

File No. 131141

Committee Item No. 5

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: 1/8/2014

Board of Supervisors Meeting

Date: _____

Cmte Board

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Completed by: Victor Young Date January 3, 2014

Completed by: _____ 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.

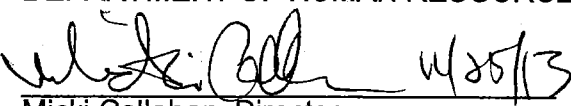
Note: Additions are single-underlined italics Times New Roman; deletions are ~~striketrough italics Times New Roman~~. Board amendment additions are double underlined. Board amendment deletions are ~~striketrough normal~~.

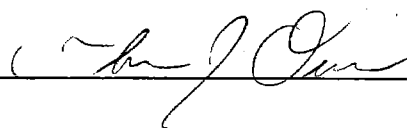
Be it ordained by the People of the City and County of San Francisco:

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
DEPARTMENT OF HUMAN RESOURCES

Micki Callahan, Director

APPROVED AS TO FORM
DENNIS HERRERA, City Attorney
By: 
Deputy City Attorney

Item 5 File 13-1141 <i>Continued from December 11, 2013</i>	Department: Recreation and Park Department (RPD)
EXECUTIVE SUMMARY	
Legislative Objectives	
<ul style="list-style-type: none"> • 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	
<ul style="list-style-type: none"> • 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. In November 2012, San Francisco voters approved a separate \$195,000,000 Clean and Safe Neighborhood Parks General Obligation Bond, including \$160,500,000 for RPD. • RPD has a Capital Improvement Division which manages and implements all of the capital improvement projects for RPD, primarily funded with the 2000, 2008 and 2012 General Obligation bond funds as well as lease revenue bonds, General Fund, Open Space Funds, grants, partnerships and gifts. RPD's Capital Improvement Division currently has nine project managers and 2.5 assistant project managers. 	
Fiscal Impacts	
<ul style="list-style-type: none"> • Two new Project Manager I positions were approved in the FY 2013-14 budget to address RPD's delayed 2008 bond projects, which will be filled in early January 2014. A workload comparison of RPD's existing capital projects indicates that if RPD receives the requested two additional Project Manager I positions, RPD would have comparable project management level of services as DPW's existing street bond projects. • Two additional 5502 Project Manager Is would cost \$238,000 per year in salaries for both positions. If fringe benefit costs of approximately 35% are added, the total ongoing annual cost is approximately \$321,000. The proposed ordinance assumes each position would be filled as of January 1, 2014, such that the FY 2013-14 costs would be approximately one-half or \$160,500. RPD bond funds would primarily pay for these positions. • These two positions cannot be filled until April 1, 2014, such that the proposed ordinance should be amended to change the 0.5 FTE to 0.25 FTE for each position for FY 2013-14. 	
Recommendations	
<ul style="list-style-type: none"> • Amend the proposed ordinance on lines 18 and 19 to change the 0.5 FTE to 0.25 FTE for each of the two new requested positions in FY 2013-14. • Approve the proposed ordinance as amended. 	

MANDATE STATEMENT

Administrative Code Section 10.04 specifies that a salary ordinance identifying the number and rates of compensation for positions created are subject to approval 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. To date, RPD has acquired three properties, completed 83 capital projects, and is currently managing two active capital projects. The two active projects are: (1) Minnie & Lovie Ward (Oceanview) Recreation Center playfield and (2) Mission Dolores Park.

2008 Clean and Safe Neighborhood Parks Improvement Bond

In February of 2008, San Francisco voters approved a separate \$185,000,000 Clean and Safe Neighborhood Parks General Obligation Bond, including \$151,500,000 for RPD and \$33,500,000 for the Port for specified parks and open space recreation projects. Of the total 13 RPD Neighborhood Parks specified in the 2008 bond program, to date, ten Neighborhood Park projects are complete and open to the public. Of the remaining three RPD Neighborhood Parks, (a) Glen Canyon Park is currently under construction; (b) Raymond Kimbell Playground is currently in the bid/award phase; and (c) Mission Dolores Park is also in the bid/award phase.

2012 Clean and Safe Neighborhood Parks Improvement Bond

On November 6, 2012, San Francisco voters approved a separate \$195,000,000 Clean and Safe Neighborhood Parks General Obligation Bond, including \$160,500,000 for RPD and \$34,500,000 for the Port. The first 2012 bond issuance occurred in July 2013 and included \$53,687,500 for RPD. To date, of the total 13 RPD Neighborhood Park projects specified in the 2012 bond program, seven projects are currently active in the planning phase.

RPD Capital Improvement Division

RPD has a Capital Improvement Division which is responsible for managing and implementing all of the capital improvement projects for RPD, together with the Department of Public Works (DPW) construction management staff and outside consultants. RPD's Capital Improvement Division is primarily funded by the above-noted 2000, 2008 and 2012 General Obligation bond funds as well as by other lease revenue bonds, General Fund, Open Space Funds, grants,

partnerships and gifts. Overall, RPD's Capital Improvement Division budget is currently \$300 million. RPD's Capital Improvement Division currently has a total of 25¹ full-time equivalent (FTE) positions, including nine project managers and 2.5 assistant project managers.

DETAILS OF PROPOSED LEGISLATION

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 in the Recreation and Park Department to administer Recreation and Park Department bond-funded capital improvements.

