

# Capital Improvements Program Review and Advisory Committee (CIPRAC)

## Minutes of Meeting

Thursday, November 20, 2014

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|--|---|--|
| <input checked="" type="checkbox"/> Fire-Rescue          | <input checked="" type="checkbox"/> ADA Compliance and Assessment | <input checked="" type="checkbox"/> Public Works                 |
| <input type="checkbox"/> Library                         | <input checked="" type="checkbox"/> Comptrollers                  | <input checked="" type="checkbox"/> Police                       |
| <input checked="" type="checkbox"/> Office of COO        | <input checked="" type="checkbox"/> Environmental Services        | <input checked="" type="checkbox"/> Transportation & Storm Water |
| <input checked="" type="checkbox"/> Park and Recreation  | <input checked="" type="checkbox"/> Public Utilities              | <input type="checkbox"/> EOC                                     |
| <input checked="" type="checkbox"/> Debt Management      | <input checked="" type="checkbox"/> Development Services          | <input checked="" type="checkbox"/> EAM                          |
| <input checked="" type="checkbox"/> Facilities Financing | <input checked="" type="checkbox"/> Financial Management          | <input type="checkbox"/> Planning Department                     |

**Guests:** Brock Jones, Kris Shackelford, Duncan Hughes, Mark Caro, Scott Daeschner, Tracy McCraner, Elvira Ricafort

**Support:** Mohsen Maali, Angela Colton, Nadia Perez, Cynthia Chu, Elmer Dulay, Reshannon Harrell

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### 1. General Announcements/Discussion

- Stan Griffith announced that Ann Sasaki is leaving the City after 28 years. Tony said that hopefully an official farewell will be set up for her.
- Erin Noel is scheduling a management level workshop on Enterprise Asset Management (EAM) on December 11, 2014. The notice will be sent out tomorrow. The goal is to have project charter created.

### 2. Approved CIPRAC Meeting Minutes from October 23, 2014

Minutes approved with the following minor correction: Erin Noel was promoted to Program Manager, Enterprise Asset Management in the Office of the DCOO for Infrastructure/Public Works.

### 3. DIF Bowl Recommendations

Tom Tomlinson gave a presentation on DIF available for allocation for FY 2016. He reviewed communities with enough funding to fund all staff requests including the following projects that have been identified by the Community Planning Group as a priority:

- Golf Course Drive Walkway - \$170,000
- Coast Blvd. Park Improvements - \$360,000
- Morley Green Mini-Park ADA Ramps - \$90,000
- Rolando Joint Use Facility - \$380,000
- Kensington Library Expansion, S00795 - \$75,000

- San Carlos Branch Library - \$140,000
- Robert Egger, Sr. / So. Bay Community Park Improvements - \$110,000
- San Ysidro Community Park ADA - \$150,000
- Tierrasanta Library Expansion, Phase I - \$170,000
- Mission Hills Library - \$70,000

The only community with funds available and no staff requests was San Pasqual - \$34,000.

Tom Tomlinson indicated that the 5-year term to expend the funds starts after the money has been collected. See the complete list of DIF funded projects attached here.

Motion, to accept the recommendations, was approved.

#### 4. CDBG Bowl Recommendations

Sima Thakkar gave CIPRAC a presentation on the Proposed CDBG CIP Projects for Reprogrammed & FY 2016. She reviewed the following:

- City CDBG CIP Budget
- New CDBG CIP Process
- Reprogrammed Funds
- Estimated FY 2016 Funds

She requested from CIPRAC a motion to approve project listings for reprogrammed funds and FY 16 funds.

Motion, to accept the recommendations, was approved.

#### 5. Review of Available CIP Funding & Cash Management Practices

Angela Colton stated that the goal of this is to determine possible methods in reducing the excess available budget for all CIP projects through improved budget flexibility options. The following are some of the options discussed:

##### **Option 1:** CIP Cash Flow Management / Budget Review & Budget Clean-Up Considerations

- Semi-annual review (before Proposed Budget/during May Revise) of all projects to identify which excess budgets can be released.
- City departments combine efforts to prepare one Council action to redistribute excess available budget among different appropriate funding sources.
- Release excess sublet budget once bid received (at routing of PA2625).

##### **Option 2:** CIP Cash Flow Management / Budget Flexibility Considerations

- Transfer excess funds to under-funded projects within the same funding source.
- Remove excess budget at construction award and reallocate to other active projects with unidentified or accelerated needs within the same funding source. Excess budget would be based on the total construction cost estimate of the contract.
- Remove excess budget when the construction of a project is technically completed (TECO) and reallocate to other active projects with unidentified or accelerated needs within the same funding source.

### **Option 3: CIP Cash Flow Management / Pooling Contingencies Considerations**

- City Manager Memo on Contingency thresholds
- Assess contingencies annually
- Design-Build Contracts

The pros and cons of these options were also discussed.

Angela stated that we are limited on authority to spend cash (budget) and a discussion took place regarding the flexibility to move money around from project to project.

James/Angela indicated that funding has to be very flexible with no deadlines for pooling contingencies.

#### **6. State of CIP Status Report**

Angela Colton stated that the State of CIP went to Infrastructure Committee last week and things went very well. The expected docketed date is for Dec. 8, 2014.

#### **7. DC 3 Bond Status Update**

Lakshmi Kommi stated that a court hearing took place on October 29<sup>th</sup>, 2014 regarding the DC 3 Bond. The court ruled in the City's favor on a part of the total CD-3 Fund and gave authorization to release \$70 million dollars. The judgment will be handed down on January 9<sup>th</sup>, 2015, with a trial date of February 9<sup>th</sup>, 2015. Bonds will be received in early March 2015.

#### **8. Multi-Year CIP Status Update**

Marnell Gibson indicated that they are continuing to work on the gap analysis and revisions to the report. The report will be rolled out to the sections in the early part of December and is targeted for Infrastructure Committee on January 21, 2015.

#### **10. Future Items**

None