



Office of the City Manager

46

INFORMATION CALENDAR

April 14, 2020

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Scott Ferris, Director, Parks, Recreation and Waterfront
Phil Harrington, Director, Public Works

Subject: Measure T1 Update

INTRODUCTION

This is an update on the implementation of the \$100 million Measure T1 bond program to renovate existing City facilities and infrastructure. This progress report provides the City Council with an update on key issues and upcoming challenges, non-project specific milestones, and the progress of each project.

CURRENT SITUATION AND ITS EFFECTS

The Measure T1 team is made up of Parks, Recreation, & Waterfront and Public Works staff that meets bi-weekly to discuss and solve T1 related general and project-specific issues. The team receives guidance from the T1 Joint Subcommittee of the Parks & Waterfront and Public Works Commissions. The upcoming challenges for the program in the next six months are detailed below.

KEY ISSUES AND UPCOMING CHALLENGES*1. Phase 2 Public Process*

Phase 2 started on January 29, 2020 with a joint Parks & Waterfront and Public Works Commission meeting to kick off the process. The timeline for this process is summarized in Table 2 below. For detailed information on this process, see the December 10, 2019 Off-Agenda report to Council¹ titled "[Measure T1 Phase 2 Public Input Process](#)".

¹ See https://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3_-_General/Measure%20T1%20Update%20on%20Phase%202_121019.pdf

Table 1 – Timeline for Phase 2 Public Input Process

July – September 2019	The Measure T1 Joint Subcommittee and staff planned the public input process and structure.
October 2019	Met with the Lead Commissions (Public Works and Parks, Recreation and Waterfront) during their regularly scheduled meetings to discuss the public process for Phase 2.
November 2019 – January 2020	Annual update to 11 Participating Commissions ²
January 29, 2020	Lead Commissions Phase 2 Public Process Kick-Off
February – April 2020	Attend 20 neighborhood group meetings to present information on Phase 2 public process and obtain feedback on potential projects.
May – September 2020	Host 5 large geographic-based meetings to gather feedback on potential projects (5 meetings)
October 2020	Online survey on Berkeley Considers
November – December 2020	Annual update to Participating Commissions (11 Meetings)
November 2020 – February 2021	Staff and commissions' development of recommended Phase 2 project list (3 to 4 meetings)
March - May 2021	Council Work Session to discuss Phase 2 project list
June 2021	Council approves Phase 2 projects

2. *Completing Phase 1 Projects*

Phase 1 is expected to run through June 2021. Staff are continuously monitoring expenditures to ensure that the program will meet the goal of spending 85% of bond proceeds by November 2020. Based on current projections, we are on track to meet this goal.

Projects that are bidding now or set to be awarded soon are the following:

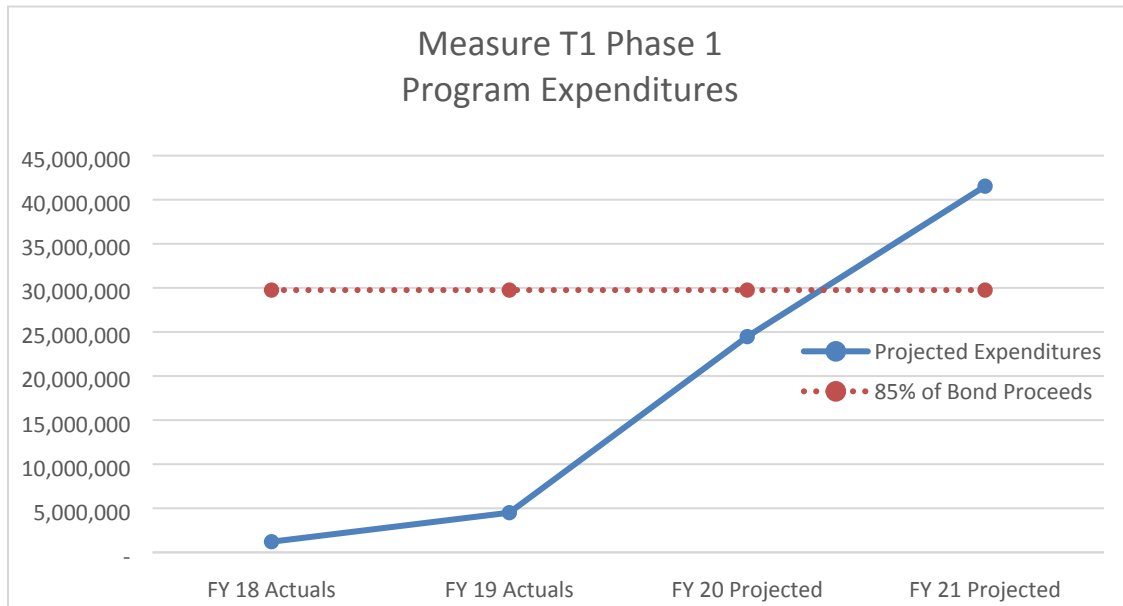
- Rose Garden Pathway, Drainage, Tennis Courts and Pergola
- San Pablo 2-5 and 5-12 Play Structures
- San Pablo Park Tennis Courts
- Strawberry Creek Restroom and 5-12 Play Structure
- Corporation Yard Electrical Upgrades