The proposed ordinance would create 0.5 FTE for each 5502 Project Manager I position or a total of 1.0 FTE in FY 2013-14, assuming a start date of January 1, 2014 through June 30, 2014.

FISCAL IMPACTS

Justification for the Proposed Two Positions

Although RPD's Capital Improvement Division currently has 25 FTE positions, including nine project managers and 2.5 assistant project managers, RPD reports that this project management staffing level is not sufficient for their current level of work. According to Ms. Taylor Emerson, Analyst in RPD's Capital Improvement Division, RPD's Capital Improvement Division is currently managing 115 active projects at a total cost of approximately \$300 million, with individual projects ranging in cost from \$350,000 to \$22,000,000. Of the 115 projects, (a) 80 projects or 70% range in value from \$350,000 to \$5 million; (b) 29 projects or 25% range in value from \$6 million to \$15 million and (c) six projects or 5% are more than \$16 million.

On August 16, 2013 the Controller's Office conducted a management review of the 2008 Clean and Safe Neighborhood Parks Improvement Bond to determine if the RPD projects were being completed within the specified schedules, scopes and budgets initially identified. This Controller's report found that the 2008 neighborhood park projects were being delayed due to Project Manager and Finance position staffing shortages at RPD. The Controller's report recommended that RPD hire two additional project managers and fill one vacant finance division position. According to Ms. Emerson, RPD has filled the one vacant finance division position.

Ms. Emerson advises that two new Project Manager I positions were approved by the Board of Supervisors in the FY 2013-14 budget for RPD's Capital Improvement Division, as recommended in the Controller's report. According to Ms. Emerson, both of these Project Manager I positions

¹ These 25 FTE positions do not include 5 student intern trainee positions within the Planning Group under RPD's Capital Improvement Division.

will be filled as of January 6, 2014 and will be assigned to 2008 general obligation bond projects. With these two new Project Manager I positions, RPD’s Capital Improvement Division will have 11 Project Managers in January of 2014.

However, Ms. Emerson advises that RPD’s Capital Improvement Division still requires two additional Project Manager I positions to address the 2012 bond projects. According to Ms. Emerson, RPD’s capital projects are most comparable to DPW’s streetscape general obligation bond projects because both the RPD and DPW capital projects require similar design complexity to accommodate multiple users, coupled with increased levels of public outreach and meetings that are required of project management staff.

The Table below compares the number of FTE project managers to the number and value of DPW and RPD’s existing capital projects. As shown in the Table below, as of January 2014 even with the recent additional two Project Manager I positions, each RPD project manager will have an average of 10.5 projects at an average cost of \$27.3 million per staff which is greater than each DPW project manager having an average of 7.2 projects at an average cost of \$24.4 million per staff. The Table below also indicates that if RPD receives the requested two additional Project Manager I positions, RPD’s project manager staffing level would be reduced to an average of 8.85 projects at an average cost of \$23.1 million per staff, which reflects a slightly greater number of projects at a slightly lower cost per project than DPW project managers. Given that RPD’s Capital Improvement Division also has 2.5 FTE assistant project managers working on other capital projects, the requested additional staffing would provide comparable levels of project management services as provided under DPW’s street bond projects.

Table: Comparison of staffing on DPW and RPD Bond Programs

General Obligation Bond Program	FTE Project Managers*	Total Projects	Projects /Project Managers	Total Value (\$millions) of Projects	Value (\$millions) /Project Managers
DPW Street and Streetscape Bond Program	5.0	36	7.2	\$121.82	\$24.4
RPD Capital Improvement Bond Program (January, 2014)	11.0	115	10.5	\$300	\$27.3
RPD Capital Improvement Bond Program (subject of the requested ordinance)	13.0	115	8.85	\$300	\$23.1

Source: Ms. Taylor Emerson in the RPD Capital Improvement Division.

*Does not include 2.5 FTE assistant project managers who are responsible for managing other projects not reflected in this Table.

Cost of the Proposed Two Positions

RPD is 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. Including the fringe benefit cost of approximately 35%, the total ongoing annual salary and fringe benefit cost is approximately \$321,000 for the requested two new positions. The proposed ordinance assumes that each position would be filled as of January 1, 2014, such that the FY 2013-14 costs would be approximately one-half or \$160,500.

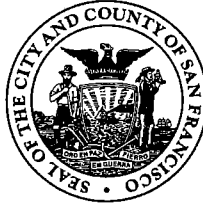
All of the costs for the two positions would be off-budget. Ms. Emerson advises that the source of funds to pay the two positions would depend on the specific projects that the staff person was working on, but would come primarily from the 2008 and 2012 Clean and Safe Neighborhood Parks Improvement General Obligation Bonds.

As noted above, the proposed ordinance assumes that each of the requested two new positions would be filled as of January 1, 2014. Given that the proposed ordinance would not be approved until the end of January 2014, these two positions could not actually be filled until at least April 1, 2014. As noted above, two RPD Project Manager I positions that were approved in the FY 2013-14 budget will not be filled until early January 2014, or approximately six months later. Therefore, the proposed ordinance should be amended to change the 0.5 FTE for each position to 0.25 FTE for each position for FY 2013-14, such that the total cost for the two positions in FY 2013-14 would be approximately \$80,250, instead of \$160,500.

RECOMMENDATIONS

1. Amend the proposed ordinance on lines 18 and 19 to change the 0.5 FTE to 0.25 FTE for each of the two new requested positions in FY 2013-14.
2. Approve the proposed ordinance as amended.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *Ed* 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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