

File No. 131141

Committee Item No. 4

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: 12/11/2013

Board of Supervisors Meeting

Date: _____

Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date December 6, 2013

Completed by: Victor Young Date _____

[Public Employment - Amending the Annual Salary Ordinance for Implementation of the Recreation and Park Department's Capital Improvements]

Ordinance amending Ordinance No. 160-13 (Annual Salary Ordinance - FY 2013-2014 and FY 2014-2015) to reflect the addition of two (2) Class 5502 Project Manager I positions (1.0 FTE) in the Recreation and Park Department (REC) for the implementation of the Recreation and Park Department's Capital Improvements.

Note: Additions are single-underlined italics Times New Roman; deletions are ~~striketrough italics Times New Roman~~; Board amendment additions are double underlined; Board amendment deletions are ~~striketrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The hereinafter designated section and item of Ordinance No. 160-13 (Annual Salary Ordinance - FYs 2013-2014 and 2014-2015) is hereby amended as follows:

Department: REC (42) Recreation & Park
Index Code: RECCAPOPERS
Program: ECS
Subfund: 1G AGF WOF

<u>Amendment</u>	<u># of Pos</u>	<u>Class and Item No</u>	<u>Compensation Schedule</u>
<u>Add</u>	<u>0.5 FTE</u>	<u>5502 Project Manager I (O)</u>	<u>\$4,564 B \$4,564</u>
<u>Add</u>	<u>0.5 FTE</u>	<u>5502 Project Manager I (O)</u>	<u>\$4,564 B \$4,564</u>

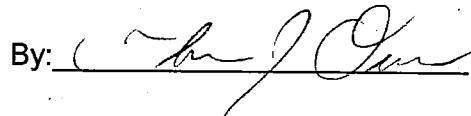
APPROVED AS TO CLASSIFICATION

APPROVED AS TO FORM

DEPARTMENT OF HUMAN RESOURCES

DENNIS HERRERA, City Attorney


Micki Callahan, Director

By: 

Department of Human Resources

Deputy City Attorney

Items 3 and 4**Files 13-1140 and 13-1141****Department:**

Recreation and Park Department (RPD)

EXECUTIVE SUMMARY**Legislative Objectives**

- **File 13-1140:** The proposed ordinance would appropriate a total of \$10,029,670, including de-appropriating \$3,176,558 and appropriating \$36,401 from the 2000 Recreation and Park Neighborhood Park Bond; and de-appropriating \$3,000,000 and appropriating \$3,816,711 from the 2008 Clean and Safe Neighborhood Parks Bond; for other capital projects under both the 2000 Recreation and Park Neighborhood Park Bond and the 2008 Clean and Safe Neighborhood Parks Bond.
- **File 13-1141:** The proposed ordinance would amend the FY 2013-14 and FY 2014-15 Annual Salary Ordinance to add two Class 5502 Project Manager 1 positions at RPD to implement Recreation and Park Department capital improvements.

Key Points

- In March 2000, San Francisco voters approved \$110,000,000 Neighborhood Park General Obligation Improvement Bond. In February of 2008 voters approved \$185,000,000 Clean and Safe Neighborhood Parks General Obligation Bond, including \$151,300,000 for RPD.

Fiscal Impact

- For each 2000 Neighborhood Park Improvement Bond project, RPD staff identified all available sources of funding (i.e., Open Space Fund, revenue bonds, gifts, grants, other sources) and reports a net balance of \$3,212,959 to be de-appropriated and re-appropriated by the Board of Supervisors for other park projects. Of the total \$3,212,959, \$3,176,558 results from surplus funds from various projects already completed and \$36,401 is additional bond proceeds that were not previously appropriated.
- Under the 2008 Clean and Safe Neighborhood Parks Bond, Palega Playground which is now completed has an estimated \$3,000,000 surplus funds that can be re-appropriated. Interest earnings from the original three bond sales, totaling \$3,816,711 can also be appropriated. A total of \$6,816,711 would be appropriated to the 2008 Neighborhood Park contingency fund for additional funding for the remaining projects to be completed.