² Children, Youth, and Recreation Commission; Civic Arts Commission; Community Environmental Advisory Commission; Commission on Aging; Commission on Disability; Disaster and Fire Safety Commission; Energy Commission; Housing Advisory Commission; Landmarks Preservation Commission; Transportation Commission; and Zero Waste Commission.

- Marina Corporation Yard Electrical Upgrades
- Tide Tube Clean Out
- Grove Park Sports Field Improvements
- Green Infrastructure Projects at Page Street, Channing Way, Dwight Way, Grayson Street, and Piedmont Avenue Traffic Circle
- Complete Streets on 2nd Street, Monterey Street, Ward Street, University Avenue, Marina Blvd. and Spinnaker Avenue

As of December 16, 2019, a total of \$7.67 million of T1 funds have been expended. With multiple projects currently under construction, staff estimates that an additional \$16 million will be expended by the end of FY 2020. Additionally, it is estimated that \$ 30.5 million (87% of bond proceeds) will be expended by September 2020 (See Chart 1).

Chart 1 – Measure T1 Phase 1 Projected Expenditures



3. Allocation of remaining bond funds

Staff discussed possible options to allocate the remaining funds with the T1 Joint Subcommittee (See Table 3). Over the course of Phase 2, staff will further consider and evaluate these options based on project priorities and update Council.

Table 2 – Possible Allocation Options for Remaining T1 Funds

Option	Description	Pros	Cons
Four Year Phase 2, Four Year Phase 3	Split funds between two bond issuances (every 4 years).	-Can be accomplished with existing staff	-Two public processes -Will take another 8 years to complete bond program, which will result in increased construction cost -Phase 3 may not have enough funds for significant projects
Six Year Phase 2, No formal Phase 3	Split funds between two bond issuances (every 3 years).	-One robust public process -Accelerated opportunity/ability to deliver more infrastructure improvement sooner. -Saving 2 years of construction cost increases	-Potential staff capacity issues -May not meet 85% use of funds requirement
Four Year Phase 2, No formal Phase 3	One bond issuance.	-One robust public process -Accelerated opportunity/ability to deliver more infrastructure improvement sooner. -Saving 4 years of construction cost increases	-Requires additional staffing -May not meet 85% use of funds requirement

KEY MILESTONES

Staff have accomplished the following:

1. Staff contracted with the City's current external financial auditor to perform an audit on Measure T1 bond expenditures to ensure that expenses are in accordance with bond measure requirements. Audits are planned for every two years and approximately six financial audits are expected to be performed during the life of Measure T1. An audit of the first two years of Phase 1 (ending June 2019) is in progress and an audit report is expected from the Auditor by March 2020.
2. Met with the T1 Joint Subcommittee to develop a public process for Phase 2. Staff and committee members established a thorough process identify and vet an extensive public process for determining potential projects for Phase 2. This process includes multiple opportunities for community members to provide feedback including up to 20 Council-recommended neighborhood group meetings, 5 large geographic-based public meetings, e-mail, and an online survey for those who would not be able to attend the scheduled public meetings.
3. Provided an annual update to the 11 Participating Commissions in November 2019- January 2020. This is the third update to these commissions. This update addressed the progress of Phase 1 and information on the Phase 2 public process.
4. Staff and Commissioners have met with 9 of 20 neighborhood/friends groups thus far and have received great feedback on potential small and large projects for T1 Phase 2.

