

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST

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TO: Budget and Finance Sub-Committee

FROM: Budget and Legislative Analyst



SUBJECT: April 1, 2015 Budget and Finance Sub-Committee Meeting

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<p>Item 2 File 15-0049</p>	<p>Department: Public Utilities Commission (PUC)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • Resolution authorizing the General Manager of the PUC to negotiate and modify the existing PUC Memorandum of Agreement (MOA) with the National Park Service to (a) increase the authorized funding by \$6,586,880 from \$27,486,504 to a not-to-exceed \$34,073,384 and (b) extend the MOA by one year from five to six years, from July 1, 2015 through June 30, 2016. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • On October 19, 2010, the Board of Supervisors approved a resolution for a Memorandum of Agreement between the PUC and the United States Department of the Interior, National Park Service for a five-year period based on a retroactive start date of July 1, 2010 through June 30, 2015 for an amount not-to-exceed \$27,486,504 (File 10-0984). <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed expenditures over the one-year extension period from July 1, 2015 through June 30, 2016 are estimated at \$6,119,988. • Actual PUC expenditures from July 1, 2010 through June 30, 2015 totaled \$27,953,396, which is \$466,892 more than the not-to-exceed \$27,486,504 authorized in the prior resolution, approved by the Board of Supervisors in 2010. The PUC was able to make payments totaling \$27,953,396 to the National Park Service because the current MOA does not specify an authorized not-to-exceed amount. • The \$466,892 difference (between the total actual expenditures incurred of \$27,953,396 and the total approved not-to-exceed amount in the prior resolution of \$27,486,504) plus the projected \$6,119,988 expenditures for the FY 2015-16 one-year extension total an increased amount of \$6,586,880. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> • The PUC expended more than the not-to-exceed amount specified in the prior resolution, because the current MOA between the PUC and the National Park Service does not specify a not-to-exceed amount. The PUC plans to address this issue. However, the proposed MOA also does not specify a not-to-exceed amount. <p style="text-align: center;">Recommendations</p> <ol style="list-style-type: none"> 1. Amend the proposed resolution to urge the General Manager of the PUC to specify the increased amount of \$6,586,880 for a total not-to-exceed \$34,073,384 in the revised Memorandum of Agreement with the National Park Service. 2. Approve the proposed resolution as amended. 	

MANDATE STATEMENT**Mandate Statement**

Charter Section 9.118(b) requires that any agreement entered into by a department which extends for ten or more years or has anticipated City and County expenditures of \$10,000,000 or more, or amendments to such agreements of \$500,000 or more, be subject to the approval of the Board of Supervisors by resolution.

BACKGROUND*Existing PUC Contract with the National Park Service*

On October 19, 2010, the Board of Supervisors approved a resolution authorizing a Memorandum of Agreement (MOA) between the San Francisco Public Utilities Commission (PUC) and the United States Department of the Interior, National Park Service for a five-year period based on a retroactive start date of July 1, 2010 through June 30, 2015 for an amount not-to-exceed \$27,486,504 payable by the PUC to the United States Department of the Interior, National Park Service (File 10-0984).

The Hetch Hetchy watershed is located entirely within Yosemite National Park, such that the National Park Service is responsible for managing the Yosemite National Park watersheds. At the same time, the PUC is responsible for supplying drinking water to the San Francisco Bay Area from the Hetch Hetchy watershed. The PUC is not required to filter the Hetch Hetchy water supply due to: (a) the exceptionally high quality water produced by the Hetch Hetchy watershed; and (b) the ongoing and effective source water protection provided by the National Park Service watershed management.

The existing MOA between the PUC and the United States Department of the Interior, National Park Service addresses the specific fees, functions, projects, and management of the watersheds that are within the Yosemite National Park, including:

1. **Raker Act Fees:** The Federal Raker Act of 1913 requires that the PUC reimburse the National Park Service for the cost of inspection necessary to secure compliance with sanitary regulations as well as an annual payment of \$30,000.
2. **Source Water Protection:** This function requires the National Park Service to protect the water quality of the Yosemite National Park watersheds, manage standby water source watersheds and ensure that the PUC is in compliance with State and Federal drinking water quality regulations.

3. **Dam Security:** This function requires the National Park Service to identify measures and provide security for essential PUC facilities within the Yosemite National Park.
4. **Environmental Stewardship Projects:** This function requires the National Park Service to protect and rehabilitate the ecosystems that affect, or are affected by, PUC water operations.
5. **Special Projects:** These projects are performed on an as-needed basis to meet unanticipated needs, have a limited time duration, and are jointly developed by the United States Department of the Interior, National Park Service and the PUC. Should a Special Project require ongoing activity, the PUC and the United States Department of the Interior, National Park Service will consider reclassifying such projects as a core function and allocate the necessary funds.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the General Manager of the PUC to negotiate and modify the existing PUC Memorandum of Agreement with the United States Department of the Interior, National Park Service to (a) increase the authorized funding payable by the PUC to the United States Department of the Interior, National Park Service by \$6,586,880 from \$27,486,504 to a not-to-exceed \$34,073,384 and (b) extend the MOA by one year from five to six years, through June 30, 2016.