Recommendations

- Approve the proposed supplemental ordinance (File 13-1140).
- Continue the proposed annual salary ordinance (File 13-1141) to the Call of the Chair, pending RPD providing detailed information on RPD's existing capital project workload, existing staff assignments, comparison with other bond projects staffing and the need for the requested two new positions to meet this workload.

MANDATE STATEMENT

City Charter Section 9.105 provides that amendments to the Annual Appropriation Ordinance, as finally adopted, are to be adopted in the same manner as other ordinances, and (b) no amendment to the Annual Appropriation Ordinance may be adopted unless the Controller certifies the availability of funds. Administrative Code Section 10.04 specifies that a salary ordinance showing the number and rates of compensation for positions created or continued for each supplemental appropriation ordinance must be approved by the Board of Supervisors.

BACKGROUND**2000 Neighborhood Park Improvement Bond**

In March of 2000, San Francisco voters approved an \$110,000,000 Neighborhood Park General Obligation Improvement Bond for the acquisition, construction and reconstruction of various Recreation and Park Department (RPD) facilities. This 2000 Neighborhood Park Bond allowed these bond funds to be used for any park purposes, excluding Golden Gate Park. According to Ms. Taylor Emerson, Analyst in the Capital and Planning Division of RPD, all of the 2000 Neighborhood Park Bond projects are included in the Department's Capital Plan, which is updated annually and approved by the Recreation and Park Commission. To date, RPD has acquired three properties, completed 83 capital projects, and is currently managing two active projects¹. As shown in Table 1 below, to date, the entire \$110,000,000 Bond plus \$9,851,673 of interest earnings, for a total of \$119,851,673 has been appropriated.

¹ The two active projects are: (1) Minnie & Lovie Ward (Oceanview) Recreation Center & Playgroúnd, and (2) Mission Dolores Playground.

Table 1: 2000 Bond Sales Appropriations

Bond Sale	Bond Sale Date	Amount
First	June 2000	\$6,180,000
Second	February 2001	14,060,000
Third	July 2003	20,960,000
Fourth	October 2004	68,800,000
Subtotal		\$110,000,000
Interest		9,851,673
Total		\$119,851,673

2008 Clean and Safe Neighborhood Park Improvement Bond

In February of 2008, San Francisco voters approved a separate \$185,000,000 Clean and Safe Neighborhood Parks General Obligation Bond, including \$151,300,000 for RPD, \$33,500,000 for the Port for specified parks and open space recreation projects, with the remaining \$200,000 for the Citizen's Oversight Audit fund. All of the RPD and Port 2008 Clean and Safe Neighborhood Park Improvement Bond projects are included in the City's 10-year Capital Plan. According to the most recent quarterly status report on the 2008 Clean and Safe Neighborhood Parks Bond, dated September 2013, as of August 31, 2013, a total of \$176,285,000 bonds have been sold, leaving a remaining balance of \$8,715,000 to fund only Port waterfront park projects. As shown in Table 2 below, to date RPD has received a total of \$150,173,303 from the 2008 Clean and Safe Neighborhood Park Improvement Bonds. To date, no interest earnings have been appropriated from the 2008 Park Bonds.

Table 2: 2008 Bond Sales

Bond Sale	Bond Sale Date	Amount	RPD	Port	Other*
First	August, 2008	\$42,520,000	\$38,457,502	\$3,644,438	\$418,060
Second	April, 2010	60,430,000	49,415,317	10,616,312	398,371
Third	February, 2012	73,335,000	62,300,484	10,415,765	638,751
Fourth	To be determined	\$8,715,000	0	8,465,000	250,000
Total		\$185,000,000	\$150,173,303	\$33,141,515	\$1,705,182

*Other costs include the cost of bond issuance, bond oversight and program auditing.

Focusing on the RPD portion of the 2008 Clean and Safe Neighborhood Park Bond program, of the total 13 Neighborhood Parks specified in the 2008 bond program, to date, the following ten Neighborhood Park projects are complete and open to the public:

- McCoppin Square;
- Helen Diller Playground in Mission Dolores Park;
- Mission Playground;
- Chinese Recreation Center;
- Fulton Playground;
- Sunset Playground;
- Lafayette Park;
- Cabrillo Playground;
- Cayuga Playground; and
- Palega Playground.

