

# **CIP PRIORITIZATION MAYORAL POLICY**

**CIPRAC**

June 20, 2013

# Outline

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# Background

## Current Prioritization: Council Policy (CP) 800-14

- ❑ A comprehensive evaluation to determine overall needs so that projects can be ranked in priority order, and efficiently funded
- ❑ City's ability to compete for outside grant funding
- ❑ Adopted in 2007 for Transportation and Storm Water Projects only
- ❑ Amended in 2008 to include All Asset Types
  - Two Separate Sets of CIP Prioritization Factors
    - Transportation
    - Non-Transportation (*Water & Sewer Focus*)

# Background

## **Council Policy (CP) 800-14 Weaknesses**

- LACKS CONSISTENCY in application across all departments/asset types that requires:
  - Asset specific scoring using unique operational needs
  - A more objective scoring tool
  - A simplified planning level scoring for needs list
- LACKS consideration for the need to build new infrastructures for blighted or underserved communities.
- The 2011 CIP Audit and 2012 PUD Audit identified other areas of improvement to make this policy even more practical and objective for staff to follow that includes consideration for:
  - Emergency Projects
  - Risk to Environment
  - Sustainability of Resources

# City Organizations and Other Stakeholder Input

Comments received from the following:

- ❑ Community Planning Group
- ❑ City of San Diego's Budget & Finance Committee
- ❑ Capital Improvements Program Review and Advisory Committee (CIPRAC)
- ❑ Independent Rates Oversight Committee (IROC)
- ❑ City Auditors
- ❑ CIP Prioritization Team
  - Public Works – Engineering & Capital Projects (Lead)
  - Asset Departments
- ❑ Community Budget Alliance (CBA)

# New Mayoral Policy

## CIP Prioritization

- ❑ Provides guidelines and weighted factors for the scoring and ranking of all asset types in the CIP.
- ❑ Establishes an objective process for ranking CIP projects to allow decision-makers to have a basis for choosing the most compelling projects.
- ❑ Provides a citywide perspective on exploring various financing options, and to facilitate project coordination.

# Strengths

- ❑ **Projects will compete within:**
  - Restricted Funding Categories - projects within the same funding category
  - Restricted Asset Types – project type
  - Restricted Phases -projects within the same level of completion or project development phase (planning, design and construction)
- ❑ **Maintain consistency in application across all departments/asset types that requires:**
  - Asset specific scoring using unique operational needs
  - A single set of factors for each asset category
  - A more objective scoring tool
  - A simplified planning level scoring

# Strengths - Continuation

- ❑ CONSIDERATION FOR THE FOLLOWING
  - ❑ COMMUNITIES NEEDING NEW INFRASTRUCTURES
    - CONSTRUCTION OF NEW FACILITIES IN UNDER-SERVED COMMUNITIES
  - ❑ ENVIRONMENTAL CONSIDERATION IN SCORING
    - EVALUATION FOR GREEN INFRASTRUCTURE
    - SUSTAINABILITY OF RESOURCES
  - ❑ EMERGENCY PROJECTS



# Asset Categories

1. **Enterprise-Funded Assets and Mandated Programs** - Water and Wastewater Pipelines and Facilities, Airport, Drainage, Golf Course Stadium and Convention Center and Environmental Facilities, Undergrounding Projects
2. **Mobility Assets** - Bicycle, Bridge, Erosion Control, Roadways, Guardrails, Traffic Calming and Signals and Pedestrian Facilities
3. **Public Safety Assets** - Lifeguard Stations, Fire and Police facilities and structures
4. **Neighborhood Assets** - Libraries, Parks, Community Centers, Public Arts and Cultural Facilities and Community Gardens

# New Prioritization Factors

1. Risk to Health, Safety and Environment and Regulatory or Mandated Requirements
2. Asset Condition, Annual Recurring Costs and Asset Longevity
3. Community Investment and Economic Prosperity
4. Level and Quality of Service
5. Sustainability and Conservation
6. Funding Availability
7. Project Readiness
8. Multiple Category Benefit and Bundling Opportunities