The PUC is proposing to extend the existing MOA with the United States Department of the Interior, National Park Service by only one year, from July 1, 2015 through June 30, 2016, to coincide with the PUC's two-year budget cycle. The PUC anticipates requesting approval from the Board of Supervisors for a new six-year MOA with the United States Department of the Interior, National Park Service in early 2016.

FISCAL IMPACT

The PUC expenditures under the proposed MOA over the one-year extension period from July 1, 2015 through June 30, 2016 are estimated at \$6,119,988, as shown in Table 1 below.

Table 1. Projected Expenditures for One-Year Extension

	Fiscal Year 2015-2016
Raker Act Fees	\$30,000
Source Water Protection	4,518,103
Dam Security	768,568
<i>Environmental Stewardship</i>	
Looking Downstream	167,974
Amphibian Survey	41,057
Program Management	169,394
Special Projects	317,175
Rim Fire Project	107,717
Total	\$6,119,988*

Source: PUC Staff.

*Total estimated expenditures include an estimated 5 percent cost-of-living adjustment.

Table 2 below outlines actual PUC expenditures under the existing MOA term from July 1, 2010 through June 30, 2015, showing total expenditures of \$27,953,396 over the five-year period.

Table 2. Actual Expenditures of Existing MOA*

	FY 2010-11	FY 2011-12	FY2012-13	FY 2013-14	FY 2014-15**	Total
Raker Act Fees	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$150,000
Source Water Protection	3,626,219	3,781,022	3,966,073	4,164,378	4,341,518	19,879,210
Dam Security	637,020	654,042	674,843	708,585	741,716	3,416,206
<i>Environmental Stewardship</i>						
Looking Downstream	179,553	273,160	160,927	168,974	159,945	942,559
Amphibian Survey	0	29,437	40,361	42,379	40,058	152,235
Program Management	144,498	150,101	151,061	158,614	164,819	769,093
Special Projects	214,581	538,163	558,612	743,088	435,528	2,489,972
Rim Fire Project	0	0	0	85,439	68,682	154,121
Total	\$4,831,871	\$5,455,925	\$5,581,877	\$6,101,457	\$5,982,266	\$27,953,396

Source: PUC Staff.

*Actual expenditures during each fiscal year include a 5 percent cost-of-living adjustment.

**All expenditures for Fiscal Year 2014-15 have already been incurred by the PUC.

As shown in Table 2 above, the PUC has already incurred \$27,953,396 in expenses, which is \$466,892 more than the not-to-exceed \$27,486,504 authorized in the prior resolution, which was approved by the Board of Supervisors in 2010. According to Ms. Margaret Hannaford, PUC Hetch Hetchy Water and Power Division Manager, the PUC was able to pay \$466,892 more than the \$27,486,504 not-to-exceed amount to the United States Department of the Interior,

National Park Service because although the previous resolution approved by the Board of Supervisors recommended a not-to-exceed amount of \$27,486,504, the current MOA between the PUC and the National Park Service did not specify an authorized not-to-exceed amount. The proposed MOA also does not include a specified authorized not-to-exceed amount. The additional \$466,892 was paid from PUC operating funds previously appropriated by the Board of Supervisors in the PUC’s annual budget.

As shown in Table 3 below, the projected \$6,119,988 expenditures for the FY 2015-16 one-year extension plus the \$466,892 difference (between the total actual expenditures incurred of \$27,953,396 and the total approved not-to-exceed amount in the prior resolution of \$27,486,504) equal a total increased amount of \$6,586,880. Adding the \$6,586,880 to the existing total authorization of \$27,486,504 results in a total revised not-to-exceed \$34,073,384.

Table 3: Revised Total Increased Authorization Needed

Projected Expenditures (FY 2015-16)	\$6,119,988
Additional expenses incurred (FY 2010-15)	<u>466,892</u>
<i>Subtotal (Additional Funding Requested) FY 2015-16</i>	<i>\$6,586,880</i>
Existing Total Authorization (FY2010-15)	27,486,504
Revised Total Not-to Exceed Amount (FY 2010-16)	\$34,073,384

POLICY CONSIDERATION

As noted above, the PUC expended more than the not-to-exceed amount specified in the prior resolution, approved by the Board of Supervisors in 2010. Based on discussions with PUC staff, this oversight occurred because the current MOA between the PUC and the National Park Service does not specify a not-to-exceed amount. Based on our discussions, the PUC recognizes the gravity of this issue and plans to revise the PUC’s internal controls to require verification that the funding cap recorded in the PUC’s financial system matches the not-to-exceed amount specified in the contract or MOA and corresponds to the relevant resolution approved by the Board of Supervisors. With these measures, the PUC hopes to prevent this type of error in the future.

