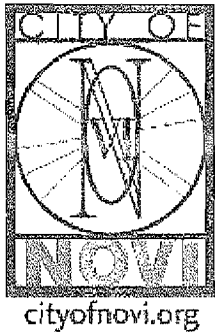
NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment #2009-4 is authorized:

	GENERAL FUND	INCREASE (DECREASE)
REVENUE		
Appropriation of Fund Balance		41,855
		<u>\$ 41,855</u>
APPROPRIATIONS		
POLICE		
Personal Services		\$ 125,275
FIRE		
Capital Outlay - Fire Station #2 Renovations		41,855
CONTINGENCY		(125,275)
		<u>\$ 41,855</u>
	MUNICIPAL STREET FUND	
REVENUE		
Appropriation of Fund Balance		\$ 55,000
APPROPRIATIONS		
Construction - Haggerty pinchpoints		<u>\$ 55,000</u>
	FORFEITURE FUND	
REVENUE		
Appropriation of Fund Balance		\$ 9,300
APPROPRIATIONS		
Capital Outlay - Forensic Drying Evidence Cabinet		<u>\$ 9,300</u>

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on December 1, 2008 .

Maryanne Cornelius
City Clerk

MEMORANDUM



TO: KATHY SMITH-ROY
FROM: FRANK A. SMITH, FIRE CHIEF
SUBJECT: FIRE STATION 2
DATE: NOVEMBER 20, 2008

The additions and alterations to Fire Station 2 are nearing completion within the next month. I have met with Mike Tarockoff and Pat Cauchi on several occasions to confirm the budget concerns regarding this project. Attached is the spreadsheet showing current and expected costs. Like any remodeling to an existing building, there have been a number of items which have surfaced that demand attention. These items are directly attributed to construction expenses and not soft costs.

These costs are true "needs" and not simply "wants". For instance, while excavating for the new water service line, the excavator unearthed an eight foot by ten foot by two foot thick concrete cistern. The machines were shut down until an answer was given to finish the digging and move the concrete as an extra. Another example occurred in the east parking lot when the existing conduit was found to be completely corroded with bare electrical wire running to a light pole. New conduit had to be run to accommodate the new electrical light pole. The former return air space (above the ceiling) contained unprotected combustible plastic piping which was a code violation that escaped previous detection. This also required a flameproof covering.

Based on the latest projections, the project is estimated to be \$41,855 or 5% over budget. I believe that the current FD budget can solve some of these extra costs with a budget amendment.