



Memorandum

TO: HONORABLE MAYOR AND CITY
COUNCIL

FROM: Councilmember
Donald Rocha

SUBJECT: NOVEMBER 2018 BOND MEASURE **DATE:** March 29, 2018

Approved

Don Rocha

Date

3-29-18

p14

RECOMMENDATION

That the City Council approve Mayor Liccardo's memo dated March 16, 2018 and append the following language to Recommendation 2 in that memo pertaining to a capital bond measure:

As staff develops a proposal for a bond measure, they should consider the following suggestions:

1. When identifying projects to include in the bond, staff should consider the inclusion of funding for street maintenance. Specifically, staff should consider including \$92 million to fund maintenance of the 58 miles of streets with a PCI of less than 25.
2. If a larger bond amount is necessary to include the entire \$92 million mentioned above, staff should consider polling on whether the public would support a bond that is larger than \$300 million (for example, staff might consider a \$392 million bond.)

ANALYSIS

Since the Council acted on the Mayor's March Budget Message, I've given some thought as to how we should approach the proposed November 2018 bond measure. I've concluded that street maintenance, in particular maintenance of streets that are in the worst condition, should be a top priority in the bond.

Several different types of potential bond projects are mentioned in the direction included in the Budget Message and in the background section of the Mayor's memo for this item. I think we should consider adding street maintenance to that list of possibilities. The Council directed staff to poll on a separate street maintenance bond as part of its action on the Budget Message, but in the event that we decide to pursue the Mayor's original bond proposal instead of a bond focused on road maintenance, we should consider including at least some funding for road maintenance within the bond.

With this memo, I propose that we ask staff to consider including \$92 million to fund maintenance of the 58 miles of City streets that are below 25 PCI. As we discussed at the

March 20th Council meeting, the City's current pavement maintenance program does not prioritize neighborhoods with streets in the worst condition. It's not fair that we allow these streets to continue to degrade while maintaining streets that are in better condition. If we choose to put a bond on the ballot, funding maintenance of the worst streets should be considered as a priority.

I also recommend suggesting that staff test voter willingness to approve a bond amount larger than \$300 million, if a larger amount is necessary to include \$92 million in street maintenance funding. The City's total deferred maintenance infrastructure backlog totals \$1.39 billion, so a higher funding amount could certainly find many worthwhile uses. A slightly increased amount in the neighborhood of \$392 million would allow us to include funding for the worst streets and also accommodate other priorities.

We don't have a great deal of time to develop and poll on a November bond proposal. It's important that we provide clear guidance to staff to ensure that the proposal that comes back to us in May aligns with our priorities. I believe that identifying funding to maintain the worst streets should be a priority for us.