However, the Budget and Legislative Analyst notes that the proposed MOA also does not specify a not-to-exceed amount. Therefore, the Board of Supervisors should urge the PUC General Manager to specify the increased amount of \$6,586,880 for a total not-to-exceed amount of \$34,073,384 in the revised Memorandum of Agreement with the National Park Service.

RECOMMENDATIONS

1. Amend the proposed resolution to urge the General Manager of the PUC to specify the increased amount of \$6,586,880 for a total not-to-exceed \$34,073,384 in the revised Memorandum of Agreement with the National Park Service.
2. Approve the proposed resolution as amended.

<p>Item 4 File 15-0219 <i>(Continued from March 25, 2015)</i></p>	<p>Department: Recreation and Parks Department (RPD)</p>
<p>EXECUTIVE SUMMARY</p>	
<p>Legislative Objectives</p>	
<p>The proposed ordinance would (1) de-appropriate \$11,417,300 of the 2012 Clean and Safe Neighborhood Parks Bond proceed funded projects and \$100,000 of General Fund projects, totaling \$11,517,300, from eight existing projects; and (2) re-appropriate these funds to 11 playground and recreation center projects.</p>	
<p>Key Points</p>	
<ul style="list-style-type: none"> • In November 2012, San Francisco voters passed Proposition B, a \$195 million General Obligation Bond known as the 2012 San Francisco Clean and Safe Neighborhood Parks Bond (“Bond”) to fund infrastructure in parks throughout the City. The first Bond sale of \$53,200,000 occurred in Spring 2013. In June 2013, Bond proceeds were appropriated to provide funding for planning, design, and construction for 13 Neighborhood parks, three Citywide parks, five Citywide programs, and three Waterfront parks. • The re-appropriation of funds will de-appropriate funding from two Neighborhood parks, two Citywide parks, and three Citywide programs, and re-appropriate the funds to 10 Neighborhood parks. The re-appropriation is needed due to changes in anticipated project schedules and community outreach efforts. • Common reasons regarding RPD’s request for the de-appropriation of funding for select projects includes the (a) decision to competitively bid design consultants, (b) extensive public processes and coordination with nonprofit partners, and (c) planning process that are behind schedule and causing delays. According to RPD, none of the budgets for these projects have been reduced or eliminated. • Common reasons that projects are seeking re-appropriations include (a) readiness to award construction and design contracts, (b) commencement of community and internal planning processes, and (c) entrance into final stages of construction to deliver of project. 	
<p>Fiscal Impact</p>	
<ul style="list-style-type: none"> • The proposed ordinance will de-appropriate \$11,517,300 from eight projects, and re-appropriate \$11,517,300 to eleven other projects. One of the de-appropriated and one of the re-appropriated projects are General Fund projects. 	
<p>Recommendation</p>	
<p>Approve the proposed ordinance.</p>	

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.105 states that amendments to the Annual Appropriation Ordinance are subject to Board of Supervisors approval by ordinance after the Controller certifies the availability of funds.

Background

In November 2012, San Francisco voters passed Proposition B, a \$195 million General Obligation Bond known as the 2012 San Francisco Clean and Safe Neighborhood Parks Bond ("Bond") to fund infrastructure in parks throughout the City. The Bond allocates \$99,000,000 for Neighborhood Parks, \$21,000,000 for Regional Parks, \$12,000,000 for the Community Opportunity Fund, \$15,500,000 for Failing Playgrounds, \$13,000,000 for Forestry, Trails, and Water Conservation, and \$34,500,000 for Waterfront parks and open spaces.

The Bond projects commenced in 2013 and are expected to be complete by 2018. According to the December 2014 Citizens' General Obligation Bond Oversight Committee report, the Recreation and Park Department, Department of Public Works and the Port jointly determined the original scheduling of Bond projects to allow for site efficiencies, balance across districts, parity across facility types, allocation of workload resources, to spread contracts over time to improve competitive bidding, and to provide adequate workload capacity of the departments.

The first Bond sale of \$53,200,000 occurred in Spring 2013. In June 2013, Bond proceeds were appropriated to provide funding for planning, design, and construction for 13 Neighborhood parks, three Citywide parks, five Citywide programs, and three Waterfront parks.

