Item 4. ESER G.O. Bond Program Update and ESER 2014 De-Appropriation from Emergency Firefighting Water Supply (EFWS) to Police Facilities (PF) and Neighborhood Fire Stations (NFS)
Earthquake Safety and Emergency Response Bond Program 2010 & 2014
Status Report presented to the Capital Planning Committee
November 13, 2017

Overview of ESER 2010 Scope and Budget
$417M

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety Building</td>
<td>$236.6M</td>
</tr>
<tr>
<td>Auxiliary Water Supply System</td>
<td>$102.4M</td>
</tr>
<tr>
<td>Neighborhood Fire Stations</td>
<td>$66.9M</td>
</tr>
<tr>
<td>Interest Earned</td>
<td>$4.5M</td>
</tr>
<tr>
<td>Cost of Issuance</td>
<td>$4.0M</td>
</tr>
<tr>
<td>Controller's Reserve</td>
<td>$2.3M</td>
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</table>

Overview of ESER 2014 Scope and Budget
$400M

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traffic Company and Forensic Services...</td>
<td>$162.2M</td>
</tr>
<tr>
<td>Neighborhood Fire Stations</td>
<td>$81.2M</td>
</tr>
<tr>
<td>Office of the Chief Medical Examiner</td>
<td>$66.2M</td>
</tr>
<tr>
<td>Emergency Firefighting Water System</td>
<td>$54.1M</td>
</tr>
<tr>
<td>Police Facilities</td>
<td>$29.5M</td>
</tr>
<tr>
<td>Cost of Issuance</td>
<td>$6.8M</td>
</tr>
</tbody>
</table>

OCME South East Bldg. Entry View
FS 16 1st Floor Concrete Slab
Reappropriation Action Item

• Supplemental appropriation to re-appropriate $16,000,000 Earthquake Safety and Emergency Response General Obligation Bonds Series 2016D from Emergency Firefighting Water Supply (EFWS) to Neighborhood Fire Stations and Police Facilities.

• Bond program expenditures for EFWS did not occur as quickly as anticipated due to a shift in priorities among improvement projects. At the same time, the Neighborhood Fire Stations and Police Facilities are in immediate need of funding totaling $16,000,000.

  o Neighborhood Fire Stations will use the funding to fund design services for Fire Station 35 Fire Boat, initiate design services for comprehensive projects at Stations 3 and 7, and award construction contracts for focused scope projects (exterior envelope package 2, shower package 2, HVAC package 1, apparatus bay doors package 5, and access control).

  o Police Facilities will use the funding to fund construction costs for focused scope projects including MEP Upgrades and Police Academy.

• The EFWS would be reimbursed from the proceeds of the third bond sale expected in May/June 2018.
I. Highlights and accomplishments

- NFS (2010) – FS 5 Notice To Proceed (NTP) issued to General Contractor on March 27
- NFS (2014) – Fireboat Station 35 NTP issued to Design-Build on October 10; FS 3 Roof/Mechanical/Generator replacement completed September 8
- EFWS (2010) – Twenty-nine of the thirty planned cisterns are functional
- OCME (2014) – Ribbon cutting held on Nov. 2, 2017, Open for Business Nov. 6, 2017
- Probabilistic analysis and field investigations of existing EFWS (2010) pipeline completed

II. Upcoming milestones

- NFS (2010) – FS 16 Substantial Completion anticipated late Summer 2018
- NFS (2010) – FS 5 Substantial Completion anticipated Fall 2018

III. Bond sales and appropriations

- City has issued six bond sales for ESER 2010 totaling $412,300,000. $405,968,294 has been appropriated to program projects (98%).
- City has issued two bond sales for ESER 2014 totaling $210,200,403. $207,872,387 has been allocated to program projects (99%)

IV. Risks, issues or concerns on budget, scope or schedule

- Challenging bid environment:
  - Many SF projects underway or emerging
  - Limited interest, i.e. fewer bidders
  - Scarcity of labor raises trade costs
  - Higher than budgeted bids
Public Safety Building (PSB 2010 – $236.6M)

Recent accomplishments
• Building in successful continuous operation

Upcoming milestones
• Closure of final permitting w/ SFFD in November
• Disposition of the project’s savings to other ESER bond work

Status of budget

Current Phase: Closeout
Completion Date: February 2016

![Budget Allocation Chart](chart.png)

