



## Staff Report

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**File #:** 19-283

**Version:** 1

**Date:** 6/24/2019

**Item #:** 5.e.

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Robert Barron, Chief Financial Officer

### **SUBJECT:**

Capital Improvement Plan for FY 2020 through FY 2024

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community.

### **ISSUE:**

Shall the City Council adopt the Capital Improvement Plan for FY 2020 through FY 2024 as recommended by the Budget Committee with the amendments to stormwater project 723 and streets project 554 as presented in attachment 2 and 3?

### **RECOMMENDATION:**

Adopt the Capital Improvement Plan for FY 2020 through FY 2024 as recommended by the Budget Committee with the amendments to stormwater project 723 and streets project 554 as presented in attachment 2 and 3.

### **SUMMARY:**

The Capital Improvement Program (CIP), governed by Council Policy C-9 (Resolution 2008-142), includes the following goals: create a transparent CIP process; establish a risk-based priority list; match the priority list to limited resources in a thoughtful and responsible manner; and establish an internal CIP review committee to oversee the process.

### **FACTS AND FINDINGS:**

The CIP consists of planned capital projects that are expected to cost \$207,751,570 (including the amendments to project 723 and 554) over the next five-year period. The CIP includes four groups of projects that are funded at the following levels:

Community Facilities - \$17,354,900

Municipal Facilities - \$11,130,060

Transportation - \$42,530,870

Utilities - \$136,735,740 (includes the amendments to project 723 and 554)

The recommended CIP (attachment 1) includes the correction of several ward and neighborhood references.

## **BACKGROUND:**

The City of Salem Budget Committee held a public hearing for the CIP on April 24, 2019. Staff provided notice to the community and at the public hearing, provided a presentation about capital planning and the anticipated projects. At the conclusion of the public hearing, the Budget Committee recommended the CIP to the City Council for consideration.

In addition, Council is being asked to amend project 723 - Pringle Creek Storm Enhancements - Old Boise Cascade Site (attachment 2). Additional utility rate funding of \$560,000 is needed due to construction bids exceeding previously estimated construction costs. The appropriate budget amendments to complete this action are included in the City of Salem budget adoption report.

Staff is also recommending amendments to project 554 - McGilchrist Street SE Corridor Improvements (attachment 3) to include additional URA funding and other adjustments to align with the application for the BUILD grant. This funding is for FY 2021 and has no impact on the FY 2020 budget.

Josh Eggleston  
Senior Fiscal Analyst

## **Attachments:**

1. Recommended Capital Improvement Plan for FY 2020 through FY 2024
2. Project 723 - Pringle Creek Storm Enhancements
3. Project 554 - McGilchrist Street SE Corridor Improvements