According to Ms. Dawn Kamalanathan, Director of Planning and Capital Division at the Recreation and Park Department, the second Bond sale is expected to occur in fall of 2015. Subsequent Bond sale dates are not yet known.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would appropriate and de-appropriate \$11,417,300 of the 2012 Clean and Safe Neighborhood Parks Bond proceed funded projects and \$100,000 of General Fund projects, totaling \$11,517,300, for the renovation, repair, or construction of parks and open spaces in the Recreation and Park Department (RPD) for FY 2014-15.

The re-appropriation of funds will de-appropriate funding from two Neighborhood parks, two Citywide parks, and three Citywide programs, and re-appropriate the funds to 10 Neighborhood parks. According to Ms. Kamalanathan, this ordinance would not change any of the fundamental commitments of the Bond, but would rather help in managing cash flow based on the actual status of the various Bond projects. The re-appropriation of funds will ensure RPD can award contracts for those projects scheduled to go into construction during the spring and summer of 2015.

Almost all projects named in the Bond received an initial level of appropriation authority after the first Bond sale. According to Ms. Kamalanathan, this reflected RPD's anticipated schedules and community outreach efforts at that time. As those schedules and efforts progressed, plans and policy directives were better understood, giving RPD greater clarity on each project's funding needs. RPD has determined that certain projects slated to receive funding in the first Bond sale do not currently face an immediate funding need, and the appropriated funds could be more effectively used on other projects as identified by the Recreation & Park Department.

Seven of the eight de-appropriated projects and ten of the eleven re-appropriated projects are Bond projects. One of the de-appropriated and one of the re-appropriated projects are General Fund projects.

FISCAL IMPACT

Table 1 below shows the proposed de-appropriation and re-appropriation of \$11,517,300 for the subject Recreation and Park Department projects.

**Table 1: De-appropriation and Re-appropriation of
Recreation & Park Department Bond Funds**

<u>Sources of Funds</u>	
Description	De-appropriation
Balboa Park Pool Building	\$4,716,000
Lake Merced Park	354,800
Garfield Square Pool Building	146,000
Golden Gate Park	1,018,000
Playgrounds	3,925,000
Park Trails	1,000,000
Contingency	257,500
West Portal Playground Play Structure Replacement	100,000*
Total Uses De-Appropriation	\$11,517,300
<u>Uses of Funds</u>	
Description	Re-appropriation
George Christopher Playground	\$290,000
Gilman Playground	45,000
Glen Canyon Recreation Center	300,000
Joe Dimaggio Playground	137,500
Moscone Recreation Center	290,000
Mountain Lake Playground	50,000
Potrero Hill Recreation Center	275,000
South Park	25,000
West Sunset Playground	9,900,000
Willie "Woo Woo" Wong Playground	104,800
Golden Gate Heights Park	100,000*
Total Uses Appropriation	\$11,517,300

*General Fund Projects

Common Reasons for De-appropriation & Re-appropriation of Funding

Although the circumstances of each project are unique, there are some common reasons regarding RPD's request for the de-appropriation of funding for select projects including, the decision to competitively bid design consultants, extensive public processes and coordination with nonprofit partners, and planning process that are behind schedule and causing delays.

Common reasons that projects are seeking re-appropriations include readiness to award construction and design contracts, commencement of community and internal planning processes, and entrance into final stages of construction to deliver of project.

According to Ms. Kamalanathan, none of the budgets for these projects have been reduced or eliminated. A detailed status of each project to be de-appropriated and re-appropriated is listed in the Attachment.

RECOMMENDATION

Approve the proposed ordinance.

Detailed Status of Individual Projects**De-appropriations**

Balboa Park Pool Building	Amount
Project Description	Renovation of pool, pool building, potential addition of a multi-purpose space, and site improvements to related amenities
Total Project Budget	\$7,000,000
First Bond Sale/Current Appropriation	\$6,825,000
Expenditures + Encumbered to Date	\$986,248
Total Remaining in Project Budget	\$6,013,752
De-appropriation	\$4,716,000
Revised Current Appropriation after De-appropriation	\$2,109,000
Project Status	Current: Design Expected Completion Date: April 2017
Explanation	RPD decided to pursue non-city design consultants for the development of Balboa Pool. The additional time associated with obtaining permission from Civil Service Commission, and the RFP process to select a design consultant means Balboa Pool will not need construction funds as early as initially anticipated.

Lake Merced Park	Amount
Project Description	Restoration of natural features including lakes, meadows, and landscapes; recreational assets, such as playgrounds, playfields, courts, and picnic areas; and connectivity and access such as roads, pedestrian safety, paths, and trails
Total Project Budget	\$2,000,000
First Bond Sale/Current Appropriation	\$1,000,000
Expenditures + Encumbered to Date	\$84,579
Total Remaining in Project Budget	\$1,915,421
De-appropriation	\$354,800
Revised Current Appropriation after De-appropriation	\$645,200
Project Status	Current: Planning Expected Completion Date: 2018
Explanation	This project requires an extended public process and coordination with nonprofit partners. RPD continues to develop a program plan with partners to deliver these projects. At this time, no additional design funds are required.

