



City of South San Francisco

P.O. Box 711 (City Hall, 400
Grand Avenue)
South San Francisco, CA

Legislation Text

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Agenda Date: 2/3/2021
Item #: 2.

Presentation to
Measure W Citizens' Oversight Committee

Financing the Civic Campus & Street Paving Program



February 3, 2021

Agenda

- Overview of Measure W Funds
- Civic Campus Financing
- Option for Streets Paving Program

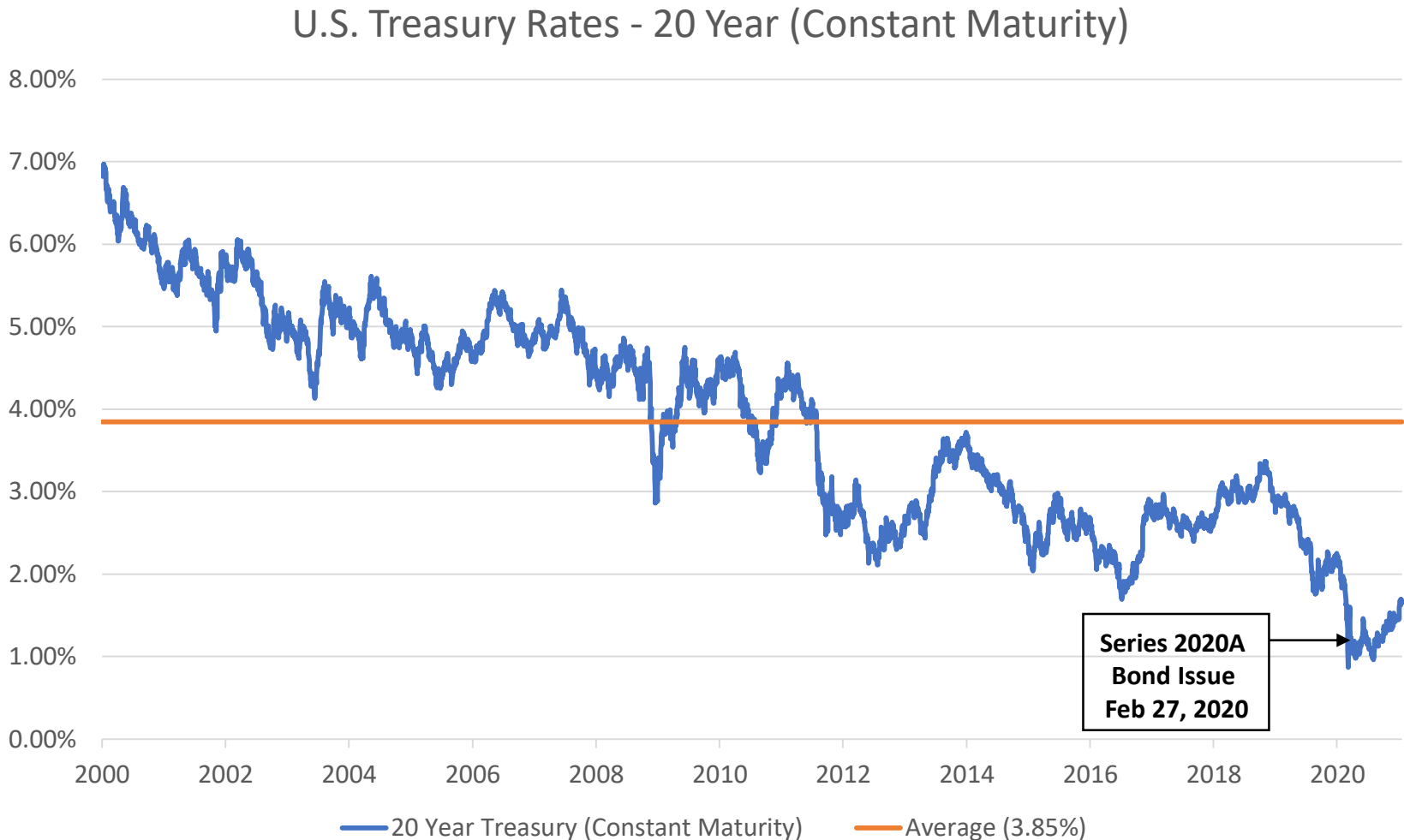
Measure W Fund Balance Summary

Fiscal Year Ended	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020
TOTAL REVENUES	\$1,493,425	\$8,886,653	\$11,162,238	\$12,644,947	\$11,704,090
Expenditures					
Prof & Spec. Svcs (5005)	-	-	22,350	40,975	-
Operating Supplies (5021)	-	210	-	-	-
Proj Acct Supp. & Svcs (5999)	211,992	-	-	-	-
Transfer to Gen'l Fund (9100)	-	-	2,440,861	2,236,224	407,156
Transfer to CIP (9510)	-	877,728	6,585,030	7,706,030	10,383,417
TOTAL EXPENDITURES	\$211,992	\$877,938	\$9,048,241	\$9,983,229	\$10,790,573
Revenues Less Expenditures	\$1,281,433	\$8,008,716	\$2,113,996	\$2,661,719	\$913,518
FUND BALANCE	\$1,281,433	\$9,290,149	\$11,404,145	\$14,065,864	\$14,979,381

