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<b>Title:</b>	Approval of Budget Amendment for the Project Maintenance and Land Management Program	
<b>Resolution number:</b>	23-047	
<b>Prepared by:</b>	Name: Josh Wolf Phone: 952-641-4588 jwolf@minnehahacreek.org	
<b>Reviewed by:</b>	Name/Title: Becky Christopher, Policy Planning Director	
<b>Recommended action:</b>	Amend the 2023 Project Maintenance and Land Management budget to account for the delayed schedule for boardwalk reconstruction.	
<b>Schedule:</b>	November 2022 – Boardwalk construction contract awarded January 2023 – Construction begins November 2023 – Scheduled completion	
<b>Budget considerations:</b>	Fund name and code: Project Maintenance & Land Management, 2003 Fund budget: \$970,543 Expenditures to date: \$1,926,497 Requested budget increase: \$1,623,612 Total amended budget: \$2,594,155	
<b>Past Board action:</b>	Res 22-015	Authorization to Execute a Contract for Engineering and Design Services for Minnehaha Preserve Boardwalk Reconstruction
	Res 22-047	Approval of 100% Design Plans for the Minnehaha Preserve Boardwalk Reconstruction Project and Authorization to Solicit Bids
	Res 22-070	Award of Construction Contract for the Minnehaha Preserve Boardwalk Reconstruction

**Summary:**

During the annual budget projection process, the Project Maintenance and Land Management program anticipated a total cost for the Minnehaha Preserve Boardwalk Reconstruction Project (“Project”) of \$1.6 million. As construction was to take place during the winter of 2022-2023, this cost was projected to be split over two years. The 2022 budget contained \$1,365,430 for the Project with an additional \$234,570 budgeted in 2023.

The total contract amount for the Project, approved by the Board in November 2022, is for \$1,858,182. Following litigation surrounding the original construction of the Boardwalk, the Project Maintenance and Land Management program received payment from legal settlement. These funds will be utilized to cover the additional costs beyond the \$1.6 million that was budgeted in 2022 and 2023 and are in the program fund.

During the 2023 budget development cycle, it was anticipated that construction would begin in November/December 2022. Boardwalk construction ultimately began in January 2023. No funds from the 2022 Project budget were used, and the \$1,365,430 from that year remain in the program fund. With all construction costs being billed to the 2023 budget,

the Project Maintenance and Land Management Program budget currently shows a significant deficit. As the 2022 budget dollars remain in the project fund, no transfer will be required. An administrative action is needed to amend the 2023 budget to include the unspent funds from the 2022 budget.

Recommendation

To account for the delay in the construction schedule and address the 2023 budget deficit for the Project Maintenance and Land Management Program, staff recommends that the Board of Managers authorize a budget amendment of \$1,623,612 for the Program (Fund 2003). In addition to the \$234,570 already budgeted for the Boardwalk for 2023, this will cover the full contract amount of \$1,858,182. Because the unspent funds from the 2022 budget remain in the Program fund, no transfers are needed.

DRAFT



**RESOLUTION**

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**Resolution number: 23-047**

**Title:** Authorization to Approve a Budget Amendment for the Project Maintenance and Land Management Program

WHEREAS, in November 2022, the Board authorized staff to enter a contract with JTS Construction for the Minnehaha Preserve Boardwalk Reconstruction Project (“Project”) in the amount of \$1,858,182;

WHEREAS, the 2022-2023 Project Maintenance and Land Management budget contained \$1,600,000 of Boardwalk construction funds with construction anticipated to begin in November/December 2022;

WHEREAS, additional funds were received by the program as a result of legal settlement which account for the difference in the original budget and the awarded contract amount;

WHEREAS, construction on the Project did not commence until January 2023 and none of the \$1,365,430 in 2022 funds were utilized and these funds remain in the program fund;

WHEREAS, all construction costs were billed to the 2023 budget, which has left the Project Maintenance and Land Management Program budget with a 2023 budget deficit.

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby amends the 2023 Project Maintenance and Land Management Budget (2003) by \$1,623,612.

Resolution Number 23-047 was moved by Manager \_\_\_\_\_, seconded by Manager \_\_\_\_\_. Motion to adopt the resolution \_\_\_ ayes, \_\_\_ nays, \_\_\_ abstentions. Date: 8/24/2023

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 Secretary Date: \_\_\_\_\_