Garfield Square Pool Building	Amount
Project Description	Renovation of the pool, pool building, and reconfiguration of park indoor facilities, improved park accessibility, and related amenities
Total Project Budget	\$11,000,000
First Bond Sale/Current Appropriation	\$1,750,000
Expenditures + Encumbered to Date	\$84,579
Total Remaining in Project Budget	\$10,915,421
De-appropriation	\$146,000
Revised Current Appropriation after De-appropriation	\$1,604,000
Project Status	Current: Planning Expected Completion Date: April 2018
Explanation	RPD decided to pursue non-city design consultants for Garfield Pool. With approval from the Civil Service Commission, RPD is now drafting an RFP to select a consultant.

Golden Gate Park	Amount
Project Description	Restoration of natural features including lakes, meadows, and landscapes; recreational assets, such as playgrounds, playfields, courts, and picnic areas; and connectivity and access such as roads, pedestrian safety, paths, and trails
Total Project Budget	\$9,000,000
First Bond Sale/Current Appropriation	\$1,475,000
Expenditures + Encumbered to Date	\$56,967
Total Remaining in Project Budget	\$8,943,033
De-appropriation	\$1,018,000
Revised Current Appropriation after De-appropriation	\$457,000
Project Status	Current: Planning Expected Completion Date: 2018
Explanation	This project requires an extended public process and coordination with nonprofit partners. RPD continues to develop a program plan with partners to deliver these projects. At this time, no additional design funds are required.

Failing Playgrounds	Amount
Project Description	Renovating, replacing, and remediating the most dilapidated playgrounds throughout the City
Total Project Budget	\$15,500,000
First Bond Sale/Current Appropriation	\$5,000,000
Expenditures + Encumbered to Date	\$72,899
Total Remaining in Project Budget	\$15,427,101
De-appropriation	\$3,925,000
Revised Current Appropriation after De-appropriation	\$1,075,000
Project Status	Current: Planning Expected Completion: 2018
Explanation	The planning phase will begin in late Spring and funding is needed at that time.

Park Trails	Amount
Project Description	Repair and reconstruct park nature trails, pathways, and connectivity in Golden Gate Park and John McLaren Park
Total Project Budget	\$4,000,000
First Bond Sale/Current Appropriation	\$1,000,000
Expenditures + Encumbered to Date	\$0
Total Remaining in Project Budget	\$4,000,000
De-appropriation	\$1,000,000
Revised Current Appropriation after De-appropriation	\$0
Project Status	Current: Planning Expected Completion Date:2018
Explanation	This project requires an extended public process and coordination with nonprofit partners. RPD continues to develop a program plan with partners to deliver these projects. At this time, no additional design funds are required.

Contingency	Amount
Total Project Budget	\$6,000,000
First Bond Sale/Current Appropriation	\$2,923,570
Expenditures + Encumbered to Date	\$0
Total Remaining in Project Budget	\$6,000,000
De-appropriation	\$257,500
Revised Current Appropriation after De-appropriation	\$2,666,070
Project Status	N/A
Explanation	Program Contingency is available to offset overages caused by unforeseen site conditions, cost escalation, and other factors that impact park project budgets. RPD has funded the Program Contingency based on past experience and anticipated needs.

West Portal Playground Play Structure Equipment	Amount
Project Description	Renovating, replacing, and remediating the playground
Total Project Budget	N/A, Currently included in the overall Failing Playgrounds program throughout the City. Typically playgrounds cost between \$1,000,000 to \$2,000,000 plus soft costs.
First Bond Sale/Current Appropriation	See Failing Playgrounds.
Expenditures + Encumbered to Date	
Total Remaining in Project Budget	
De-appropriation	\$100,000
Revised Current Appropriation after De-appropriation	
Project Status	
Explanation	The re-appropriation of \$100,000 from West Portal Playground to Golden Gate Heights Park will correct a budgeting error. The \$100,000 should have been originally allocated to Golden Gate Heights Park rather than the West Portal Playground, which now has \$100,000 in excess funds. The re-appropriation to Golden Gate Heights provides funding for a planning project in Spring/Summer 2015.

Re-appropriations

George Christopher Playground	Amount
Project Description	Improvements to the children's play area, exterior clubhouse, restrooms, park access, and related amenities
Total Project Budget	\$2,800,000
First Bond Sale/Current Appropriation	\$10,000
Expenditures + Encumbered to Date	\$0
Total Remaining in Project Budget	\$2,800,000
Re-appropriation	\$290,000
Revised Current Appropriation after Re-appropriation	\$300,000
Project Status	Current: Planning Expected Completion Date: August 2018
Explanation	The planning process is expected to start in April 2015.

