

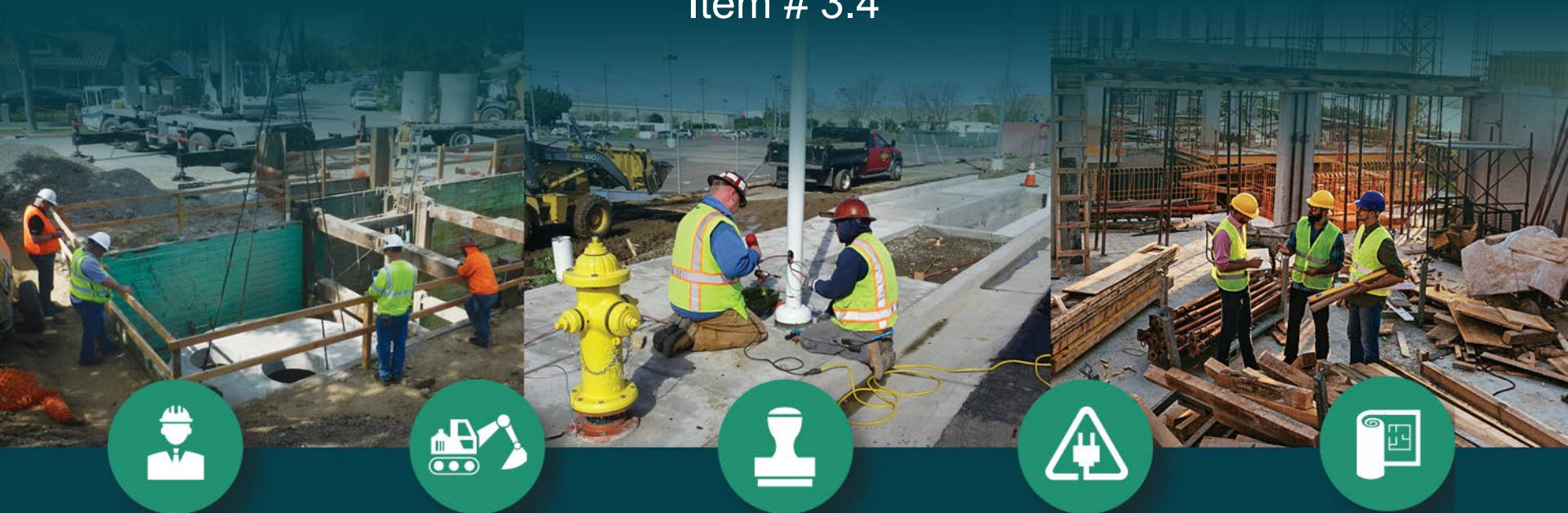
Presenters: Public Works Director, Matt Cano
Public Works Deputy Director, Katherine Brown
Measure T COC Chair, Arjun Batra

Measure T

The Disaster Preparedness, Public Safety and Infrastructure Bond Status Report and COC's Report to Council

June 28, 2022

Item # 3.4





San José Community Oversight Committee (COC) Measure T Annual Report for Fiscal Year 2020-2021



Arjun Batra/Chair/5-17-2022

COC Responsibilities

- 1. Review the expenditure of the proceeds of Measure T Bonds to ascertain consistency with the voter approved purposes for the funds.**
- 2. In connection with the review of expenditures of Measure T Bonds, review and forward to the City Council the City Auditor's separate audit of the proceeds of the Measure T Bonds as well as the Director of Finance's annual report on the amount of Measure T Bonds issued and the amount of ad valorem tax collected for each prior fiscal year ending June 30th.**
- 3. Review the status of projects funded with the proceeds of Measure T Bonds and forward a status report on the pending Measure T projects to the City Council.**

COC OVERSIGHT Methodology-MATRIX

Measure T Public Safety and Infrastructure Bond Fund Planned and Audited Use of Funds FY2020-FY2021

