

MEETING MINUTES
Citizens' General Obligation Bond Oversight Committee
December 7, 2015
Hearing Room 416 - City Hall
San Francisco, CA 94102

1) Call to Order, Roll Call

The meeting was called to order at 9 a.m. The following Committee members were present: Dion-Jay Brookter, Robert Carlson, Larry Bush, Brenda Kwee McNulty, Brian Larkin, and Michael Seville. Corey Marshall and Michael Garcia were absent.

2) Approval, with possible modification, of the minutes of the September 24,, 2015 meeting.

The minutes were approved without objection.

(*NOTE: Full recordings of Committee meetings are available by request from the Controller's Office and on the CGOBOC web site. Meeting Materials are also posted on the web site after approval by the Committee).

3) Presentation from the Earthquake Safety and Emergency Response Bond Program (ESER)

Project updates were made by Charles Higuera, Project Manager from Public Works, Samuel Choi, Project Manager from Public Works, and David Myerson, Project Manager from the San Francisco Public Utilities Commission. The content reviewed included:

- ESER 2010 and ESER 2014 Financial Status
- Police Department: the Public Safety Building, the Traffic Company and Forensic Services Division and the Police Facilities Improvement.
- The Fire Department
- Medical Examiner
- Auxiliary Water Supply System

The CGOBOC liaisons to ESER are Michael Seville and Robert Carlson. Mr. Carlson reported that he'd toured the new building and expressed his opinion that the public was getting good value for its' money. He asked questions about the completion dates for the Public Safety Building. The correct date should be early in 2016. Samuel Choi provided a definition of integrated building management (listed on the project dashboard). Under ESER 2014 (Traffic Company and Forensic Services Division) Mr. Choi talked about the reason design work is done by more than one contractor – it minimizes change orders. Design consultant invoices for the Medical Examiner are pending as is information about change orders.

Mr. Seville asked for clarification of what happens with the developer contributions noted on page 2 of the report. The contributions are absorbed into the project to defray

the costs. Mr. Higuera responded to the question as to why the CMCC Design Build Delivery System is used. It is used because it is effective. The Committee discussed change orders and community involvement.

There was public comment from Jerry Dratler. He said he found the materials confusing in regard to the project costs as compared to the actual project.

4) Presentation from Public Works about the 2011 Road Repaving and Safety Street Bond Program (RSSS).

John Thomas, Project Manager for the Program, reviewed the RSSS Bond Scope and Budget, as well as the roadway structure projects.

Mr. Thomas reported that Public Works has 34 completed street resurfacing contracts and 12 currently in construction. These contracts have paved 974 blocks (or 76%) of the total bond goal. The sidewalks and structures components of the bond are near completion.

The Curb Ramp Project is 1--% complete. Three upcoming milestones were identified:

- Five repaving contracts are currently in the process of being advertised and awarded;
- Bartlett streetscape will complete construction in December 2015;
- Polk streetscape will advertise in December 2015.

The City has issued two bond sales, to date, totaling \$205.3 million, which leaves \$42.6 million for a future sale planned in 2015. 89% of the total \$202 million appropriated programmatic budget has been expended or encumbered. A final bond sale is expected spring 2016. The risks, issues or concerns on budget, cope or schedule is that an extended construction schedule for joint projects with the Public Utilities Commission (PUC).

Street Repaving and Reconstruction

Mr. Thomas reported 34 projects are completed or substantially complete; 12 projects are under construction; and, 974 blocks have been resurfaced (or 76% of the total GO bond resurfacing goal).

Upcoming milestones include:

- Three contracts currently in the process of being advertised and awarded;
- Pavement Renovation: various locations and #19 construction began in August 2015;
- Fulton Street Pavement Renovation and MUNI Forward construction began September 2015; and,
- Pavement Renovation – Grafton Avenue and Garfield Street construction began in September 2015.

Streetscape, Pedestrian and Bicycle Safety Improvements

Recent accomplishments include the construction completion of 9 projects, three are under construction and one has been advertised. Upcoming milestones include starting the construction on Ocean Avenue and Columbus (January 2016) and the advertisement of Polk Street, Spofford and Geneva Balboa Park.

