

# 2006 BOND OVERSIGHT COMMITTEE

## Questions and Answers April 2009

### Proposition 1

*1. In March 2007, you provided us with a list of 36 groups of projects for Prop 1, but to date I only see activity in 17 of those groups according to the spreadsheet. How was this list of projects prioritized to meet the intent of the Proposition (D. Anderson)?*

In 2008, based on the outlook for 2009, we were forced to cut about half of the streets out of the program. Asphalt and fuel prices had nearly doubled since the program was originally developed and estimated, and construction prices had been exorbitantly high due to saturation in the construction market with City of Austin, SH-130, and TxDOT work. Thus, staff prioritized the project groups to assure working on the highest needs first and design work is underway on the groups that we are confident the street reconstruction funding will cover. Priorities are based on site evaluations by pavement management staff and on recommendations contained in the preliminary engineering reports received to date.

The recent economic turmoil has reversed some of the previous drastic construction, fuel, and material pricing trends so we will re-activate as many of the remaining groups as seem practical based on the bid prices we receive in the near future. Our intention is to ultimately work on all the potentially deferred project areas with either future reconstruction or overlays to improve streets conditions as appropriate based on bond and maintenance funding availability.

*2. \$2M was set aside for Bikeways, but appropriations are not scheduled until 2011. Is it possible to schedule these bike activities sooner (D. Anderson) ?*

No, this funding is set aside for the construction of a major CIP (the Mopac Bicycle Bridge over Barton Creek). The project is in design, using year 2000 bond funding. It is currently scheduled for bid in Spring 2011.

*3. Why was the Cesar Chavez 2-way conversion taken out of Bond money? Is it appropriate to call this "reconstruction" (D. Anderson) ?*

The Prop 1 money was used for the mill and overlay portion and drainage work in this project. This made up approximately 11% of the total cost of the project.

*4. Why was the Miscellaneous Retaining Walls project taken out of bond money? Is it appropriate to call this "reconstruction"(D. Anderson) ?*

The “retaining walls” in this program are holding up the embankment under William Cannon Drive ramping up to the bridge over the UPRR. They are fully in the right of way supporting the roadway and do seem appropriate to include in the street program as they are integral to the roadway design. Replacement of the retaining walls will address the street failures that have been occurring at this location and potential catastrophic failure of William Cannon Drive if unaddressed. We have had Fugro Engineering monitoring this situation since the 1998 street bond program began a preliminary evaluation and design report for this project. Evidence shows that the failure of the embankment is generally accelerating.

*5. Group 33 - West Ave., 12th to MLK: I'm assuming the money listed is for design only (D. Anderson)?*

West Ave was dropped from Group 33 after careful field review of the current street conditions relative to the other two streets in that group: Rio Grande and Nueces. See Q1 for rationale for reduction in program.

*6. Through January 2009, we have obligated \$16.2M for Street Reconstruction (although \$45.1M has been appropriated). I'm assuming the \$69.1M in City Manager Ott's Accelerate Austin Initiative will account for the remainder of the \$85M in the Street Reconstruction Category (D. Anderson) ?*

The start up time for a program of this magnitude should not be underestimated. During the first 18 months, the staff and consultants have been designing and preparing for bid a large number of projects. Though only a limited number have been bid and awarded so far, there are a large number of projects that are almost through the final design phase and are ready to advertise and bid now. Many more projects will be ready by FY10. In fact, we may be able to obligate almost all the program funding by the end of 2010 with the acceleration plan in place.

*7. What impacts to other Proposition expenditures will this acceleration have (D. Anderson) ?*

It should not impact the other propositions. The team working on street reconstruction are dedicated to these projects. Public Works and the Contract and Land Management Department are adding temporary personnel to handle the extra work generated by the acceleration.

## **Proposition 2**

*1. Why weren't land purchases listed under Prop 2 projects? They should be. The citizens need to understand what the City has spent to date on these out of the \$50M appropriated. (D. Anderson)*

Those were left out accidentally since there has been no new activity since your last update. We will post to the committee's website a map of all land or conservation easement purchases with 2006 Prop 2 funds so citizens can understand what has been purchased with those funds.

*2. Is funding for home buyouts taken out of \$50M pot for "acquiring land, open spaces, and interests in land a property necessary to do so", or other pot of money (D. Anderson) ?*

Funding for home buyouts comes from the \$95m allocated for "Drainage Master Plan Implementation," not the \$50m allocation for "Open Space Acquisition."

*3. Through January 2009, we have appropriated 57% of our funds, yet spent only 33%. Given this economic climate, what is your plan to ensure that the expenditures catch up to what has been appropriated (D. Anderson) ?*

The projects listed under Proposition 2 are moving forward. Buyouts are underway and on schedule. The storm drain and restoration projects reflect the normal timeline of obtaining professional services, preliminary design and then final design. Since funds were appropriated immediately, it was expected that there would be a lag in the expenditure of the appropriations. As indicated on the attached map, the projects are moving forward. The major expenditures will occur when the projects are in construction phase, with the bond funding indicated on the spreadsheet. We anticipate two projects to be advertised for bids in FY09 (Boggy - Manor to MLK and Ft. Branch - Oak Lawn, with possibility that Blunn- Long Bow will be added). There are 6 projects on schedule to be advertised for bids in FY10 (Town Lake - East 4th, Shoal - Rosedale, Shoal - Allandale, Boggy - Cherrywood, Boggy - Rosewood, and Ft. Branch - Reaches 6&7). Three more storm drain projects are expected to be advertised for bids in FY11.

