



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 19-576

Board Meeting Date: 6/19/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Draft Five-Year Capital Improvement Plan for FY 2019-24

RECOMMENDATION:

Receive the Draft Five-Year Capital Improvement Plan (CIP) for FY 2019-24.

BACKGROUND:

The CIP is a planning document that identifies both the short and long-term capital improvement and information technology needs of the County, and aligns those needs with the appropriate financing, scheduling, and implementation. The CIP is intended to be used in conjunction with the County Budget to help ensure a more fiscally responsible and efficient use of existing resources. The CIP encompasses capital needs addressing County facilities (including new ground-up construction as well as renovations and repairs of existing buildings), parks, and technology.

In the spring of 2018, the County Manager's Office released its first Five-Year Capital Improvement Plan (CIP), including projects managed or supported by the following departments: Project Development Unit (PDU) located in the County Manager's Office, Department of Public Works (DPW), Parks Department, and Information Services Department (ISD). The 2018 CIP was the result of several recent facilities master plans, coordination by numerous departments, and Board study sessions leading to Board recommendation for a capital plan. The 2018 capital plan has been revised based on updated project budgets and schedules, the removal of completed or deferred projects, and the addition of new projects. The Draft Five-Year Capital Improvement Plan for FY 2019-24 is hereby submitted pursuant to Section 2.80.080 of the San Mateo County Ordinance Code.

DISCUSSION:

The County of San Mateo's Draft Five-Year Capital Improvement Plan for FY 2019-24 totals \$388.8 million in FY 2019-20, \$294 million in FY 2020-21, and \$245.1 million for FY 2021-24 for a total of \$927.9 million over the entire five-year period. (A summary of CIP budget information and major projects is provided on pages B-34 through B-40 of the FY 2019-21 Recommended Budget.) The first two fiscal years of the Draft CIP consist of planned expenditures for FY 2019-21. FY 2019-21 funding amounts for projects in the Draft CIP include any projected rollover of unspent appropriations from

prior years; therefore, these totals may be higher than the actual project amounts entered in the FY 2019-21 Recommended Budget. The projected expenditures shown for the remaining three fiscal years are set forth in the CIP primarily for project planning purposes and do not necessarily reflect a commitment of funds. Capital appropriations and priorities will need to be set for each two-year budget cycle. As funding sources change and evolve, the information in the CIP will be periodically updated.

Projects under the management of the Project Development Unit account for the largest share of the five-year budget at \$538.5 million, followed by Countywide Technology (\$210.7 million), Department of Public Works (\$123.9 million), and Parks (\$54.9 million). The largest funding sources of projects are General Fund (\$326.3 million), bond (\$368.3 million), and departmental (\$135 million). The table below summarizes the Draft CIP budget by funding source by year.

Funding Source	FY 2019-20 Recommended	FY 2020-21 Recommended	FY 2021-24 Projected	Five-Year Total
General Fund	155,399,773	135,446,544	35,447,360	326,293,677
Bond	114,386,352	75,191,000	178,770,000	368,347,352
Departmental	61,517,614	58,402,757	15,097,000	135,017,371
Measure K	42,718,909	16,050,000	4,107,316	62,876,225
Prop 172	8,750,000	6,000,000	8,850,000	23,600,000
State/Federal	6,000,000	2,900,000	2,800,000	11,700,000
Donation	70,000	-	-	70,000
Total	\$388,842,649	\$293,990,301	\$245,071,676	\$927,904,626

The CIP is being submitted in draft form to allow your Board to review and provide input on capital project budgets alongside the FY 2019-21 Recommended Budget. There will be a Study Session focused on the ground-up construction projects in the Draft CIP at the July 9, 2019 Board of Supervisors meeting. Following the Study Session, and incorporation of any requested revisions, your Board will be asked to accept the Capital Improvement Plan for FY 2019-24.

FISCAL IMPACT:

There is no fiscal impact associated with receiving the Draft Capital Improvement Plan.