



CITY OF HARRISONBURG
**FINANCE
& PURCHASING**

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TO: Ande Banks, Interim City Manager
FROM: Larry L. Propst, Director of Finance
DATE: May 16, 2022
RE: Supplemental Appropriation – Public Works and HCPS

Summary: Consider a supplemental appropriation in the amount of \$36.4 million.

Background: This supplemental appropriation will appropriate funds for a number of city projects and operating budgets. The General Fund and General Capital Projects Fund appropriation, to be used for street maintenance and various capital projects, are all funded by VDOT through their annual highway maintenance funds and the Smart Scale program. The Stormwater Capital Projects Fund appropriation, to be used for the Blacks Run Stream Restoration project, is funded by a DEQ grant and funds from the Stormwater Fund. The School Capital Projects Fund appropriation, to be used for the new high school construction project which includes additional rock removal costs, is funded by a contribution from HCPS and from the General Fund fund balance. Below is a summary table of the expenditures and funding sources.

<u>Budget Line Item</u>	<u>Amount</u>	<u>Funding Source</u>
General Fund:		
Street Maintenance	214,148	VDOT Street Maintenance Funds
General Capital Projects Fund:		
Port Republic Rd Improvements	6,812,710	VDOT Smart Scale
South Main St Improvements	2,592,827	VDOT Smart Scale
University Blvd_Evelyn Byrd Ave Improvements	3,515,278	VDOT Smart Scale
South Main St_I-81 Exit 245 Improvements	5,031,025	VDOT Smart Scale
North Main Street Sidewalks	2,241,025	VDOT Smart Scale
Stormwater Capital Projects Fund:		
Blacks Run Stream Restoration	3,413,260	\$1,402,018 DEQ SLAF Grant \$2,011,242 Stormwater Fund
School Capital Projects Fund:		
New High School Construction	5,300,000	\$3,000,000 HCPS \$2,300,000 General Fund

Key Issues: This request will appropriate these funds into the city's budget across several operating and capital project line items. Virginia Code Section 15.2-2507 requires a public hearing for budget amendments that exceed 1% of the budget.

Environmental Impact: None.

Fiscal Impact: This action will increase the City budget by \$36.4 million.

Prior Actions: Various City Council approvals of the VDOT Smart Scale funded projects. City Council’s approval at its May 10, 2022 meeting of the Comprehensive PPEA Agreement regarding the Blacks Run Stream Restoration project. Prior City Council approvals regarding the construction of the second high school including plans of funding the construction costs.

Alternatives: None

Community Engagement: None.

Recommendation: Staff recommends approval of the supplemental appropriations.

Attachments: Two (2) Supplemental Appropriations and Public Hearing Notice.

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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