Measure W Fund Monthly Revenue Comparison

Month	FY 2019-2020	FY 2018-2019	Difference
July	\$930,148	\$914,704	\$15,444
August	1,450,260	1,431,810	18,450
September	821,445	1,056,242	(234,797)
October	958,425	977,711	(19,286)
November	1,056,673	971,690	84,983
December	1,239,905	1,324,726	(84,821)
January	790,642	973,730	(183,088)
February	1,186,204	1,263,130	(76,926)
March	713,987	687,473	26,514
April	714,606	1,051,890	(337,284)
May	1,397,081	1,262,352	134,729
June	444,714	729,490	(284,776)
TOTAL	\$11,704,090	\$12,644,947	(\$940,857)

Interest Rates Are Near Historic Lows

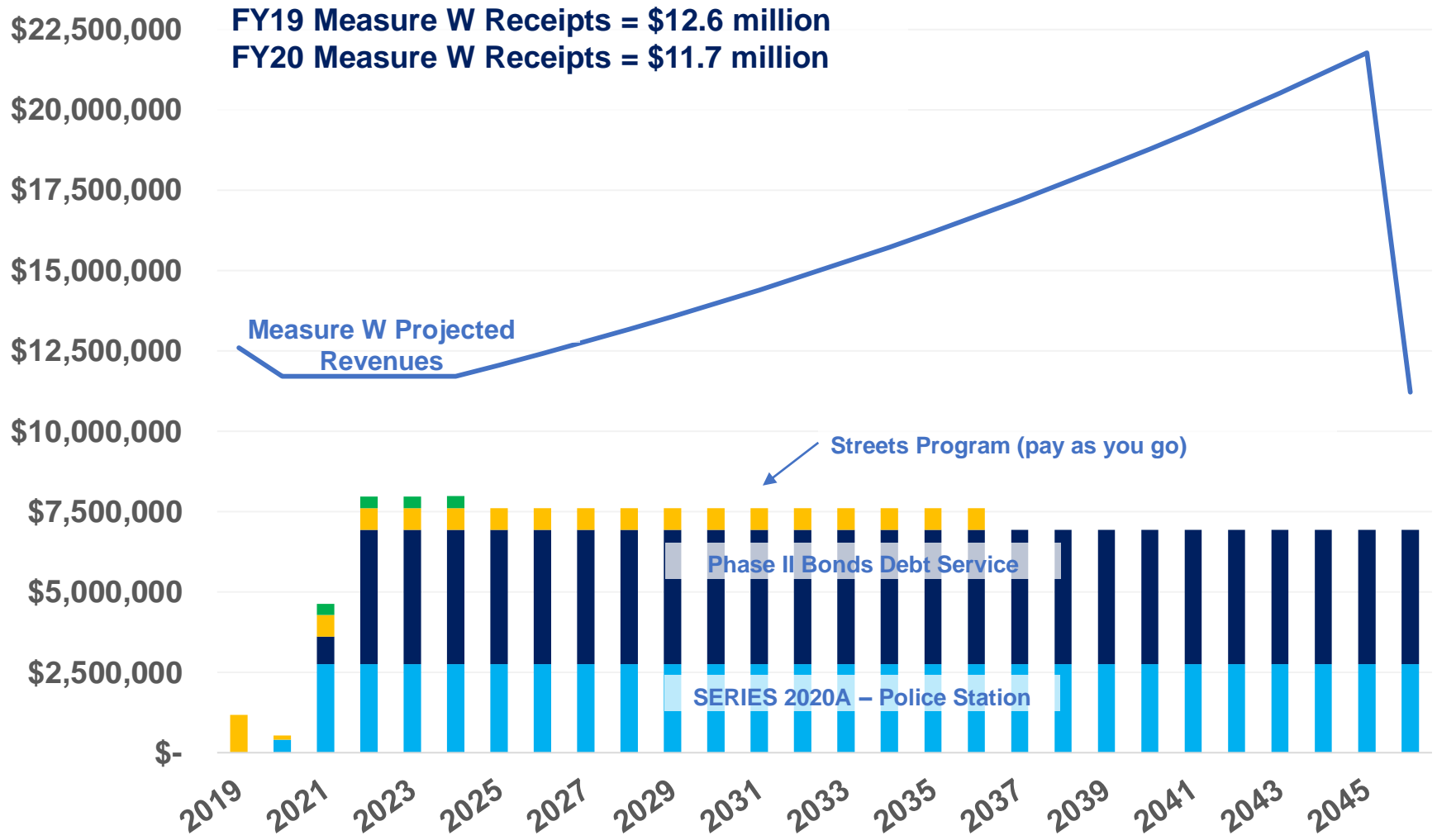


Source: U.S. Department of the Treasury

Funding the Civic Campus

Description	Pre-Construction	Phase I: Police Station	Phase II: Library, P&R, Council	TOTAL
Estimated Cost	\$ 34,000,000	\$ 56,800,000	\$ 101,000,000	\$ 191,800,000
