

Agenda Item: 7.

MEMORANDUM

TO: Finance, Expenditures & Legal Subcommittee
FROM: Heather Borkowski, Purchasing Agent
DATE: May 5, 2015
RE: Chalco Hills Park Residence Account Over 110% (01-06-403-4630) Building Maintenance

The budget account 01-06-403-4630 is the District's budget for maintenance of the Chalco Hills Park Residence. This account covers all maintenance done to the residence including the renovation approved by the Board at the December 11, 2014, meeting in an amount not-to-exceed \$58,915. At that time, approval to exceed 110% of the budgeted amount was overlooked.

As of May 5, 2015, the total expenditure from this budget is \$38,818.74 of a budgeted amount of \$25,000, which is 155% of the budget. When the budget was set in June of 2014, the District was not aware of the needed repairs to the park residence.

There will be one additional billing from the contractor, Prestige Construction, following final completion of the project as well as the additional components to be purchased by the District. Staff feels a not-to-exceed amount of \$60,000 would be sufficient to complete the projected repairs for this fiscal year.

Staff recommends that the Subcommittee recommend to the Board that Account 01-06-403-4630 – Park Residence Building Maintenance be allowed to exceed 110% of the budgeted amount of \$25,000 with a maximum not-to-exceed amount of \$60,000.