In addition, one RPD project is currently under construction: Glen Canyon Park; one project is currently being designed: Raymond Kimbell Playground; and one project is simultaneously being planned and designed: Mission Dolores Park.

DETAILS OF PROPOSED LEGISLATION

File 13-1140: The proposed supplemental appropriation ordinance would appropriate a total of \$10,029,670, including

- (a) de-appropriating \$3,176,558 of 2000 Recreation and Park Facilities Bond from existing capital projects;
- (b) appropriating \$36,401 of 2000 Recreation and Park Facilities Improvement Bond proceeds;
- (c) de-appropriating \$3,000,000 of 2008 Clean and Safe Neighborhood Parks Bond capital projects; and
- (d) appropriating \$3,816,711 of 2008 Clean and Safe Neighborhood Parks Bond Proceeds Interest Earnings.

Under the proposed ordinance, the requested \$10,029,670 would be deposited into the 2000 Recreation and Park Bond Master Project and the 2008 Neighborhood Park Bond Contingency Fund to fund approved capital projects and programs under both the 2000 Recreation and Park Facilities Improvement Bond and the 2008 Clean and Safe Neighborhood Parks Bond. On November 18, 2013, the City's Capital Planning Committee approved the proposed supplemental appropriation of \$10,029,670 of 2000 and 2008 Park General Obligation bonds to fund additional RPD capital improvements.

File 13-1141: The proposed ordinance would amend the FY 2013-14 and FY 2014-15 Annual Salary Ordinance to add two Class 5502 Project Manager 1 positions (1.0 FTE in FY 2013-14) in the Recreation and Park Department to implement Recreation and Park Department capital improvements.

FISCAL IMPACT

The sources and uses of the proposed \$10,029,670 supplemental appropriation ordinance are summarized in Table 3 below.

Table 3: Sources and Uses of Proposed Appropriation**Sources of Funds**

2000 Neighborhood Park Improvement Bond De-appropriation	
Capital Program Management ²	\$337,600
Playground Master Project ³	750,941
Neighborhood Parks Master Project	476,741
Kelloch-Velasco Park Project	277,339
Neighborhood Recreation Center Master Project	247,654
Geneva Car Barn Renovation Project	838,000
Pool Master Project	108,976
Regional Master Project	<u>139,307</u>
Total	\$3,176,558
2000 Neighborhood Park Improvement Bond Re-appropriation	
Bond proceeds not previously appropriated	<u>36,401</u>
Subtotal 2000 Neighborhood Park Bond Sources	\$3,212,959
2008 Clean and Safe Neighborhood Park Bond De-appropriation	
Palega Recreation Center	3,000,000
2008 Clean and Safe Neighborhood Park Bond Appropriation	
Interest Earnings 1 ^a Bond	1,868,241
Interest Earnings 1 ^b Bond	540,885
Interest Earnings 2 nd Bond	666,378
Interest Earnings 3 rd Bond	<u>741,207</u>
Total Interest Earnings	<u>\$3,816,711</u>
Subtotal 2008 Clean & Safe Park Bond Sources	\$6,816,711
Total Sources of Funds	\$10,029,670

Uses of Funds

2000 Neighborhood Park Improvement Bond	
Neighborhood Park Master Project	<u>\$3,212,959</u>
2008 Clean and Safe Neighborhood Park Bond	
Neighborhood Park Contingency	<u>6,816,711</u>
Total Uses of Funds	\$10,029,67

2000 Neighborhood Park Improvement Bond

Ms. Emerson advises that for each 2000 Neighborhood Park Improvement Bond projects, RPD staff identified all available sources of funding (i.e., Open Space Fund, revenue bonds, gifts,

² Capital Program Management includes various small planning and miscellaneous capital and administrative efforts in overall support of the 2000 Neighborhood Park Improvement Bond.