Curb Ramp Program

The program is 100% complete. The scope of the original project was \$13.76 million dollars for 3 years of planning, design and the construction of curb ramps. The final construction was completed in October 2015 and the last construction contract has been closed out. Over 2,000 locations were identified as high priority during the three years of the project. Difficult site conditions with utility conflicts and steep grades resulted in higher average costs and reduced the projected numbers from 1,700 to 1,350. The final count is 1,563 curb ramps that were designed, constructed or upgraded to comply with ADA standards.

Sidewalks

This bond component is 100% complete. SIRP (Sidewalk Inspection and Repair Program) repaired a total of 860 blocks (or 108% of goal) and ASAP (Accelerated Sidewalk Abatement Program) repaired 256,992 (or 169% of goal) square feet of damaged sidewalk fronting public properties, from FY11-12 through FY14-15.

Roadway Structure Program

The Roadway Structure Program completed over 25 projects, including nine Micro-LBE Set Aside. These projects include: Chestnut Street Stairway Replacement, repairs on the Alemany Blvd. Guard Rail, El Camino Del Mar Wall and stairway repair, San Marcos Ave. Wall and stairway repair, Market Street retaining wall construction and the installation of handrails throughout the City. In summary, 36 of the 38 roadway structures have been repaired.

Upcoming milestones include 2207J- Islais Creek Bridge Electrical Repair (November 2015) and 1831J- Highland Avenue Bridge Guardrail Repair (December 2015).

Traffic Signals

Accomplishments include 99% of the total appropriated funds expended or encumbered.

- Traffic Signal Priorities (TSP) – the TSP engineering strategy is to provide, whenever possible, green signal indications for transit vehicles as they approach signalized intersections, to minimize transit delays and enhance transit on-time performance. To date, SFMTA has completed 300 intersections out of 440 planned intersections (68 % complete; 59% in March 2016).
- New Traffic Signals in 10 Intersections – There are new traffic signals at various intersections to improve safety for pedestrians, rail transit (cable cars) and vehicle traffic, as well as to enhance transit on-time performance. The signal construction contract is now 75% complete. This contract was originally planned for completion in February 2016, but may be extended by 2-3 months to accommodate upcoming change orders for various minor design revisions to original project intersections, and new work at additional locations (to be funded separately from the GO Bond).
- Traffic Signal Infrastructure Upgrades – The SFMTA secured funds to improve safety along transit routes by upgrading traffic signal infrastructure at various intersections. Conduits and pull boxes were added at 6 locations, in coordination with DPW, as part of various repaving projects.

Mr. Thomas and the Committee discussed the draft quarterly report template.

This project does not have a Committee liaison. There was general discussion about inactive projects (new projects will be added when old ones are completed); projects that are "on hold" because additional public outreach is needed; and, the timelines/schedules for some of the projects.

There was no public comment.

5) Presentation from the MTA about the SF 2014 Transportation and Road Improvement General Obligation Bond.

Carolyn Clevenger, MTA Transportation Bond Project Manager, reviewed the \$500 million dollar SF Transportation and Road Improvement General Obligation Bond that was passed by voters to provide improved transit and safer streets.

The first issuance was completed July 2015 in the amount of \$69.7 million dollars. Ms. Clevenger reviewed the bond summary by investment category. The first issuance included Muni Forward Rapid Network Improvements (in partnership with Public Works); Caltrain Upgrades; Major Transit Corridor Improvements; and, Pedestrian Safety Improvements (Phase I). The focus of the projects is on the highest traffic routes in the city for both driving and walking. Work from the TEP was included in this implementation.

The expected outcomes include improved transit and safer streets. Before and after studies indicate that travel time on MUNI can improve by up to 20%. The 40 miles of transit priority improvements can save customers up to an hour a week. By improving reliability, the modernized MUNI facilities can keep more buses and trains in service.

The Safer Streets outcome is to protect people walking with targeted safety improvements on the highest injury corridors. There will be constructed improvements on up to 27 miles of bicycle network.

Ms. Clevenger talked about one of the first completed improvements – a more efficient bus stop. The bus stop was made more efficient as the result of a build-out extension at Mission and 30th Streets. The work was expedited through a SF PUC contract. The result is minimized disturbances to neighbors. The opportunity to coordinate with another agency allowed a discrete project element to be delivered quickly.