Sources of Funds				
Monies Already Spent (6/30/2020)	24,569,552			24,569,552
Bond Proceeds		53,800,000	74,000,000	127,800,000
Measure W / Other Cash	9,430,448		20,455,000	28,885,448
Asset Seizure		2,000,000		2,000,000
Public Safety Impact Fee		1,000,000		1,000,000
PEG Funds			1,100,000	1,100,000
Childcare/Library Improvement			490,000	490,000
Library – Project READ			255,000	255,000
Fundraising			4,700,000	4,700,000
TOTAL	\$ 34,000,000	\$ 56,800,000	\$ 101,000,000	\$ 191,800,000

Measure W Cashflow (Revenue less Expenditure)



Bonding Out the Street Paving Program

Issue additional \$24M for Street Paving Program

Benefits:

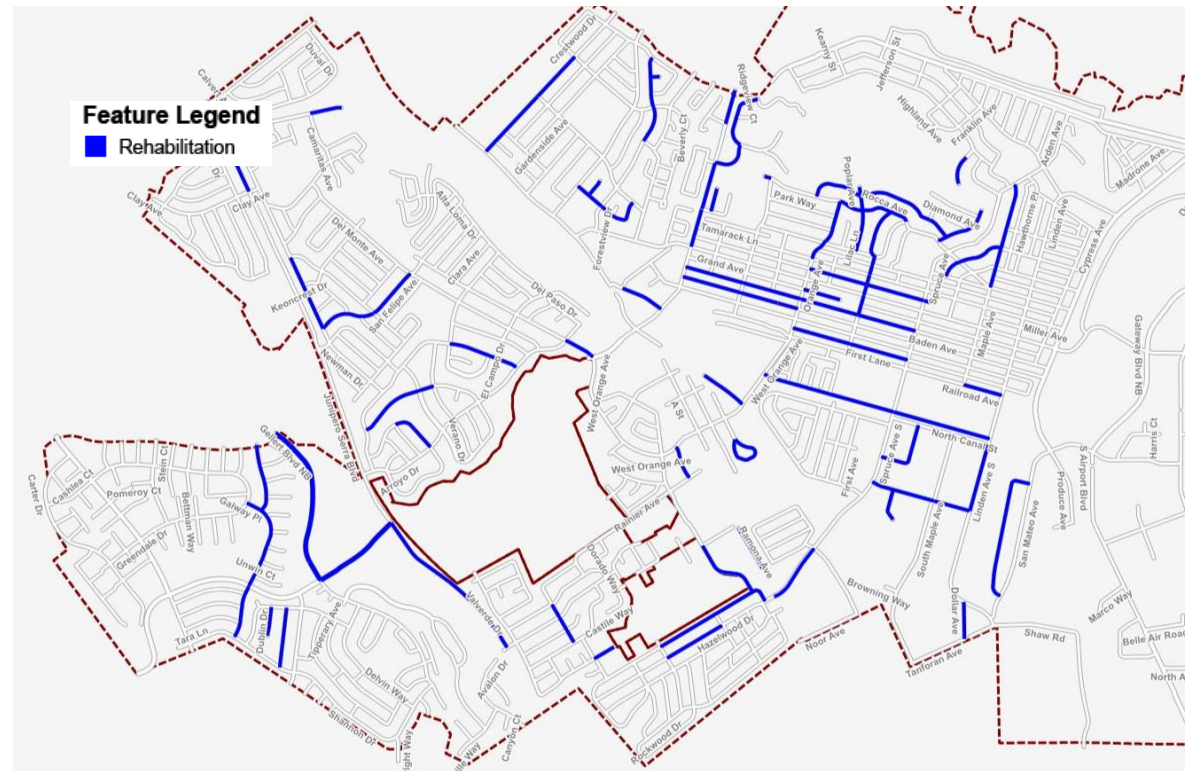
- Accelerates street improvements
- Saves Money – short & long term savings
- Very low interest rate = Low borrowing cost
- Cost of bond issuance efficiencies
- Repair more miles of road

