

City Council Agenda Item Memo

From: John Thompson, Public Works Director
Ashley Rentsch, Finance Director

Council Meeting: May 27, 2025

Subject: Ordinance 25-017: Amendment No. 3 to the 2025 Budget

Presenter: John Thompson, Public Works Director

Summary and Recommended Action:

Staff recommends approval of this budget amendment to support infrastructure improvements on Capital Street. The amendment includes a \$200,000 transfer from General Fund economic development reserves to the Marketplace Capital Project Fund for a sewer line extension, and authorizes the transfer of \$260,000 in 2nd Penny Sales Tax / Capital Improvement Plan Fund reserves to the Marketplace Capital Project Fund for paving and street improvements. These enhancements will support ongoing economic development efforts and prepare the area for future private investment.

Item Details:

The City of Brookings continues to prioritize strategic infrastructure investments that enable and attract economic development. The proposed amendment includes two components:

1. Sewer Line Extension - \$200,000

A transfer of \$200,000 from General Fund economic development reserves to the Marketplace Capital Project Fund will cover a sewer line extension along Capital Street. This critical utility expansion is foundational to enabling development of adjacent parcels.

2. Street Paving and Improvements - \$260,000

An additional transfer of \$260,000 from Capital Improvement Plan Fund reserves to the Marketplace Capital Project Fund will be allocated for paving and other infrastructure enhancements along Capital Street. These improvements are necessary to ensure accessibility and readiness for development of the Wiese property, which lies adjacent to the city's Marketplace site.

The \$260,000 used from the Capital Improvement Plan Fund will be reimbursed upon the sale of the Wiese property. These investments represent an intentional effort to enhance the economic value and development readiness of this City-owned property.

Legal Consideration:

In compliance with SDCL 9-21-7, this budget amendment is necessary to authorize supplemental appropriations funded through available reserves. The transfer and use

of funds reflect strategic alignment with legal, financial, and economic development objectives.

Strategic Plan Consideration:

- Fiscal Responsibility – The City of Brookings will responsibly manage resources through transparency, efficiency, equity, and exceptional customer service.
- Economic Growth – The City of Brookings will support effective diversified community investment and equitable opportunities for prosperity.

Financial Consideration:

This ordinance increases the Marketplace Capital Project Fund expenditure budget by \$460,000. Funding sources are as follows:

- \$200,000 transfer in from the General Fund Economic Development reserves.
- \$260,000 from the 2nd Penny Sales Tax/Capital Improvement Plan Fund reserves to be reimbursed upon sale of the Wiese property.

Supporting Documentation:

Ordinance