³ All of the 2000 Bond Master Project appropriations (playground, neighborhood parks, neighborhood recreation centers, pool and regional) reflect the remaining fund balances in each of those project categories.

grants, other sources) and reconciled the cost for each of the bond projects with all eligible funding sources. Based on this review, RPD reports a total net balance of \$5,654,950 remaining from the appropriated 2000 Bond projects, including interest earnings. Of the \$5,654,950 total, \$2,441,991⁴ is available for reallocation by the Recreation and Park Commission to new projects because these funds were not originally appropriated to a specific project by the Board of Supervisors. The balance of \$3,212,959 (\$5,654,950 less \$2,441,991) must be de-appropriated and re-appropriated by the Board of Supervisors for other park projects because the original funds were appropriated to specific projects. As shown in Table 3 above, of the total \$3,212,959, \$3,176,558 results from surplus funds from various projects already completed and \$36,401 is additional bond proceeds that were not previously appropriated.

According to the requirements of the original 2000 Neighborhood Park Improvement Bond, these bond funds can be used for any RPD projects, except Golden Gate Park. RPD reported to the Capital Planning Committee that these funds would potentially be used as follows, pending RPD Commission approval: \$1.8 million for Telegraph Hill landslide and \$700,000 for Civic Center Garage elevators for a total of \$2.5 million, leaving remaining unidentified projects of \$700,000. Under the proposed supplemental, all of the \$3,212,959 would be appropriated to the 2008 Neighborhood Park Master Project, to be allocated by the Recreation and Park Commission.

2008 Clean and Safe Neighborhood Park Improvement Bond

According to Ms. Emerson, the Palega Playground had an original project budget of \$21.2 million. Now that Palega Playground is completed and in the closeout phase, there is a conservatively estimated \$3,000,000 of surplus 2008 bond funds available that can be re-appropriated for other 2008 bond projects. In addition, the interest earnings from the original three bond sales, totaling \$3,816,711 can be appropriated to provide additional funding for the remaining 2008 bond projects to be completed.

Under the proposed supplemental, all of the \$6,816,711 would be Neighborhood Park Contingency Funds, to be allocated by the Recreation and Park Commission. RPD reported to the Capital Planning Committee that these funds would potentially be used as follows, pending RPD Commission approval: \$4.3 million for Dolores Park, \$800,000 for Raymond Kimbell Playground and \$1.7 million for the Beach Chalet.

Two New Project Manager Positions

RPD is also requesting two additional 5502 Project Manager I positions (0.5 FTE each in FY 2013-14) for an additional annual salary cost of \$119,000 per position or \$238,000 for both positions. If the fringe benefit cost of approximately 35% is added to the salary, the total

⁴ \$59,158 of this \$2,441,991 represents allocated net bid premium funds which cannot be appropriated for project expenditures, but can be transferred for 2000 Neighborhood Park Improvement Bond debt service payments.

ongoing annual salary and benefit cost is approximately \$321,000. All of the costs for the two positions would be paid from bond funds. RPD advises that they currently have eight project managers, 2.5 assistant project managers and 110 projects to manage, which RPD indicates is not sufficient for this level of work. However, as of the writing of this report, RPD has not provided detailed information on RPD's existing capital project workload, existing staff assignments, comparison with other bond projects staffing and the need for the requested two new positions to meet this workload.

RECOMMENDATIONS

1. Approve the proposed supplemental ordinance (File 13-1140).
2. Continue the proposed annual salary ordinance (File 13-1141) to the Call of the Chair, pending RPD providing detailed information on RPD's existing capital project workload, existing staff assignments, comparison with other bond projects staffing and the need for the requested two new positions to meet this workload.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *JE*
RE: Public Employment - Amending the Annual Salary Ordinance for
Implementation of the Recreation and Park Department's Capital
Improvements
DATE: November 26, 2013

Attached for introduction to the Board of Supervisors is the ordinance amending Ordinance No. 160-13 (Annual Salary Ordinance - FY 2013-2014 and FY 2014-2015) to reflect the addition of two (2) Class 5502 Project Manager I positions (1.0 FTE) in the Recreation and Park Department (REC) for the implementation of the Recreation and Park Department's Capital Improvements.

I request that this item be calendared in Budget and Finance on December 11, 2013.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

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