## **Proposition 3**

*1. Through January 2009, we have appropriated 48% of our funds, yet spent only 29%. Given this economic climate, what is your plan to ensure that the expenditures catch up to what has been appropriated (D. Anderson)?*

At this point in the year, we expect appropriation to be ahead of spending. When contracts are awarded, the total contract amount must be appropriated even if we don't anticipate spending the funds in that fiscal year. In addition, two of the major

projects in this proposition, North Austin Recreation Center and Northwest Recreation Center, began slowly but are now beginning to pick up speed. Another large program in this proposition is pools. Delays in getting the aquatics rotation list approved have caused spending to get off to a slow start. PARD anticipates spending on this program to be larger next year.

*2. The categories shown in the January 2009 graphs do not match the breakout as shown on the original Prop 3 list. Are we confident that we're tracking things the right way (D. Anderson)?*

Yes. The bond language was, ‘... constructing, renovating, improving, and equipping public parks, recreation centers, natural areas, and other related facilities . . . and acquiring land and interests in land and property necessary to do so . . . ’ The categories that we are using now (courts and greens, playscapes, pools, facility renovations and improvements, HVACs/roofs, trails, parkland acquisition) are more descriptive and better capture the work that PARD is doing.

*3. Why aren't parkland purchases listed under Prop 3 projects? They should be. The citizens need to understand what the City has spent to date on these out of the \$20M appropriated (D. Anderson) .*

Those were left out accidentally since there has been no new activity since your last update. We will post to the committee’s website a map of all parkland purchases with 2006 Prop 3 funds so citizens can understand what has been purchased with those funds.

#### **Proposition 4**

*1. Is appropriation of \$1.5M enough to restore Detrick-Hamilton House on E 11th and get African-American Cultural Center moving (D. Anderson)?*

The proposed project budget from summer 2008 met the \$1.5 million funding available. As scoped, it would meet minimum project needs -- restoration of the existing building, addition of new space, parking and other requirements. However, given the importance of the project to the community, staff is seeking additional federal funding to ensure the project's success. Detailed cost estimates will be available by summer 2009 that will help finalize the budget. Before restoration and new construction can begin, stabilization of the historic structure must occur. NHCD staff are pursuing a contract with the Urban Renewal Agency to stabilize the structure .

*2. I understand we're about to make some more progress on the MACC, but why have we spent less than half of what has been appropriated to date on Zach Scott (D. Anderson) ?*

The contribution agreement with Zach Scott took longer than anticipated to complete and be approved by City Council. On the bright side, much of the work that went into that agreement can serve as a template for other Prop 4 projects. The A/E team for this project should be selected by early April.

#### **Proposition 5**

1. I still have heartburn that we are supposed to be ensuring the appropriate spending of bond funds on affordable housing, but we really have no metrics to compare the progress to date to. It is vital that we at least understand the goals laid out by the CDC and if the City's expenditures to date are achieving those goals.

*The answer to this question will be sent separately, or addressed at the April 8, 2009 meeting.*

2. It appears that we are having difficulty in spending Proposition 5 dollars on Home Ownership Programs. What is the plan to rectify this?

*The answer to this question will be sent separately, or addressed at the April 8, 2009 meeting.*

#### **Proposition 6**

1. What is the specific plan to spend the money we have appropriated? What are the specific dates you expect to have Contract signed (D. Anderson) ?

The current appropriation is to be spent on the architectural and engineering services contract with Lake | Flato Architects, Shepley Bulfinch Richardson and Abbott Joint Venture as well as the contract with the yet to be selected Construction Manager at Risk. Lake | Flato Architects Shepley Bulfinch Richardson and Abbott Joint Venture is currently reviewing the professional services contract. The City expects a response this week from the Joint Venture with questions and concerns about the contract terms. Originally we anticipated having the contract executed fully by May 1, 2009, however on such a big project contract negotiations may be of a longer duration.

#### **Proposition 7**

1. We have appropriated all available funds for each project listed under Proposition 7, yet have spent only 30% to date. Given this economic climate, what is your plan to ensure that the expenditures catch up to what has been appropriated (D. Anderson) ?

The Animal Services Center should bid this fall so all funds will be committed at that time, the Public Safety Training Facility will commit the construction funds this year as will the Municipal Court both of these proceeding under design build contracts.

*2. Has construction on the EMS Station started? (D. Anderson)*

No, the project team has spent considerable time with the stakeholders to come up with a plan going forward that everyone can support. It is anticipated that this will go to bid in November and construction will start in April of 2010.

**Overall**

*1. Which GF projects will be coming online in 2010 and what will the O&M be for each (T. Anderson)?*

We anticipate the following projects to come online sometime in FY10: BMX and Skate Park, Suzanna Dickinson House, Copperfield Park, Armadillo Park, MACC Phase 1A, and possibly the Dittmar Recreation Center expansion. The Budget Office is currently in the process of analyzing PARD's requested operating budgets for each facility.

*2. Have projects been identified that can be accelerated to take advantage of the lower construction costs (other than roadway projects) (T. Anderson)?*

We are still evaluating projects that could be accelerated. In addition to the timing of each individual project, we have to consider the City's capacity to accelerate multiple projects across programs.

*3. While we continue to allocate funding from the bond funds, what is the process of educating the committee on the impact these funds are having to the overall economic picture in each of the defined funding area (M. Wrenn)?*

Currently, there is no process or plans to educate the committee on the impact of bond program on the overall economic picture as this would necessitate hiring an outside consultant.

*4. Will the citizens obtain what they perceived as the goals and objectives from the funding (M. Wrenn)?*

This is our goal.