



CITY OF HARRISONBURG
**FINANCE
& PURCHASING**

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TO: Eric D. Campbell, City Manager
FROM: Larry L. Propst, Director of Finance
DATE: May 5, 2020
RE: Supplemental Appropriation for the New High School

Summary: Consider a supplemental appropriation in the amount of \$2,500,000 for the School Capital Projects Fund.

Background: At its May 28, 2020 meeting, City Council approved Change Order No. 4 to the Harrisonburg City School Board's (HCPS) Comprehensive Public-Private Education and Infrastructure Act (PPEA) agreement with Nielsen Builders. The change order essentially put the construction of the new high school on pause for up to one year. This supplemental appropriation will provide funding required by Change Order No. 4 and to make other miscellaneous payments related to the high school construction such as bond rating fees.

Key Issues: None.

Environmental Impact: None

Fiscal Impact: The total city budget will increase by \$5,000,000. The General Fund will increase \$2,500,000 and the School Capital Projects Fund will increase \$2,500,000.

Prior Actions: City Council approved Change Order No. 4 at its May 28, 2020 meeting.

Alternatives: Do not approve the supplemental appropriation.

Community Engagement: None.

Recommendation: Staff recommends approval of the supplemental appropriation.

Attachments: Supplemental Appropriation.

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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