Projects ⁰	Project Location by Council Districts ¹	2020-2021 Planned Use of Funds ²	2020-2021 Audited Use of Funds ³	Total Audited Use of Funds as of June 30, 2021 ⁴	Results of Expenditures ⁵	Initial Life of Project Total Estimated Expenditure ⁶	Revised Life of Project Total Estimated Expenditure ⁷	Potential Delta (expected overrun/underrun) ⁸
1. Traffic								
1.1 Bridges	CW	\$7,977,000	\$679,065	\$1,502,646	Staff programmed to rehabilitate at least 45 bridges to leverage other grant opportunities. However, only 27 bridges were rehabed. This is because majority of City's bridges no longer qualified under	\$ 19,977,000	\$ 19,977,000	\$ -
			Column#	Column Title	Description of contents of the column			
			0	Projects	Project item associated with each Measure T category			
1.2 Pavement Maintenance	CW	\$57,500,000	1	Project Location by Council Districts	The districts in which this line item is physically located or the districts either impacted by or benefitted from this item		0,000	\$ -
			2	2020-2021 Planned Use of Funds	Planned FY 2020-2021 funding for the item			
			3	2020-2021 Audited Use of Funds	Audited FY 2020-2021 funds used for the item			
			4	Total Audited Use of Funds as of June 30, 2021	Total of FY 2019-2020 and FY 2020-2021 Audited funds used for this item			
			5	Results of Expenditures	Provides details of the accomplishments of the expended funds for the line item			
1.3 LED Streetlight Conversion	CW	\$10,058,000	6	Initial Life of Project Total Estimated Expenditure	Provides Initial estimate of the Total Expenditure expected for completing line item		2,000	\$ -
			7	Revised Life of Project Total Estimated Expenditure	Provides Revised/New estimate of the Total Expenditure expected for completing line item			
			8	Potential Delta (Expected overrun /underrun)	Provides the estimate of the Expected Overrun /Underrun for completing this line item. It is the difference between "Initial" and "Revised" Life of Project Total Estimated Expenditure			

COC FY 2020-2021 REPORT –1 of 2

- 1.FY 2020-2021 Report / Memo sent to DPW on Feb 9, 2022**
- 2.Funds use was found to be consistent with the Measure T Bond**
- 3.The 2020-2021 “Planned use of Funds” and the “Audited use of Funds” were \$168,788,000 and \$75,427,897, respectively.**
- 4. The 2020-2021 “Planned use of Funds” and the “Audited use of Funds” were \$168,788,000 and \$75,427,897, respectively.**
- 5. The bond “Issuance” and “Expenditures” timed to ensure compliance with the IRS tax-exempt guidelines. The bonds for \$440.5M issued against approval of \$650M.**
- 6.The projects in all the five categories of Measure T funded projects: Traffic, Public Safety, Storm Sewer, Municipal Improvements and Parks & Community Facilities continue to make progress despite covid-19 lock downs.**

COC FY 2020-2021 REPORT –2 of 2

8. The first project fully completed with Measure T funding came under budget by \$3,471,368. The project was to acquire a property within Coyote Valley and to demolish all the existing structures for Open Space Preservation. The property was purchased in FY 2019-20 and demolition completed in FY 2020-2021.

9. The project to Convert Street lights to LED with Smart Controllers was made a two-phase (two touch) project. Phase I: Just convert to LED and Phase II: Add Smart Controllers to LED lights.

10. Through June 30, 2021, the Department of Public Works estimated that it would be possible to complete all projects to the original scope with the planned bonds funds. The latest estimates show a Shortfall.

Issues

- 1. Recent DPW “Estimates to completion“ indicate shortfall for completing the original list of projects to original scope**
- 2. COC is concerned about the debate on funding the Lake Cunningham Restoration Project from Measure T Funds:**
 - 1. Recommendation: Verification/Sign-off by the City Attorney and/or independent competent authority.**
- 3. COC Report Distribution and Annual Presentation dates**
Recommend a place holder for 3rd week in Feb.
- 4. Vacancies on COC – Six vacancies out of 15 seats**
Need help from the Council’s and the Mayor’s offices for filling



Measure T – Budget and COC

Budget

- Measure T - \$650,000,000
- 2023-2027 Adopted CIP - \$418.7M
- FY 2022-2023 - \$213.9M
- Second Bond Issuance from July 2021 - \$200.5M
- Remaining Bond Issuance - \$202.5M

