



**CITY OF TYLER
CITY COUNCIL COMMUNICATION**

Agenda Number: O-1

Date: February 28, 2007

Subject: Request that the City Council consider authorizing the City Manager to expend up to \$125,000 for signal and pavement improvements associated with Trane Corporation new capital investment and job creation, and adopting an Ordinance to amend the Fiscal Year 2006-2007 annual budget to provide funding for said purpose.

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Trane Corporation will be investing approximately \$4 million for a new testing laboratory at their facility. This project will have a direct impact on the creation of 160 new jobs inside Tyler City Limits by the close of 2009. As an incentive for this new investment, the City of Tyler has been asked to provide monetary support for a traffic light and for acceleration/deceleration lanes on Highway 110 which are needed to accommodate the new testing laboratory. The total amount estimated for the project is \$250,000. The City is willing to provide up to \$125,000 to support this expected expansion.

Funding for this project is currently available in the General Capital Projects Fund (Fund 102) from fund balance. The attached Ordinance amends the FY2006-07 budget to allocate said funding.

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to expend up to \$125,000 for signal and paving improvements associated with the new Trane Corporation lab project, and adopt an Ordinance to amend the Fiscal Year 2006-2007 budget to provide for this funding.

**Drafted/Recommended By:
Department Leader**

**Edited/Submitted By:
City Manager**

ORDINANCE NO. 0-2007-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, AMENDING THE 2006-2007 BUDGET TO ALLOW FUNDS FOR SIGNAL AND PAVING IMPROVEMENTS ASSOCIATED WITH THE NEW TRANE CORPORATION LAB PROJECT; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Trane Corporation will be investing approximately \$4 million for a new lab project, resulting in the creation of 160 new jobs inside Tyler City Limits by the close of 2009; and

WHEREAS, as an incentive for this new investment, the City of Tyler has been asked to provide monetary support in the amount up to \$125,000, intended to directly fund a traffic light and an acceleration/deceleration lanes on Hwy 110 which are needed to accommodate the new testing laboratory; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

PART 1: That the following line item accounts as approved in the budget for fiscal year 2006/2007 shall be amended to read as follows:

DEPARTMENT NAME	ACCOUNT NUMBER	ACCOUNT NAME	BUDGETED AMOUNT	REQUESTED INCREASE	REQUESTED DECREASE	BUDGET AS AMENDED
Capital Projects		Unreserved Fund	\$1,170,177		\$125,000	\$920,177
Capital Projects	102-0705-432-2508	Street Improvement	0	\$125,000		\$125,000

PART 2: That the City Clerk is hereby directed to file a copy of this budget amendment as required by state law.

PART 3: That amendment of the budget at this time for signal and paving improvements associated with the new Trane Corporation lab project creates an urgent public necessity to authorize the amendment to the budget herein contained.

PART 4: That this ordinance shall take effect immediately upon approval.

PASSED AND APPROVED this the 28th day of February, 2007.

JOSEPH O. SEEBER, MAYOR
OF THE CITY OF TYLER, TEXAS

A T T E S T :

APPROVED:

CITY CLERK

CITY ATTORNEY