Gilman Playground	Amount
Project Description	New play equipment, a separate tot area, repavement, site lighting upgrades, and restroom modification
Total Project Budget	\$1,800,000
First Bond Sale/Current Appropriation	\$1,755,000
Expenditures + Encumbered to Date	\$233,848
Total Remaining in Project Budget	\$1,566,152
Re-appropriation	\$45,000
Revised Current Appropriation after Re-appropriation	\$1,800,000
Project Status	Current: Bid/Award Expected Completion Date: May 2016
Explanation	This playground is ready to go into construction this summer. RPD has issued a construction bid and needs the money to fund the construction.

Glen Canyon Recreation Center	Amount
Project Description	Enhancements to the recreation center including the gymnasium, auditorium, offices and related amenities. Addition of multipurpose space and improved restroom.
Total Project Budget	\$12,000,000
First Bond Sale/Current Appropriation	\$11,700,000
Expenditures + Encumbered to Date	\$1,642,662
Total Remaining in Project Budget	\$10,357,338
Re-appropriation	\$300,000
Revised Current Appropriation after Re-appropriation	\$12,000,000
Project Status	Current: Design Expected Completion Date: April 2017
Explanation	RPD is finishing drawings with DPW and is looking to award a construction contract in July 2015, and therefore needs the bond funds to do so.

Joe Dimaggio Playground	Amount
Project Description	Expand the children's play area, relocate and improve the tennis courts, resurface sports courts, upgrade landscaping, improve seating, picnicking, and lighting
Total Project Budget	\$5,500,000
First Bond Sale/Current Appropriation	\$6,162,500*
Expenditures + Encumbered to Date	\$1,034,895
Total Remaining in Project Budget	\$4,465,105
Re-appropriation	\$137,500
Revised Current Appropriation after Re-appropriation	\$6,300,000
Project Status	Current: Construction Expected Completion Date: March 2016
Explanation	This project is currently in construction, and needs the funding to finish construction and deliver the project.

* The current appropriations is over the total project cost due to a contingency included in the first bond sale.

Moscone Recreation Center	Amount
Project Description	Improvements to the children's play area, improved access, and related amenities
Total Project Budget	\$1,500,000
First Bond Sale/Current Appropriation	\$10,000
Expenditures + Encumbered to Date	\$0
Total Remaining in Project Budget	\$1,500,000
Re-appropriation	\$290,000
Revised Current Appropriation after Re-appropriation	\$300,000
Project Status	Current: Planning Expected Completion Date: November 2017
Explanation	Community planning efforts will begin in April 2015.

Mountain Lake Playground	Amount
Project Description	New play areas for preschool and school age children, climbing structure, landscaping, seating, interactive facilities and access, irrigation improvements
Total Project Budget	\$2,000,000
First Bond Sale/Current Appropriation	\$1,950,000
Expenditures + Encumbered to Date	\$146,440
Total Remaining in Project Budget	\$1,853,560
Re-appropriation	\$50,000
Revised Current Appropriation after Re-appropriation	\$2,000,000
Project Status	Current: Bid/Award Expected Completion Date: June 2016
Explanation	This project is ready to go to bid and needs funding to do so. The community partner has completed their fundraising efforts.

Potrero Hill Recreation Center	Amount
Project Description	Improvements to the natural turf playfields and the dog play area
Total Project Budget	\$4,000,000
First Bond Sale/Current Appropriation	\$25,000
Expenditures + Encumbered to Date	\$0
Total Remaining in Project Budget	\$4,000,000
Re-appropriation	\$275,000
Revised Current Appropriation after Re-appropriation	\$300,000
Project Status	Current: Planning Expected Completion Date: September 2018
Explanation	Community planning efforts will begin in April 2015.

South Park	Amount
Project Description	Pathway through the park, children's play area, open meadow plazas, sitting and picnicking areas, bulb-outs and chicanes for traffic calming, bio-infiltration swales, and a rainwater cistern for irrigation usage
Total Project Budget	\$1,000,000
First Bond Sale/Current Appropriation	\$975,000
Expenditures + Encumbered to Date	\$168,466
Total Remaining in Project Budget	\$831,534
Re-appropriation	\$25,000
Revised Current Appropriation after Re-appropriation	\$1,000,000
Project Status	Current: Bid/Award Expected Completion Date: July 2016
Explanation	Community has finished fundraising and need the funding to begin planning for the next phase of construction this summer.

West Sunset Playground	Amount
Project Description	Improve 3 baseball fields, 3 soccer fields, improve the retainer wall, fencing, bleacher seating, athletic courts, landscape and irrigation, improve ADA access
Total Project Budget	\$13,200,000
First Bond Sale/Current Appropriation	\$3,300,000
Expenditures + Encumbered to Date	\$1,003,509
Total Remaining in Project Budget	\$12,196,491
Re-appropriation	\$9,900,000
Revised Current Appropriation after Re-appropriation	\$13,200,000
Project Status	Current: Bid/Award Expected Completion Date: October 2016
Explanation	RPD is completing the design and the re-appropriation will fund the construction contract so it can go out to bid.

