



Staff Report

File #: 22-317
Version: 1

Date: 7/11/2022
Item #:

TO: Mayor and City Council
THROUGH: Kristin Retherford, Interim City Manager
FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Transfer of appropriations within the City's Fiscal Year 2023 Budget for unanticipated changes.

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Good Governance.

SUMMARY:

An appropriations transfer is needed to move forward with renovations to the first floor of the Civic Center to create the new Customer Service Center.

ISSUE:

Shall the City Council adopt Resolution No. 2022-41 authorizing a transfer of appropriations within the City's fiscal year 2023 budget for unanticipated changes?

RECOMMENDATION:

Adopt Resolution No. 2022-41 authorizing a transfer of appropriations within the City's fiscal year 2023 budget for unanticipated changes.

FACTS AND FINDINGS:

General Fund and Capital Improvement Fund

FOR: Transfer authority for Customer Service Center construction expenses in the General Fund
FROM: General Fund, Non Departmental, Contingency, 101-60961000-61110, \$301,390
TO: General Fund, Non Departmental, Transfers, 101-60961000-62110, \$301,390

ADD: Capital Improvements Fund, Transfers In, 255-60902000-39110, \$301,390
ADD: Capital Improvements Fund, Construction Contracts, 255-60902000-52620, \$301,390

At bid opening on June 28, 2022, for the Customer Service Center project, a single bid that was over the amount budgeted in FY 2023 was received. Additional budget authority in the amount of \$301,390 is required to award the contract and allow work to move forward as scheduled on this project.

BACKGROUND:

For years the City has sought to provide a single customer service point for the residents of Salem at the Civic Center. In the fall of 2021, City staff hired CB|Two architects to design improvements to a portion of the east wing at City Hall to create the Customer Service Center. The goal of the project is to provide a "front door" for visitors with a clear connection to help and services that can be consistent and provide an efficient level of service to Salem's customers.

In the current bidding climate, many contractors are over extended and material prices are continually escalating. Unfortunately, there are no indicators that the current bidding challenges will improve over the next 3-6 months.

State law allows local governments to approve transfers of appropriations within the limits established by the adopted budget to address unanticipated changes.

Attachments:

1. Resolution No. 2022-41