

# Measure T1 Infrastructure Bond Program

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PHASE 2 PUBLIC PROCESS

PUBLIC WORKS AND PARKS AND WATERFRONT JOINT COMMISSION MEETING

NOVEMBER 4, 2020

# Agenda

- 1. Call to Order** (both commissions)
- 2. Public Comment** (agenda items only)
- 3. Discussion**
- 4. Next Commission Meetings**
- 5. Adjournment** (both commissions)

# Upcoming Meeting Schedule/Calendar

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- **11-11-2020 Parks & Waterfront Commission Regular Meeting**  
Wednesday, November 11, 2020, 7:00pm – 9:00pm (see Commission website for Zoom link)
- **11-12-2020 Public Works Commission Regular Meeting**  
Thursday, November 12, 2020, 7:00pm– 9:00pm (see Commission website for Zoom link)
- **11-19-2020 Public Works and Parks & Waterfront Commissions Concurrent Special Meeting**  
Thursday, November 19, 2020, 6:30pm – 9:30pm (see T1 website for Zoom link)
- **12-15-2020 Recommendation to City Council (In system by 11/24)**
- **01-19-2020 Latest Possible approval by City Council (First meeting of 2021)**
- **04-20-2020 Phase 2 Bond Sale –Need 90 days from Council Approval**

# Phase 2 Public Process Timeline changes due to Covid-19 SIP

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## **Original Phase 2 Process**

- Focus Groups -February – April, 2020
- Large Area Meetings May- September,2020
- Participating Commissions – November, 2020
- Recommendation to Council – February, 2021

## **Changes Due to Covid-19**

- Suspension of Meetings in mid -March 2020
- \$5.3M Reduction of GF-
- Resulting Changes in Timeline/Funding (Informed Council and Commission)- May 2020

## **New Timeline**

- Focus Groups – February – September 2020
- 5 large area Meetings – October 2020
- Primary Commission deliberations- November 2020
- Recommendations to Council – December 15, 2020

# Review Handouts

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- **Phase 2 Public Process Review (Handouts)**

- Focus Group Meeting Notes (29 Meetings)
  - Neighborhood groups and Participating Commissions
- T1 P2 Large area meeting notes (5 meetings).
- T1 emails (246)
- City staff \$53 million project list with phasing recommendations.
  - Care and Shelter/Non PW and PRW Projects (Orange)
  - PRW Projects (Green)
  - PW Projects (Yellow)

# Project Selection Criteria From T1 Manual

Criteria	Description
Greatest Benefit	Project provides impact to the greatest number of Berkeley residents.
Equity	<b>Criteria applied after looking at full list of projects.</b> Consideration of geographic and demographic distribution of projects.
Health, safety, and resilience	Project addresses public health and safety, such as improvements for disaster preparedness or emergency response.
Environmental Sustainability/ Durability	Project which improves water quality, have elements of green infrastructure, or also include energy, climate, or other zero waste goals. Project uses durable elements or technologies that may lower long term cost.
Project readiness	Considering projects that are underway or already shovel-ready.
Leveraging funds	Project utilizes other funding sources.
Feasibility	<ul style="list-style-type: none"> <li>a) The ability to complete a project/sequencing: project does not have any known barriers, such as site conditions, funding, or permitting issues, that will substantially delay or prevent completion of project.</li> <li>b) Renovating infrastructure before end of useful life to avoid larger expense or closure of amenity.</li> </ul>

# Discussion - Projects

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- **Phase 2 Projects List**
  - Staff Proposal – Starting Point
    - Care and Shelter/Non PW or PRW Projects
    - Park, Recreation and Waterfront
    - Public Works
  - Phase 2 Projects Discussion

# Discussion – Phasing Options

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- **Considerations**
  - Finance Considerations
  - 85% Consideration
- **Phasing Options**
  - Phase 2 Only
    - Not financially feasible
    - Design only projects not possible
    - Problematic for staff
  - Phase 2 and 3 (spaced 4 years apart)
    - Original Plan
    - Additional Staff Costs/Less Project Costs
  - Phase 2a and Phase 2b
    - Bond sales in April 2021/November 2022
    - Identify all projects now
    - Design Possible



# Background Slides

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1. Covid -19 Changes Cash Flow Implications
2. T1 Funding Overview
3. Staffing/FESS Costs Phase 1 vs Phase 2
4. Staff/ FESS Phase 1 (Detailed) Expenditures

# Covid -19 Changes- Cash Flow Implications

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**March 2019 – Council approves an additional \$5.3 million in funds for Phase 1 for additional projects, energy upgrade and construction cost increases**

**June 2020 – Council approves budget that eliminates \$5.3 million of General Fund granted to T1 in March 2019**

## **FY21 City Wide Budget Reductions due to Covid-19 (\$40M+)**

- Department Reductions
- \$5.3M from T1 allocation (GF)
- \$1.9M from Marina Fund (GF)

## **T1 Changes**

- Delay two projects to April 2021
  - Marina Streets (University, Marina and Spinnaker)
  - Grove Park Renovation
- Borrow \$1.2M from Parks and Public Works Special Funds
- Push up Phase 2 Bond Sales from November 2021 to April 2021
- Borrow \$5.3M from Phase 2 Bond Sales

# T1 Funding Overview

## Bond Funding

	Phase 1	Remaining	Total
Bonds sold	\$35M	\$65M	<b>\$100M</b>
Interest	\$1.7M	\$2M	\$3.7M
<b>Total</b>	<b>\$36.7M</b>	<b>\$67M</b>	<b>\$103.7M</b>

## Bond Expenditures

	Phase 1	Remaining	Total
Projects	\$37.75M	\$53.25M	\$91M
Staff/FESS	\$4.6M	\$7.1M*	\$11.7M
Art	\$0.35M	\$0.65M	\$1M
<b>Total</b>	<b>\$42.7M</b>	<b>\$61M</b>	<b>\$103.7M</b>

- ❖ Total T1 funding = \$103.7M (bonds sold plus interest)
- ❖ Phase 1 total cost = \$42.7M (\$6M of this to be paid with Phase 2 bond sale)
- ❖ Available for Phase 2 = \$61M

\*Assumes 5 year process

# Staffing & FESS Costs Phase 1 vs. Phase 2

Phase	Staffing Costs	FESS Costs	Project Costs	Staffing & FESS as % of Project Costs
Phase 1 (4 years)	\$4.2m	\$400k	\$38.1m	12%
Phase 2 (5 years)	\$6.4m	\$700k	\$53.9m	13%

- **Assumptions for Phase 2:**
  - Staffing costs include 5 FTEs over 5 years:
    - 1 FTE Analyst, 4 FTE Project Manager (% of 12 PM)
    - PM Avg salary/benefits is \$233k/yr, escalates 4%/yr
  - FESS costs include office space lease, IT software/hardware, copier lease, supplies, training, audit and etc.

# Staffing & FESS Costs Phase 1 Detail

## Phase 1 Detail

	Staffing	FESS	Total
FY18	\$618,856	\$94,102	\$712,958
FY19	\$1,023,253	\$84,466	\$1,107,719
FY20	\$1,306,834	\$111,485	\$1,418,319
FY21 (est)	\$1,249,259	\$111,745	\$1,361,004
<b>Total</b>	<b>\$4,198,202</b>	<b>\$401,798</b>	<b>\$4,600,000</b>

## Staffing/FESS: Phases 1 and 2

