



17-270

TITLE: Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2016-2017 Annual Budget and Amending the 2017 - 2021 Capital Improvements Program to Provide Funds for the Expansion of the Toyota Motor North American Hangar and Authorizing the Borrowing of Funds from the Solid Waste Fund for Project AI1705, Toyota Hangar Expansion

COUNCIL GOAL: Maximize Development Potential of McKinney National Airport

MEETING DATE: March 7, 2017

DEPARTMENT: Airport

CONTACT: Mark Jaraczewski, Director of McKinney Air Center

RECOMMENDED CITY COUNCIL ACTION:

- Approve Ordinance

ITEM SUMMARY:

- This Ordinance amends the Fiscal Year 2016-2017 Annual Budget and amends the 2017 - 2021 Capital Improvements Program by appropriating \$6,065,000 in the Airport Construction Fund to the Toyota Hangar Expansion Project AI1705 for design and construction.
- Requesting Council to authorize funding for \$5,000,000 of the \$6,300,000 total project cost through a 10-year inter-fund loan from the Solid Waste Enterprise Fund.

BACKGROUND INFORMATION:

- Council authorized a budget amendment of \$235,000 for the project management consultant contract at the February 21, 2017 council meeting.
- The project expands and renovates the existing 32,572 square feet of hangar and office space by adding 566 square feet of hangar space, 2,262 square feet of new office space, 3,520 square feet of new shop space with a 1,375 square foot mezzanine, and renovating the existing 7,813 square feet of office area.
- Costs of this project will be recaptured through the re-negotiated Toyota Lease Agreement.

FINANCIAL SUMMARY:

- Solid Waste Fund Balance \$9,468,792
- Loan Repayment will be on October 1 of each year
- Increase Expenditures in Airport Operating Fund by \$5,000,000
- Increase Revenues for Airport Construction Fund by \$5,000,000
- Increase Expenditures in Airport Construction Fund by \$6,065,000
- Decrease Fund Balance in Airport Operating Fund by \$5,000,000
- Decrease Fund Balance in Airport Construction Fund by \$1,065,000

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[Ordinance](#)