5. Continued the public input process and held events on specific projects.³
- **May 2, 2019:** North Berkeley Senior Center Groundbreaking Ceremony
 - **July 13, 2019:** San Pablo Park Community Meeting
 - **August 6, 2019:** Frances Albrier Community Center Outreach
 - **August 9, 2019:** Willard Clubhouse Outreach
 - **August 23, 2019:** Frances Albrier Community Center Outreach
 - **September 9, 2019:** Joint Subcommittee Meeting: Civic Center Project
 - **September 26, 2019:** Strawberry Creek Park Community Meeting
 - **October 2, 2019:** Willard Clubhouse Community Meeting
 - **October 16, 2019:** Citywide Restroom Study Community Meeting (South Berkeley Senior Center)
 - **October 20, 2019:** Willard Clubhouse Outreach
 - **October 22, 2019:** Citywide Restroom Study Community Meeting (Main Library)
 - **October 23, 2019:** Frances Albrier Community Center Community Meeting
 - **November 4, 2019:** Live Oak Groundbreaking Ceremony
 - **November 5, 2019:** Citywide Restroom Study Community Meeting (Telegraph area)
 - **November 6, 2019:** Citywide Restroom Study Community Meeting (West Berkeley)
 - **November 7, 2019:** Grove Park Community Meeting
 - **November 21, 2019:** Joint Subcommittee Meeting: Civic Center Vision and Implementation Plan
 - **December 12, 2019:** Civic Center Community Meeting
 - **January 29, 2020:** Joint T1 Commission Meeting- Phase 2 Kick off
 - **March 21, 2020:** Willard Clubhouse Community Meeting # 3
 - **March 25, 2020:** Frances Albrier Meeting # 2

PROJECT-SPECIFIC UPDATES

All 46 Measure T1 projects are in progress. The Mental Health Services Center, North Berkeley Senior Center, Live Oak Community Center, Adeline Street, Hearst Avenue and George Florence Park are under construction. The Rose Garden (Pathways, Tennis Courts, Pergola, and repair of erosion), San Pablo Park (ages 2-5 and 5-12 play area and tennis courts), Strawberry Creek Park and Grove Park will be in construction in the next six months. Additionally, all of the “planning only” projects have started, including the Old City Hall/Veterans Building/ Civic Center Park, the Citywide Restroom Assessment, the Frances Albrier Community Center and the Willard Park Clubhouse. This [link](#) provides a list of the 46 approved [Phase 1 Projects](#)⁴, including project description, budget, project manager, and status update. This [link](#) provides a timeline by month for each T1 project through the remainder of Phase 1.

³ For full list of meetings and events, visit <https://www.cityofberkeley.info/MeasureT1Events/>

⁴ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/Measure%20T1%20Phase%201%20Revised%20List%20of%20Projects%2012-10-19.pdf.

BOND PROGRAM MANAGEMENT

The T1 Management Team continues to meet regularly to review the T1 budget, expenditures, project progress, and to prepare detailed reports for Council, Commissions and the community.

T1 Manual

Staff are using the T1 Policies and Procedures Manual⁵ as a guideline to implement the T1 program and will update the manual as needed.

Financials

As shown in Table 2, \$7.67 million of T1 funds have been expended as of December 16, 2019. We continue to be on track to spend 85% of T1 Phase 1 bond proceeds by November of 2020.

Table 3 – Phase 1 Expenditures to date as of 12/16/19

Category	Sub-Category/ Project	Allocated	Spent	Remaining
Art		\$350,000	\$50,431	\$299,569
Staff/ Project Management ⁶		\$4,200,000	\$2,117,481	\$2,082,519
Facilities, Equipment, Supplies, Services ⁷		\$400,000	\$221,230	\$178,770
Projects ⁸	Facilities/ Buildings	\$18,172,060	\$2,945,715	\$15,226,345
	City Wide Safety Improvements	\$979,208	\$58,153	\$921,055
	Park Improvements	\$6,660,144	\$1,487,448	\$5,172,697
	Green Infrastructure	\$821,984	55,342	\$766,642
	Complete Streets	\$10,217,625	\$730,535	\$9,487,090
Total		\$41,801,021	\$7,666,334	\$34,134,687