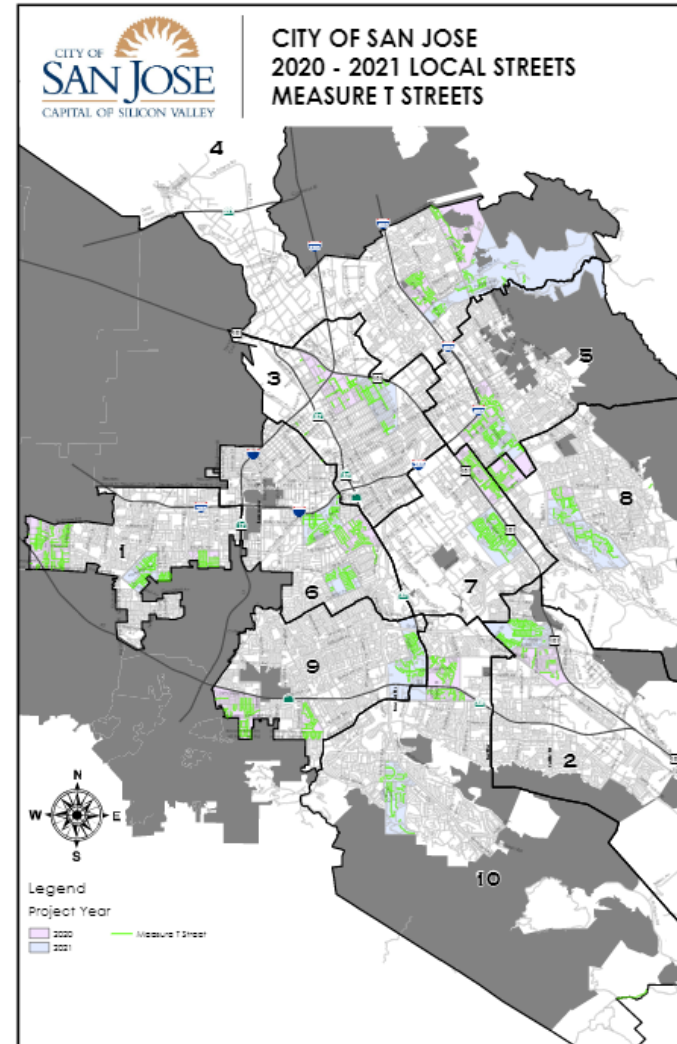
COC

- Currently, nine seats are filled, and six positions are vacant



Measure T – Street Repairs

- Measure T funds - \$300,000,000
- \$37,500,000 per year for 8 years
- 166 miles completed total to date with Measure T funding
- 2021 Construction Season – 87 miles completed





Measure T – Bridge Repair and Rehabilitation

- Measure T Funds - \$20,000,000
 - Completed 45 bridge maintenance projects
 - Continuing to accrue BIC credits for grant-funding bridge projects pending availability of grants
 - Total Current and Projected FY21-22 Expenditures of \$1.7 million



BIC Project	Project Name	# of Bridges	Completion Status
3	9563 – 2021 Bridge Deck Treatment Project	15	<i>Complete</i>
4	9967 - 2021 Bridge Deck Treatment Project	3	<i>Construction Start May 2022</i>



Measure T – Street Lighting

LED Conversion

- 65,600 total inventory
- 60,100 converted to date
 - PG&E Turnkey converted 18,500 lights
- Roughly 5,000 ornamental to be completed by City Staff early 2024
- Roughly 500 unique Airport lights to be completed by PG&E

Controllers

- Smart controllers on hold until 2023 pending technical research and grounding analysis





Measure T – City Facility Lighting

LED Conversion

- Parks/Trails 98% completed
- 6,072 lights out of roughly 8,600 lights converted as of June 2022

Controllers

- Procurement completed
 - Installation to start Fall 2022





Measure T – Clean Water and Green Infrastructure/Storm Drain Improvement Projects

Clean Water & Green Infrastructure

- River Oaks Pump Station Stormwater Capture Project
- City Land South of Phelan

Charcot Storm Drain Improvement Project

- Proceeding with approach to construct a new storm drain system

Conceptual Plan of the River Oaks Regional Stormwater Capture Project





Measure T – Community Center/Emergency Shelter

Priority Grouping (approved by Council in June 2021)		Construction Completion
Funded Projects		
1	Roosevelt, Mayfair, Bascom, Seven Trees	Early 2024
2	Camden	Fall 2024
3	Berryessa, Almaden, Evergreen	Fall 2024
Unfunded Projects – Potential for Public/Private partnership (PPP)		
4	Southside, Cypress	Early 2025



Measure T – Public Safety Projects



Completed/Operational

- FS 20 (Airport/CD6)
- FS 37 (CD6)

Property Identified

- FS 8 (CD3) – Mid 2024 completion
- FS 32 (CD7) – Mid 2024 completion
- FS 36 (CD7) – Mid 2025 completion

Property Search Underway

- FS 23 (CD4) – Potential co-location w/housing





Measure T – Public Safety Projects



Police Air Support Unit Hanger – In design.