<table>
<thead>
<tr>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Remaining Balance</th>
<th>Future Bond Sale</th>
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<tbody>
<tr>
<td>$228.6M</td>
<td>$0.31</td>
<td>$7.73</td>
<td>$236.6M</td>
</tr>
</tbody>
</table>

Lobby, Public Safety Building
Neighborhood Fire Stations (NFS 2010 - $66.9M)

Recent accomplishments

- FS 5 Notice to Proceed (NTP) to General Contractor on March 27; building demolition April – June 2017; foundation work July – December 2017
- FS 16 placed 2nd Floor concrete slab on November 9
- SFFD Headquarters Exterior Envelope (painting) completed October 2017

Upcoming milestones

- FS 5 steel topping out event in January 2018

Current Completion Date: December 2018

Status of budget

77 total projects
Neighborhood Fire Stations (NFS 2014 – $81.2M)

Recent accomplishments

- Fireboat Station 35 NTP issued to Design-Builder on October 10
- App Bay Door Package 1 (FS 15) Final Completion November 7, 2016
- FS 3 Roof HVAC Generator completed Sept 2017
- Hose Tower submittal to Planning June 17
- FS14 windows completed October 19

Upcoming milestones

- FS 9, 20, 23, 24, 29, 41 Roofing completion Dec 2017
- FS 24 & 34 Envelope - Invitation to Bid Dec 2017
- FS 22 Envelope - Invitation to Bid Dec 2017

Current Phase: Various
Completion Date: June 2021
Status of budget

44 total projects
Emergency Firefighting Water System (ESER 2010 - $102.4M)

Recent accomplishments

• Cisterns E (WD-2746) completed, Cisterns F (WD-2747) and Pumping Station 1 (WD-2686) contracts continued
• Twenty-nine of the thirty planned cisterns are functional
• Pumping Station 2 (WD-2687) contract awarded
• Probabilistic analysis and field investigations of existing AWSS pipeline completed

Upcoming milestones

• Pumping Station 2 construction contract (WD-2687) to start January 2018

Status of budget

- Completion Date: December 2020
- Current Phase: Various
- Twenty-nine of the thirty planned cisterns are functional
- Pumping Station 2 (WD-2687) contract awarded
- Probabilistic analysis and field investigations of existing AWSS pipeline completed

48 total projects

Cisterns (brick circles)
Emergency Firefighting Water System (ESER 2014 – $54.1M)

Recent accomplishments

• Flexible Water Supply System projects cancelled
• Columbus Avenue / Green Street AWSS pipeline construction completed
• Fillmore Street / Haight Street AWSS pipeline construction cancelled
• Irving Street AWSS pipeline construction started
• Mariposa / Terry Francois Blvd. AWSS pipeline design-build started

Upcoming milestones

• AWSS pipeline construction combined with Public Works paving contracts
  I. 19th Avenue – bids due December 2017
  II. Ashbury Bypass – bids due November 2017

Current Phase: Various
Completion Date: December 2020

Status of budget

28 total projects
Police Facilities (PF 2014 - $29.5M)

Recent accomplishments

• Northern, Richmond, and Taraval Station renovation project was NTP in July 2017.
• Park and Ingleside Station renovation project successfully completed the bidding phase in September 2017.
• The New Firearms Simulator Training Facility project was approved by DBI, and construction NTP established in November 2017.
• The design drawings for the Police Academy renovation and MEP Package #2 project was completed and will be submitted to DBI for a permit.

Upcoming milestones

• Complete final bid documents for the Police Academy renovation and MEP Package #2; both projects will be advertised in the first quarter of 2018.
• The New Firearms Simulator Training Facility will complete construction in the first quarter of 2018.
Office of the Chief Medical Examiner (OCME - $66.2M)

Recent accomplishments

- Substantial completion obtained on October 10, 2017
- Ribbon-cutting ceremony held on November 3, 2017

Upcoming milestones

- Final completion date is scheduled by the end of December 2017.
Traffic Company & Forensic Services Division (TC&FSD 2014 - $162.2M)

Recent accomplishments:

• “Facility Demolition at 1995 Evans Avenue” (Haz. Mat. & Demo). Azul Works issued NTP with a 10/20/17 start date.

• CM/GC + design-build Core Trade Subcontractors (“CM/GC Team”). Clark Construction issued NTP with a 11/27/17 start date.

