



## Legislation Text

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File #: 18-0946, Version: 1

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### Item:

**Budget Ordinance Amendment No. 19BCC000007 to Appropriate \$4,000,000 of Capital Financing Plan Fund fund balance and transfer the funds to the Pay As You Go Fund and Capital Project Amendment No. 19CPA000004 to Amend the Durham Technical Community College (DTCC) Newton Building Capital Project**

**Date Of BOCC Meeting:** August 6, 2018

### **Request For Board Action:**

The Board is requested to authorize an additional \$4 million in Capital Financing Plan Fund fund balance to support Durham Technical Community College capital projects for a new Applied Technology building, renovation of the existing Newton Building and the construction of a new Facilities Services building. The increase is needed to offset cost resulted from the overall construction market. Estimate actual construction costs have increased since the original project were developed in 2015. The economic factors that have resulted in rising construction costs have impacted both residential and commercial construction projects.

Durham Technical Community College requests an additional \$4 million in county funds to support the construction of the new Applied Technology building, renovation of the existing Newton Building and the construction of a new Facilities Services building. The original project cost totaled \$22,061,016 and was funded by a combination of local and state funds. Of this amount, \$18 million was funded from the 2016 bond referendum. Due to the construction market factors, project costs are above the original budget projections.

The Durham Technical Community College Board of Trustees supports the request for additional funds. Upon authorization of the additional funds, the project moves forward for review and approval by the State Board of Community Colleges and construction oversight by the Office of State Construction. Although Pay as You Go funds will address the budget gap due to increased construction costs, the actual funds expenditures will not occur until fiscal years 2020 and 2021.

**Alignment With Strategic Plan:** The project aligns with Goal 1: Community Empowerment and Enrichment and Goal 5: Accountable, Efficient and Visionary Government.

**Resource Persons:** Bill Ingram, Durham Technical Community College President; Matthew Williams, DTCC Chief Financial Officer; Claudia Hager, Durham County General Manager and Keith Lane, Durham County Budget Director

**County Manager's Recommendation:** The County Manager recommends the approval of Budget Ordinance Amendment No. 19BCC000007 to Appropriate \$4,000,000 of Capital Financing Plan Fund fund balance and transfer the funds to the Pay As You Go Fund and Capital Project Amendment No. 19CPA000004 to amend the DTCC Newton Building Capital Project. Pay as You Go funds would be used to support the expense in fiscal years 2020 and 2021.

County Manager: \_\_\_\_\_