911 Call Center – In design with construction to start after the move out of EOC



PD Training and Academy – Site identified at 300 Enzo. In design, mid 2024 completion



Measure T – Public Art





Emergency Operations Center (EOC)



Project in Construction:

- 50% Complete
- Tower/Lot to be utilized in Fall 2022
- Construction Completion Spring 2023
- Beneficial Use Summer 2023





Measure T – Funding Sources Available

Available Funding	
Remaining Public Safety Reserves	\$13,482,000
Measure T Interest Earnings	\$3,605,000
Critical Infrastructure Repairs	\$5,000,000
Environmental and Flood Protection and Project Savings	\$3,200,000
Total	\$25,287,000



Measure T – Staff Recommended Use

Projects	Funding Need	Recommended Use	Remaining Funding Gap
Fire Station Rehabilitation and Potential Overages	Unknown*	\$5,000,000	\$0
Police Air Support Unit Hangar	\$780,000	\$780,000	\$0
Police Training and Academy Facility	\$11,100,000	\$9,000,000	\$2,100,000
Police HQ Infrastructure Upgrades	\$6,250,000	\$2,207,000	\$2,693,000**
Total Available Funding		\$25,287,000	
Total Recommended Use		\$16,987,000	
Funds Remaining		\$8,300,000	

*Supplemental memo recommends to provide funding need of \$2.5M to FS 32 to cover the shortfall (doesn't include the funding need of \$1.2M for dual company)

**See Table 2 in the Council Memo dated May 6, 2022 for the explanation of the recommended use and remain funding gap



Public Safety Schedule for Cost Estimates

Public Safety Projects	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Fire Station No. 8 - Relocated		3			4							
Fire Station No. 32 - New		3			4							
Fire Station No. 23 - Relocated												
Fire Station No. 36 - New												1
911 Call Center Renovation - Upgraded/New	2				3			4				
Police Training and Academy - New/Relocated from South				2		3						
Police Air Support Unit Hangar - New at Airport	1		2			3			4			

	SCOPING/CEQA/PROPERTY ACQUISITION: Consultant Selection, Programming/Feasibility and Environmental Studies
	DESIGN: Consultant Selection, Design, Review, Permitting
	AWARD: Advertise, Bid Opening, Council Award
	ESTIMATE: Including refined cost estimates throughout design and final estimates (1 = initial estimate, 2 = 50% estimate, 3 = 95% estimate, 4 = final estimate/VE)
	BID OPENING: Final project cost will be determined

Notes

- 95% cost estimates are the closest to the final estimate. Staff will perform some value engineering (VE) in between 95% estimate and the final estimate prior to issuing the project for advertisement.
- The red line denoted within the above schedule is identifying that five of the seven public safety projects will have 95% cost estimates by the end of December 2022.



Measure T – Recommendation (May 6 Memo)

- a) Accept the status report on the workplan and implementation updates for projects included in approved 2018 Measure T Bond measure;
- b) Accept the Measure T Community Oversight Committee's (COC) annual report, as identified in Attachment A, on the Measure T –The Disaster Preparedness, Public Safety and Infrastructure General Obligation Bond Program proceeds and allocations for Fiscal Year 2020-21;
- c) Approve the proposed site at the intersection of Capitol Expressway and Tuers Road for the construction of new Fire Station 36;

The below recommendation was approved by Council on May 17, 2022

- d) Adopt the following 2021-2022 Appropriation Ordinance amendments in the Public Safety and Infrastructure Bond Fund:
 - 1) Increase the Measure T - Police Headquarters Infrastructure Upgrades appropriation to the Public Works Department by \$250,000; and
 - 2) Decrease the Measure T – Program Reserve (Public Safety) appropriation by \$250,000.
- f) Approve the proposed City Land South of Phelan site as a project to be funded by the Clean Water Program.



Measure T – Recommendation Revisions

Recommendation e.) has been revised as follows per the supplemental memo dated June 22, 2022:

Replace recommendation (e) of the Measure T Status Report dated May 6, 2022, as follows:

- e) Accept funding recommendation shown in Table 2, with the acknowledgement acknowledgment that Fire Station 32 overages based on the current one company scope of work will require using \$2,500,000 of the \$5,000,000 in the Public Safety Program Reserve recommended for Fire Station Rehabilitation and for potential Fire Station overages; and
- f) Defer the policy decision in regard to funding projects identified in Table 4 until February 2023.

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