Willie "Woo Woo" Wong Playground	Amount
Project Description	Renovation of courts, children's play area, improved park access including the adjacent alleyways and amenities, reconfiguration of park features
Total Project Budget	\$6,000,000
First Bond Sale/Current Appropriation	\$845,200
Expenditures + Encumbered to Date	\$758,055
Total Remaining in Project Budget	\$5,241,945
Re-appropriation	\$104,800
Revised Current Appropriation after Re-appropriation	\$950,000
Project Status	Current: Planning Expected Completion Date: April 2018
Explanation	Design contract was awarded and used the initial round of funding. This will cover soft costs for design, as well as the beginning of the community planning process.

Golden Gate Heights Park	Amount
Total Project Budget	Renovating, replacing, and remediating the playground
First Bond Sale/Current Appropriation	N/A, Currently included in the overall Failing Playgrounds program throughout the City. Typically playgrounds cost between \$1,000,000 to \$2,000,000 plus soft costs.
Expenditures + Encumbered to Date	See Failing Playgrounds.
Total Remaining in Project Budget	
Re-appropriation	\$100,000
Revised Current Appropriation after Re-appropriation	
Project Status	
Explanation	The re-appropriation of \$100,000 from West Portal Playground to Golden Gate Heights Park will correct a budgeting error. The \$100,000 should have been originally allocated to Golden Gate Heights Park rather than the West Portal Playground, which now has \$100,000 in excess funds. The re-appropriation to Golden Gate Heights provides funding for a planning project in Spring/Summer 2015.

<p>Item 5 File 15-0204 <i>(Continued from March 25, 2015)</i></p>	<p>Department: San Francisco Municipal Transportation Agency (SFMTA)</p>
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EXECUTIVE SUMMARY

Legislative Objectives

The proposed resolution would approve a grant agreement with Bay Area Air Quality Management District (BAAQMD) for the SFMTA’s Electronic Bicycle Lockers Project, in an amount of \$70,000 for a term in excess of 10 years.

Key Points

- The provision of secure long-term bicycle parking is a key strategy for promoting bicycle transportation in the City.
- Currently, there are 52 bicycle lockers located in SFMTA owned parking garages, but they are traditional lock and key lockers, and many are broken and misused. Therefore, SFMTA seeks to replace them with electronic lockers.
- SFMTA plans to use grant funds to install 28 BikeLink electronic bicycle lockers, in four SFMTA owned parking garages.

Fiscal Impact

- The proposed resolution would approve a grant agreement between the SFMTA and BAAQMD for \$70,000, to cover 59 percent of the estimated total \$117,870 electronic bicycle locker project costs.
- The SFMTA will provide \$8,000 in matching funds, from Proposition K funds. The remaining source of funds of \$39,870 will come from State Transportation Development Act, Article 3 Pedestrian and Bicycle Facilities Funds.

Recommendations

- Amend the proposed resolution to change the word “Clear” to “Clean” in line 10 of the proposed resolution to read “WHEREAS, The Bay Area Air Quality Management District (BAAQMD), under the Transportation for Clean Air Regional Fund Program, awarded a \$70,000 grant to the San Francisco Municipal Transportation Agency (SFMTA) for the Electronic Bicycle Lockers Project.”
- Approve the proposed resolution, as amended.

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.118(b) states that contracts entered into by a department, board or commission that (1) have term of ten years or more, (2) require expenditures of \$10 million or more, or (3) require a modification with a \$500,000 impact or more is subject to Board of Supervisors approval.

Background

The San Francisco Municipal Transportation Authority (SFMTA) has a history of applying for and receiving funding from the Bay Area Air Quality Management District (BAAQMD) for projects designed to improve air quality. In June 2014, the SFMTA was awarded a \$70,000 grant from the BAAQMD to fund electronic bicycle lockers under the BAAQMD's Transportation for Clean Air Regional Fund Program. Approval of this agreement is just now being submitted to the Board of Supervisors, as the SFMTA had a three-month delay due to missing environmental documents, extended negotiations with the BAAQMD regarding the terms of the agreement, and approval by the SFMTA Board, which took approximately six weeks.

The provision of secure long-term bicycle parking is a key strategy for supporting and promoting bicycle transportation in the City, as well as reducing motor vehicle emissions by providing trip reducing transportation alternatives that would result in a reduction of vehicle miles traveled. Results of the SFMTA Long Term Bicycle Parking Strategy survey conducted in fall of 2012 indicate that secure and flexible bicycle parking would result in higher rates of bicycling in the City.