The challenges and risks include: a) effective public engagement (all projects must have an outreach plan); b) project coordination; and c) large, multi-agency projects (the more agencies involved, the harder it is to make decisions).

Upcoming activities include: a) planning and prioritization of the budgets, next projects that are ready to go; b) Scheduling highlights: SFMTA Board review of 30 Stockton: Chestnut and 14 Mission (approved by the MTA Board last week); and, design on Pedestrian Safety Projects and Better Market Street.

Commissioner McNulty is the Committee's liaison to the Project. She expressed her opinion that learnings from other projects had been included and there was good inclusion of the public. She also noted the new website which has information about the various components of the project.

The Committee talked about the public outreach process, key milestones, trade-offs and the way the website is set up for public use. Updates are to be made to the website on a quarterly basis. Recommendations were made about reporting tools that would include a before and after column to establish baselines and metrics. It was also recommended that the original project schedules and budget be added.

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- 6) Presentation from the City Services Auditors (CSA) regarding reports and audits.** Peg Stevenson, Director CSA-Performance, and Tonia Lediju, Director – Audits, provided their quarterly update to the Committee regarding the status of various reports and audits listed on the work plan.

CSA's charter mandates were reviewed. Ms. Stevenson reviewed the Performance programs listed in the work plan and the major projects completed as of November 2015. Some of the highlights included the Performance Scorecard, 311 Call Volume and % of 911 calls answered within 10 seconds and the study of the Medi-Cal Expansion (MCE) enrollment monthly gains and losses.

Ms. Lediju reviewed the Audit program focus and the major audits on the FY16 work plan.

The budget and staffing were discussed as of November 1, 2015. The financial status is as follows:

- Fiscal Year 2015-16 Budget:
 - The annual budget (2/10th of 1%) is \$15.2 million dollars.
 - The carryforward budget from prior years is \$4.7 million dollars.
 - Capital Budget: \$5.5 million dollars (\$3.7M Bonds; \$1.8M CGOBOC Funds)

The actual spending, as of 11/1/2015 was \$2.9 Million. The projected spending is \$15.2M (or 76%).

There are 66 budgeted positions and 56 staff.

Mr. Bush, the Committee's liaison to CSA, noted the "many balls in the air at the same time". He noted the lack of consistency in the reporting, which led to a discussion about self and actual reporting. The request was made for a list of agencies that are not part of Performance audits (school district, community college, the housing authority).

Other Committee members discussed the Nov. 10, 2014 audit memo from former CGOBOC member Jerry Dratler in which he expressed his opinion that CSA has not met its' mandate and requested a review the audit program. There was also discussion of the follow-through on recommendations. It was noted that recommendations are reviewed every 6 months until all are implemented. The departments are self-reporting. There is also a briefing before the Board of Supervisors' Government Audits and Oversight Committee.

There was public comment from former CGOBOC member Jerry Dratler. Mr. Dratler expressed his opinion that CGOBOC did not fulfill its' review of the audit and performance area. A copy of the November 11, 2014 memo from Mr. Dratler to CGOBOC is attached.

7) Opportunity for Committee members to comment to take action on any matters within the Committee's jurisdiction.

- a. Administrative Cost Audits – to be reported on a later time. Memo submitted by CSA.
- b. Standardized Reports – Committee discussion with Julia Dawson and Alexandra Bidot of Public Works. The Streets Bond is the model for the first standardized report. It is the pilot. The glossary provides a high level view for the Committee and public in the areas of time, scope and budget. In response to the question about whether the model is applicable to other bonds, Ms. Dawson responded in the affirmative. The MTA is getting started with its' project so it should be easier to adapt to the standardized model. All the other departments are amenable to the standardized format. After discussion about original and revised budgets, lessons learned and schedules, the Committee moved to approve the reporting tool. The motion was approved, without objection.

There was no public comment.

- c. Close-Out Report Template – there was no substantive work to discuss at this time.

There was no public comment.

8) Opportunity for the public to comment on any matters within the Committee's jurisdiction.

There was comment (from a person who did not identify himself) about CGOBOC's failure to increase the efficiency of government for the public.

There was no further public comment.

The meeting was adjourned at 11:30 a.m.