Upcoming milestones:

• HOK Architects start of Design Development phase to coincide with CM/GC Team’s 11/27/17 start of Pre-Construction Services.

• HOK submittal of Site Permit package to DBI by mid-November.

• Abatement and demolition of 1995 Evans to initiate in the final quarter of 2017.
ESER 2014 Bond Issuance Summary

• Two bond sales to date
• Now requesting Series 2016D (ESER 2014) De-Appropriation from EFWS to NFS and PF

<table>
<thead>
<tr>
<th>Sources</th>
<th>2014A Series</th>
<th>2016D Series</th>
<th>2016D Series</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014A Series  o193-14</td>
<td>106,095,000</td>
<td>111,060,000</td>
<td></td>
<td>217,155,000</td>
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<tr>
<td>2016D Series  o49-16</td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sources**

- Buildings, Structures & Improvement Project Budget
  - 2014A Series: $79,605,834
  - 2016D Series: $74,201,550
  - (16,000,000)
  - Total: $169,807,384
- OTO to 5W-Water Department Funds
  - 2014A Series: $20,000,000
  - 2016D Series: $34,065,000
  - (16,000,000)
  - Total: $38,065,000
- Other Costs(1)
  - 2014A Series: $6,489,166
  - 2016D Series: $2,793,450
  - Total: $9,282,616

**Total Sources**

- 2014A Series: $106,095,000
- 2016D Series: $111,060,000
- Total: $217,155,000

**Uses**

- Office of the Chief Medical Examiner (OCME)
  - 2014A Series: $34,252,621
  - 2016D Series: $31,980,403
  - Total: $66,233,024
- Traffic Company and Forensic Services Division (TC & FSD)
  - 2014A Series: $30,319,675
  - 2016D Series: $16,383,527
  - (4,000,000)
  - Total: $42,703,202
- Police Facilities (PF)
  - 2014A Series: $6,882,940
  - 2016D Series: $10,194,715
  - $8,700,000
  - Total: $25,777,655
- Neighborhood Fire Strations (NFS)
  - 2014A Series: $8,150,601
  - 2016D Series: $15,642,907
  - $11,300,000
  - Total: $35,093,508
- Emergency Firefighting Water System (EFWS)
  - 2014A Series: $20,000,000
  - 2016D Series: $34,065,000
  - (16,000,000)
  - Total: $38,065,000
- Other Costs(1)
  - 2014A Series: $10,685,057
  - 2016D Series: $7,054,805
  - Total: $17,739,862

**Total Uses**

- 2014A Series: $110,290,894
- 2016D Series: $115,321,357
- Total: $225,612,251

**Variance due bond premium & underwriter's discount**

- (1) Costs of Issuance, GOB Oversight, Accountability, Bond Premiums


<table>
<thead>
<tr>
<th>Components/Projects</th>
<th>Original Budget</th>
<th>Revised Budget (1)</th>
<th>GENERAL OBLIGATION BONDS</th>
<th>Encumbrance+ Expenditures / Revised Budget</th>
<th>Encumbrance+ Expenditures / Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Appropriation</td>
<td>Expenditures</td>
<td>Encumbrance</td>
<td>Balance</td>
<td></td>
</tr>
<tr>
<td>Public Safety Building (PSB)</td>
<td>239,000,000</td>
<td>236,661,976</td>
<td>228,617,073</td>
<td>7,733,679</td>
<td>97%</td>
</tr>
<tr>
<td>Neighborhood Fire Stations (NFS)</td>
<td>64,000,000</td>
<td>71,067,175</td>
<td>66,282,256</td>
<td>8,198,804</td>
<td>83%</td>
</tr>
<tr>
<td>Auxiliary Water Supply System (AWSS)</td>
<td>102,400,000</td>
<td>102,684,472</td>
<td>76,368,674</td>
<td>21,969,505</td>
<td>78%</td>
</tr>
<tr>
<td>Oversight, Accountability &amp; Cost of Issuance</td>
<td>6,900,000</td>
<td>4,006,906</td>
<td>3,313,271</td>
<td>477,231</td>
<td>87%</td>
</tr>
<tr>
<td>Controller’s Reserve</td>
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<td>2,338,024</td>
<td>0</td>
<td>2,338,024</td>
<td>0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>412,300,000</td>
<td>416,758,553</td>
<td>344,581,274</td>
<td>40,717,243</td>
<td>89%</td>
</tr>
</tbody>
</table>