Currently, there are 52 bicycle lockers located in SFMTA owned parking garages, but they are traditional lock and key lockers, and many are broken and misused. Therefore, SFMTA seeks to replace them with electronic lockers. Electronic bicycle lockers are accessed and paid for with a microelectronics card similar to a credit card that can be purchased online, at nearby businesses, or in a vending machine. The card opens the locker and guides the user through the rental process including payment, similar to a parking meter. It is expected that each electronic bicycle locker can provide bicycle storage facilities for five to seven more people versus traditional lock and key lockers.

Conformance with City Bicycle Policies

Improved long-term and electronic bicycle parking is discussed in several city and regional planning documents including the Strategy for Long-Term Bicycle Parking in San Francisco, the Metropolitan Transportation Commission (MTC) Regional Bicycle Plan for the San Francisco Bay Area, and the SFMTA Clean Air Policies and Programs.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a grant agreement with BAAQMD for the SFMTA's Electronic Bicycle Lockers Project, in an amount of \$70,000 for a term in excess of 10 years. On January 6, 2015, the SFMTA Board of Directors approved Resolution No. 15-005, authorizing the Director of Transportation to execute the grant agreement with the BAAQMD for \$70,000 of Transportation Fund for Clean Air monies, and recommended approval of the agreement by the Board of Supervisors.

On October 31, 2014, the SF Planning Department determined the electronic bicycle locker project is categorically exempt from the California Environmental Quality Act (CEQA).

Electronic Bicycle Parking Locations

With \$70,000 in funding from this grant, SFMTA plans to install 28 BikeLink electronic bicycle lockers from vendor ELock Technologies, LLC, in four SFMTA owned parking garages. These locations have been identified as high-need bicycle parking areas near busy transit stations. The four locations are:

- 174 West Portal Avenue, near the West Portal MUNI Station;
- 1340 7th Avenue, in the Inner Sunset near a MUNI station and commercial corridor;
- Moscone Garage at 255 3rd St, located in SOMA near the Moscone Center; and
- Golden Gateway Garage at 250 Clay Street, located in the Financial District.

Installation of the electronic bicycle lockers is expected to commence in May 2015 and be complete by January 2017.

FISCAL IMPACT

The total estimated project cost for the 28 electronic bicycle lockers is \$117,870 as shown in Table 2 below.

Table 2: Electronic Bicycle Lockers Estimated Project Cost

Electronic Bicycle Lockers by Location	Cost
Moscone Garage	\$30,780
Golden Gateway Garage	\$30,350
West Portal	\$9,850
7th & Irving	\$9,850
Subtotal	\$80,830
License & Installation	
Software License	\$18,000
Installation	\$5,600
Subtotal	\$23,600
Service & Operations	
Annual Service Plan	\$16,800
Discount	(\$3,360)
Subtotal	\$13,440
Total Project Cost	\$117,870

Source: SFMTA

The proposed resolution would approve a grant agreement between the SFMTA and BAAQMD for \$70,000, to cover 59 percent of the estimated total \$117,870 electronic bicycle locker project costs. The Transportation for Clean Air Regional Fund Program requires 10 percent matching funds of the total grant eligible project costs. However, the SFMTA decided to provide \$8,000 or 11% of the \$70,000 BAAQMD grant in matching funds, from Proposition K funds, a half-cent local sales tax for transportation projects approved by San Francisco voters in 2003. The remaining source of funds of \$39,870 (\$117,870 estimated total project cost less \$8,000 match, less \$70,000 grant) will be from State Transportation Development Act, Article 3 Pedestrian and Bicycle Facilities Funds, as summarized in Table 3 below.

Table 3: Sources of Funds for Electronic Bicycle Lockers Project

Funding Source	Funding Description	Amount
BAAQMD	Grant	\$ 70,000
Proposition K	11% City Match	\$ 8,000
Transportation Development Act Article 3 Funds	Remaining Project Cost	\$ 39,870
Total Project Cost		\$ 117,870

Source: SFMTA

Ongoing Costs

According to Mr. Lui, annual maintenance costs for the electronic bicycle lockers are estimated to be \$2,000 per year. The first five years of maintenance costs are covered under warranty which is included in the purchase of the equipment. After five years, the SFMTA Operating Fund will cover any maintenance costs.

RECOMMENDATIONS

1. Amend the proposed resolution to change the word “Clear” to “Clean” in line 10 of the proposed resolution to read “WHEREAS, The Bay Area Air Quality Management District (BAAQMD), under the Transportation for Clean Air Regional Fund Program, awarded a \$70,000 grant to the San Francisco Municipal Transportation Agency (SFMTA) for the Electronic Bicycle Lockers Project.”
2. Approve the proposed resolution, as amended.