# Scoring Weights



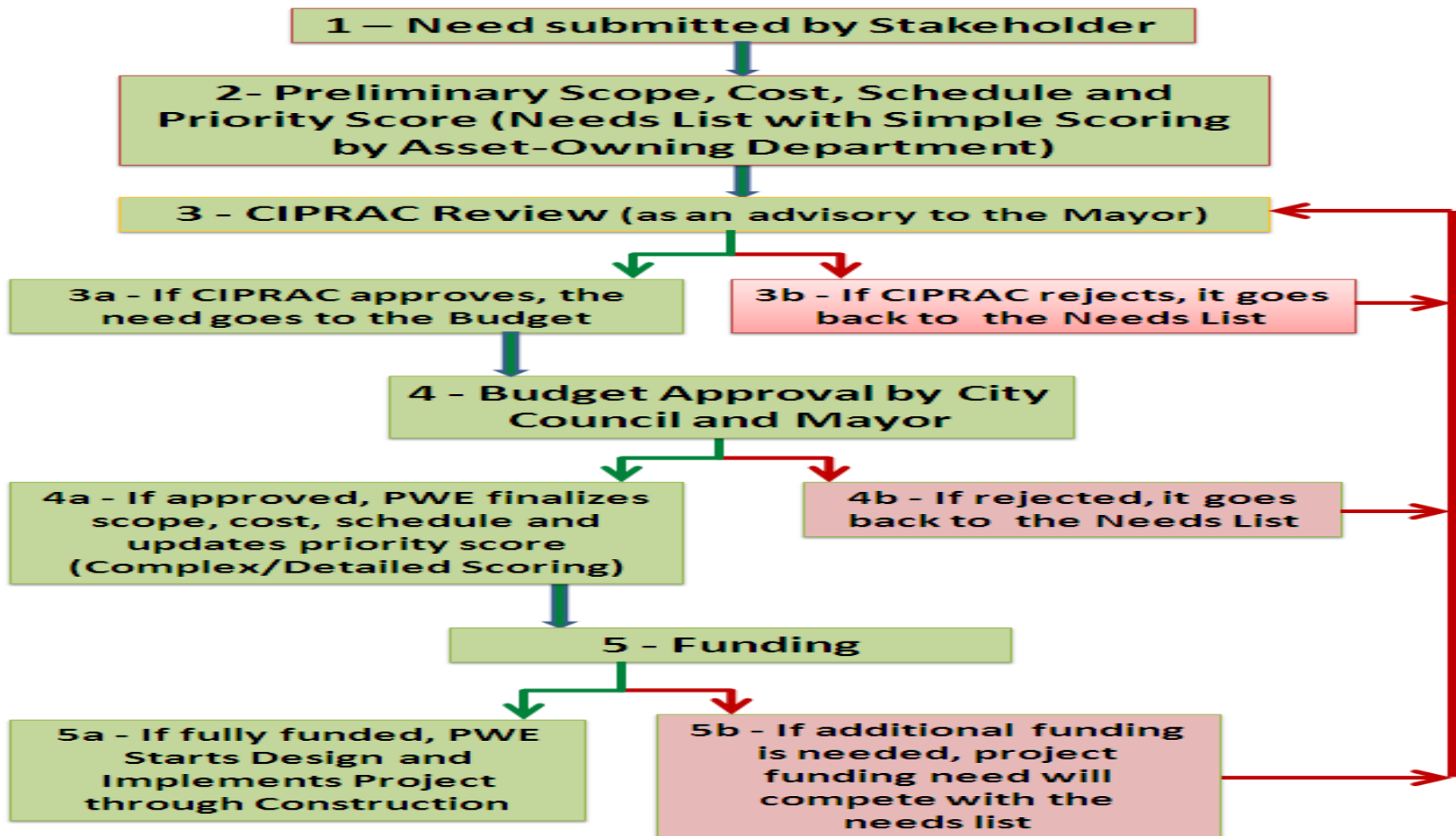
<b>Factors</b>	<b>Enterprise-Funded Assets and Mandated Programs</b>	<b>Mobility Assets</b>	<b>Public Safety Assets</b>	<b>Neighborhood Assets</b>
<b>1. Risk to Health, Safety and Environment and Regulatory or Mandated Requirements</b>	<b>25</b>	<b>20</b>	<b>15</b>	<b>10</b>
<b>2. Asset Condition, Annual Recurring Costs and Asset Longevity</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>15</b>
<b>3. Community Investment and Economic Prosperity</b>	<b>20</b>	<b>20</b>	<b>10</b>	<b>25</b>
<b>4. Level and Quality of Service</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>20</b>
<b>5. Sustainability and Conservation:</b>	<b>10</b>	<b>5</b>	<b>5</b>	<b>10</b>
<b>6. Funding Availability</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>5</b>
<b>7. Project Readiness</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>8. Multiple Category Benefit and Bundling Opportunities</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>10</b>
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

# Project Phases

All CIP Projects shall be separated into the following standard phases within each category:

- I. Needs List Assessment (Prior to Inclusion in the CIP Budget) - simple scoring by Asset-Owning Departments
- II. After CIP Budget - detailed and complex scoring
  - Planning and Pre-Design
  - Design
  - Construction

# Implementation Process



# Implementation Schedule

## □ Target:

- New FY15 CIP Projects scored per new *Mayoral Policy*

## □ Schedule:

- June 2013 - Mayor's Staff/CIPRAC/CPG Presentations
- June/July 2013 - Mayoral Approval
- September 2013 - Infrastructure Committee (Informational)
- Nov – Jan 2014 - Apply new policy on “NEW” FY15 CIPs

# Questions/Comments