

Supplemental Funding for 2003-2007 Bond Projects

A committee member requested information on project cost overruns for the 2003–2007 Bond Program. In 2006, the 2003–2007 Bond Program was supplemented with \$2,175,100 in Certificates of Obligations. Several factors such as recent cost increases in materials like petroleum products, steel and concrete led to the need of these additional resources. The following list contains the projects that received this funding:

Bond Project	Council District	Original Project Budget	Cost Overrun
Ansley Drainage # 1091	4	\$2,050,000	\$248,000
Commerce Street - Railroad to S. Palmetto	2	\$2,106,438	\$752,100
La Manda - West Avenue to Buckeye	1	\$280,000	\$254,000
Olympia Drainage Area Phase I	1	\$1,500,000	\$682,000
San Pedro/Huisache Area Drainage Phase I	1	\$1,500,000	\$239,000

To address inflation issues in the 2007–2012 Bond Program, cost estimates include a 6.5% inflationary factor that will allow for sufficient project budget funding.