Communication

Staff will continue to provide semi-annual updates to the Parks & Waterfront and Public Works Commissions and to City Council. Staff continues to use the City's [Measure T1 website](#)⁹ to update the community on the bond program. This includes an updated [story](#)

⁵ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/T1%20Policies%20and%20Procedures%20Manual%20January%202019.pdf

⁶ *Staff/Project Management* costs include City staff to plan, manage, and supervise T1 projects; and a full-time analyst to provide direct administrative support for T1 projects. This does not include costs for other supervision and administration, such as other managers, departmental administrative staff, and other support functions like IT, Human Resources, and Finance.

⁷ *Facilities, Equipment, Supplies, and Services* includes the cost to lease T1's share of office space on the 5th Floor of 1947 Center St., T1-related office furniture, computers, printers, office supplies, copier lease, staff trainings, communication materials, and audits.

⁸ *Project costs* will include all direct project expenses.

⁹ See <https://www.cityofberkeley.info/MeasureT1/>

[map](#)¹⁰, providing photos, mapping and summaries of each approved T1 project. Community members can visit the [Measure T1 Phase 1 Project Updates](#)¹¹ page for project updates, community meeting dates, and quarterly updates. For questions or information about Measure T1, community members are encouraged to email T1@CityofBerkeley.info.

BACKGROUND

In November 2016, Berkeley voters approved [Measure T1](#)¹² – a \$100 million dollar general obligation bond to repair, renovate, replace or reconstruct the City’s aging existing infrastructure, including facilities, streets, sidewalks, storm drains, and parks. Measure T1 passed with 86.5% of the vote.

After the passage of Measure T1, the City Manager proposed a [three phase implementation plan](#)¹³ and a list of possible Phase 1 projects to be considered by the Council, the City’s commissions, and the general public.

From December 2016 through June 2017, the City undertook a robust public process to gather input on the proposed projects. In addition to three Measure T1 Workshops for the general public, the Parks & Waterfront and Public Works Commissions invited and received input from the public and other City Commissions. They submitted a [joint report to Council in June 2017](#)¹⁴ detailing their recommendations. The City Manager incorporated this input and submitted a [final recommended list of projects](#)¹⁵. Council adopted this list and proposed plan for implementing Phase 1 of the T1 bond program on June 27, 2017.

On January 23, 2018, Council adopted [resolution 68,290-N.S.](#)¹⁶ allocating \$2 million from T1 Phase 1 for the Adult Mental Health Clinic located at 2640 Martin Luther King Jr. Way.

At the December 6, 2018 [Council worksession](#)¹⁷, staff notified City Council of a funding gap for the T1 program due to the cost of approved projects exceeding bond proceeds, an increase in energy upgrades included in the facility projects, and soaring escalation.

¹⁰ See

<https://berkeley.maps.arcgis.com/apps/MapTour/index.html?appid=6a32f8ecb2924aebbb952bd59cb8b7f7c>

¹¹ See <https://www.cityofberkeley.info/MeasureT1Updates.aspx>

¹² See <https://www.cityofberkeley.info/MeasureT1/>

¹³ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/Measure%20T1%20GO%20Bonds%20Recommendations.pdf

¹⁴ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/Measure%20T1%20-%20Joint%20Commission%20Report%20-%20June%202017%20w%20attachments.pdf

¹⁵ See https://www.cityofberkeley.info/Clerk/City_Council/2017/06_June/Documents/2017-06-27_Item_49_Implementing_Phase_1.aspx

¹⁶ See [https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/2018-01-23%20Allocating%20\\$2m%20of%20T1%20To%20COB%20Adult%20Mental%20Health.pdf](https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/2018-01-23%20Allocating%20$2m%20of%20T1%20To%20COB%20Adult%20Mental%20Health.pdf)

¹⁷ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/T1%20Semi-Annual%20Update%20Council%20December%202018.pdf

After receiving construction bids and an engineer’s estimate on three major projects, staff was able to more accurately estimate the funding gap and met with the Measure T1 Joint Subcommittee to discuss options on addressing this funding gap. On February 7th and 13th, 2019 respectively, the Public Works and Parks & Waterfront Commissions voted to recommend additional funding to complete Phase 1 projects including additional escalation.

