



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 4

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Finance
MEETING DATE: July 15, 2019
SUBJECT:
Capital Improvement Program – Project Appropriation Amendments

RECOMMENDATION:

Adopt a Resolution to adjust appropriations for certain Public Works projects in the Capital Improvement Program.

BACKGROUND:

The City's Capital Improvement Program includes the Citywide Street Reconstruction Project. This project is part of the Smooth Streets Program that was developed in response to the public and City Council priorities to reconstruct or rehabilitate failed streets. The Smooth Streets Program is a multi-year endeavor to reconstruct a total of 22 miles that were identified as failed streets in 2013, with targeted completion by 2024. Public Works staff develops specific projects annually based on budgeted funds and prioritizes them based on criteria such as traffic volume and pedestrian corridor accessibility. From January 2018 to June 2019, 27 street segments were reconstructed for a total length of 4.6 miles.

For the current budget cycle, the Citywide Street Reconstruction Project #467774 (project) includes bond proceeds as part of its funding sources; however, the City has not yet issued from bonds for this purpose. In order to maximize the value of bond issuance cost, the City will couple financing needs for street reconstruction/rehabilitation together with flood control capital projects. Bonds are anticipated to be issued toward the end of calendar year 2019, and staff is currently working on bond related documents for Council to review in August.

In order to keep the projects on schedule, certain budget adjustments are outlined below. Staff recommends these adjustments to ensure that expenditures for projects already in the construction phase are adequately covered.

- Defund \$75,000 of bond proceeds funding and appropriate \$75,000 of Gas Tax funding to cover project expenditures.
- Swap \$1,728,000 of bond proceeds funding with \$578,000 of Gas Tax and \$1,150,000 of Measure S funding from the Citywide Street Reconstruction FY18-19 (Project #467770).
- Swap \$1,800,000 of bond proceeds funding with \$800,000 of Measure S and \$1,000,000 of Measure W funding from the Citywide Street Reconstruction Package 1 (Project #467771).

BUDGET IMPACT:

With the appropriation of \$75,000 in Gas Tax funding and the swapping of funding sources between the street reconstruction projects described above, there are sufficient funds to cover expenditures in the Citywide Street Reconstruction Project #467774. The funding swaps included in the accompanying resolution do not increase the amount of lease revenue bonds that will be issued nor the amount of tax revenue from Measure S or Measure W that will be utilized for street-related projects.

ENVIRONMENTAL DETERMINATION:

This item is not a project subject to CEQA, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines Section 15378(b)(4).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Proposed Resolution

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