(1) Pending Approval

- Due to conversion issues with new financial system *FSP*, the financial status is through June 30, 2017. Public Works is working with the Controller’s Office to resolve these issues.
### Attachment 3 | Status of Budget and Financial Plan (ESER 2014)

<table>
<thead>
<tr>
<th>Components/Projects</th>
<th>Original Budget</th>
<th>Revised Budget (1)</th>
<th>GENERAL OBLIGATION BONDS</th>
<th>Encumbrance+ Expenditures / Revised Budget</th>
<th>Encumbrance+ Expenditures / Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Appropriation</td>
<td>Expenditures</td>
<td>Encumbrance</td>
</tr>
<tr>
<td>Office of the Chief Medical Examiner (OCME)</td>
<td>63,895,000</td>
<td>66,233,024</td>
<td>66,233,024</td>
<td>57,943,296</td>
<td>1,615,369</td>
</tr>
<tr>
<td>Traffic Control &amp; Forensic Services Division (TC/FSD)</td>
<td>162,195,000</td>
<td>162,195,000</td>
<td>46,703,200</td>
<td>23,178,512</td>
<td>1,812,165</td>
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<tr>
<td>Police Facilities (PF)</td>
<td>29,490,000</td>
<td>29,490,000</td>
<td>17,077,654</td>
<td>6,329,113</td>
<td>4,577,444</td>
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<tr>
<td>Neighborhood Fire Station (NFS)</td>
<td>83,555,000</td>
<td>81,216,976</td>
<td>23,793,513</td>
<td>10,052,443</td>
<td>2,060,667</td>
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<tr>
<td>Emergency Firefighting Water System (EFWS)</td>
<td>54,065,000</td>
<td>54,065,000</td>
<td>54,065,000</td>
<td>4,214,793</td>
<td>1,463,504</td>
</tr>
<tr>
<td>Oversight/Accountability &amp; Cost of Issuance</td>
<td>6,800,000</td>
<td>6,800,000</td>
<td>2,378,790</td>
<td>1,879,260</td>
<td>284,968</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>400,000,000</strong></td>
<td><strong>400,000,000</strong></td>
<td><strong>210,251,181</strong></td>
<td><strong>103,597,419</strong></td>
<td><strong>11,814,117</strong></td>
</tr>
</tbody>
</table>

(1) Pending Approval
Action Item

Re-Appropriation - Earthquake Safety and Emergency Response General Obligation Bonds Series 2016D - $16,000,000 - FY 2017-2018

• EFWS would be reimbursed from the proceeds of the third bond sale expected in May/June 2018.
• NFS and Police Facilities Programs are on schedule and on budget (some high bids on individual projects, but those are addressed with contingency); the cash flow need arises from the inability to issue additional bonds until fund balances are lower (spring 2018)
ESER 2014 Status of Financial Plan

- Bond program expenditures for EFWS and TC & FSC did not occur as quickly as anticipated. The EFWS experienced a shift in priorities among improvement projects; the TC & FSC incurred delays due to re-design for budget alignment and final validation of police staffing for the facility. At the same time, the Neighborhood Fire Stations and Police Facilities are in immediate need of funding totaling $20,000,000.

- TC & FSD is under the same ESER 2014 Bond project structure as Neighborhood Fire Stations and Police Facilities so an internal transfer of $4,000,000 is in process to fund immediate construction contracts for focused scope projects at Park Police Station and Ingleside.

- A de-appropriation request for $16,000,000 from EFWS to the Neighborhood Fire Stations and Police Facilities is proposed and is being presented to Capital Planning Committee today.

- The EFWS and TC & FSD would be reimbursed from the proceeds of the third bond sale expected in May/June 2018.

A summary of these transactions is shown in the following slide.
## ESER 2014 Plan for Reappropriated Funds

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Bond Amount</th>
<th>Plan for the Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood Fire Stations</td>
<td>11,300,000</td>
<td>Design services for Fire Station 35 Fire Boat, initiate design services for comprehensive projects at Stations 3 and 7, and award construction contracts for focused scope projects (exterior envelope package 2, shower package 2, HVAC package 1, apparatus bay doors package 5, and access control).</td>
</tr>
<tr>
<td>Police Facilities</td>
<td>4,700,000</td>
<td>Police Facilities will use the funding to fund construction costs for focused scope projects including MEP Upgrades and Police Academy.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$16,000,000</strong></td>
<td></td>
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