On March 26, 2019, Council adopted [resolution 68,802-N.S.](#)¹⁸ authorizing \$5.3 million in Measure T1 Phase 2 funds to be used to complete Measure T1 Phase 1 projects.

On July 23, 2019, Council approved Resolution No. 69,051-N.S¹⁹., authorizing the removal of the King School Park Bioswale project and the addition of 12 alternate green infrastructure projects to the Measure T1 Phase 1 project list.

On December 10, 2019, Council adopted Resolution No. 69,221²⁰ authorizing adjustments to the Measure T1 Phase 1 project list with no additional funding to reflect changes made to the project list to provide community members with an accurate and [up-to-date list of projects](#)²¹.

The current budget for 46 Measure T1 Phase 1 projects is approximately \$41.8 million (See Table 1 for the breakdown of this funding).

Table 4 – Measure T1 Funding

Funding	Amount
2017 Bond Proceeds	\$35,000,000
Estimated additional interest	\$1,500,000
3/26/19 Council approved additional funding	\$5,300,000
Total Funding	\$41,800,000

ENVIRONMENTAL SUSTAINABILITY

Measure T1 provides potential opportunities to advance the City’s environmental sustainability goals. For example, facility upgrade projects are being designed to not only improve safety and address deferred improvements, but also to increase resource efficiency and access to clean energy. The renovations of the North Berkeley Senior Center, Live Oak Community Center, and the Mental Health Services Center will incorporate as many energy efficiency upgrades as feasible within the allotted budget such as a rooftop solar system, an HVAC system that incorporates heat pumps, and

¹⁸ See [https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/2019-03-26%20Reso%2068802%20Authorizing%20\\$5.3%20Million%20in%20Measure%20T1%20Phase%20%20Funds%20to%20be%20used%20to%20complete%20Measure%20T1%20Phase%20%20Projects.pdf](https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/2019-03-26%20Reso%2068802%20Authorizing%20$5.3%20Million%20in%20Measure%20T1%20Phase%20%20Funds%20to%20be%20used%20to%20complete%20Measure%20T1%20Phase%20%20Projects.pdf)

¹⁹ See https://www.cityofberkeley.info/Clerk/City_Council/2019/07_Jul/Documents/2019-07-23_Item_22_Authorizing_the_modification_of_the_Measure_T1.aspx

²⁰ See https://www.cityofberkeley.info/Clerk/City_Council/2019/12_Dec/Documents/2019-12-10_Item_14_Modification_of_Measure_T1_Phase.aspx

²¹ See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/Measure%20T1%20Phase%20%20Revised%20List%20of%20Projects%2012-10-19.pdf

energy efficient windows and lights per the Berkeley Resilience Strategy and Climate Action Plan.

FUNCTIONAL ART

In [Resolution 67,795-N.S.](#)²², Council resolved that 1% of bond proceeds shall be available for functional art integrated into Measure T1-funded projects. The bond proceeds for Phase 1 of Measure T1 were \$35 million, resulting in a 1% functional art contribution of \$350,000. The total amount of \$350,000 has been deducted from Phase 1 Measure T1 projects.

Berkeley-based artist, Masayuki Nagase, was selected to create artwork for the entry plaza of the North Berkeley Senior Center. The artist will create a variety of carved stone pavers to be integrated into the plaza's paving, two carved stone wall pieces to help with wayfinding at the plaza entry ramps, and a large carved stone table-bench element to be located in the plaza's seating area, which will provide additional seating or a table top while plaza users gather in the area.

Michael Arcega was selected to create a series of functional artwork elements for San Pablo Park. The artwork includes six colorful sculptural benches depicting native flowers to replace the existing benches at the park and dozens of brightly painted wildflower silhouettes that will be mounted on fences, posts, gates, and directional signage, as well as integrated into the seating wall next to the children's play area.

CONTACT PERSON

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²² See https://www.cityofberkeley.info/uploadedFiles/Parks_Rec_Waterfront/Level_3_-_General/Resolution%20No%2067,795.pdf