***Sets the City up for long-term road success
While delivering better roads for residents***

Current *Pay-As-You-Go* Program (2020-2026)

Total
Rehabilitation Cost
\$17.5 M
(\$2.5 M/year)

Treat 17.2 CL miles
(12% of entire
network)



Average **\$4.5 M/year**
to maintain Pavement Condition Index at **78**

Bond Measure Project (2020-2022)

Total
Rehabilitation
Costs
\$24.0 M

Treat 25.2 CL miles
(19% of entire
network)

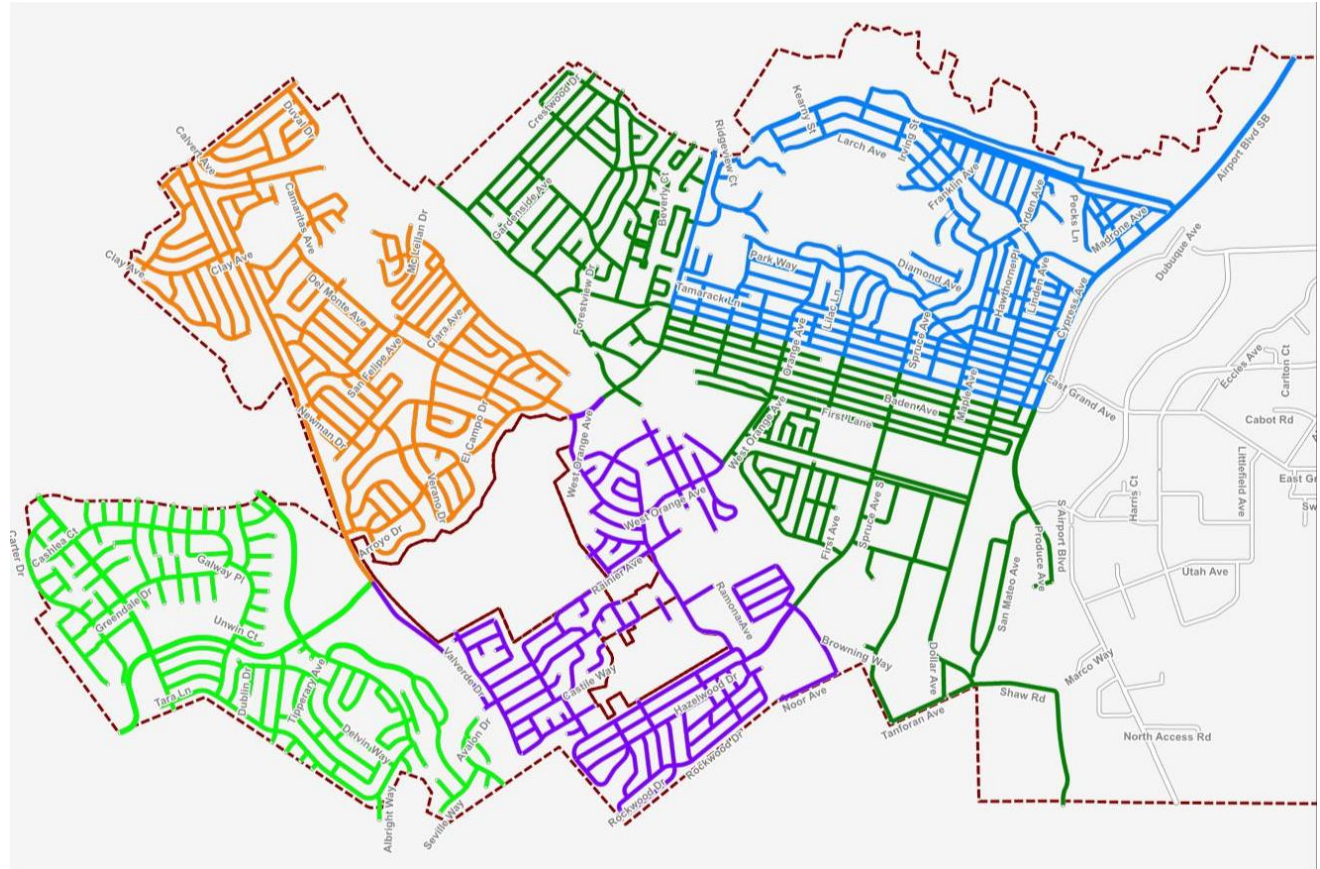


Average **\$2.0 M/year**
to maintain Pavement Condition Index at **87**

Future Maintenance – Surface Seal By Zone

Feature Legend

- 2023 Surface Seal
- 2024 Surface Seal
- 2025 Surface Seal
- 2026 Surface Seal
- 2027 Surface Seal

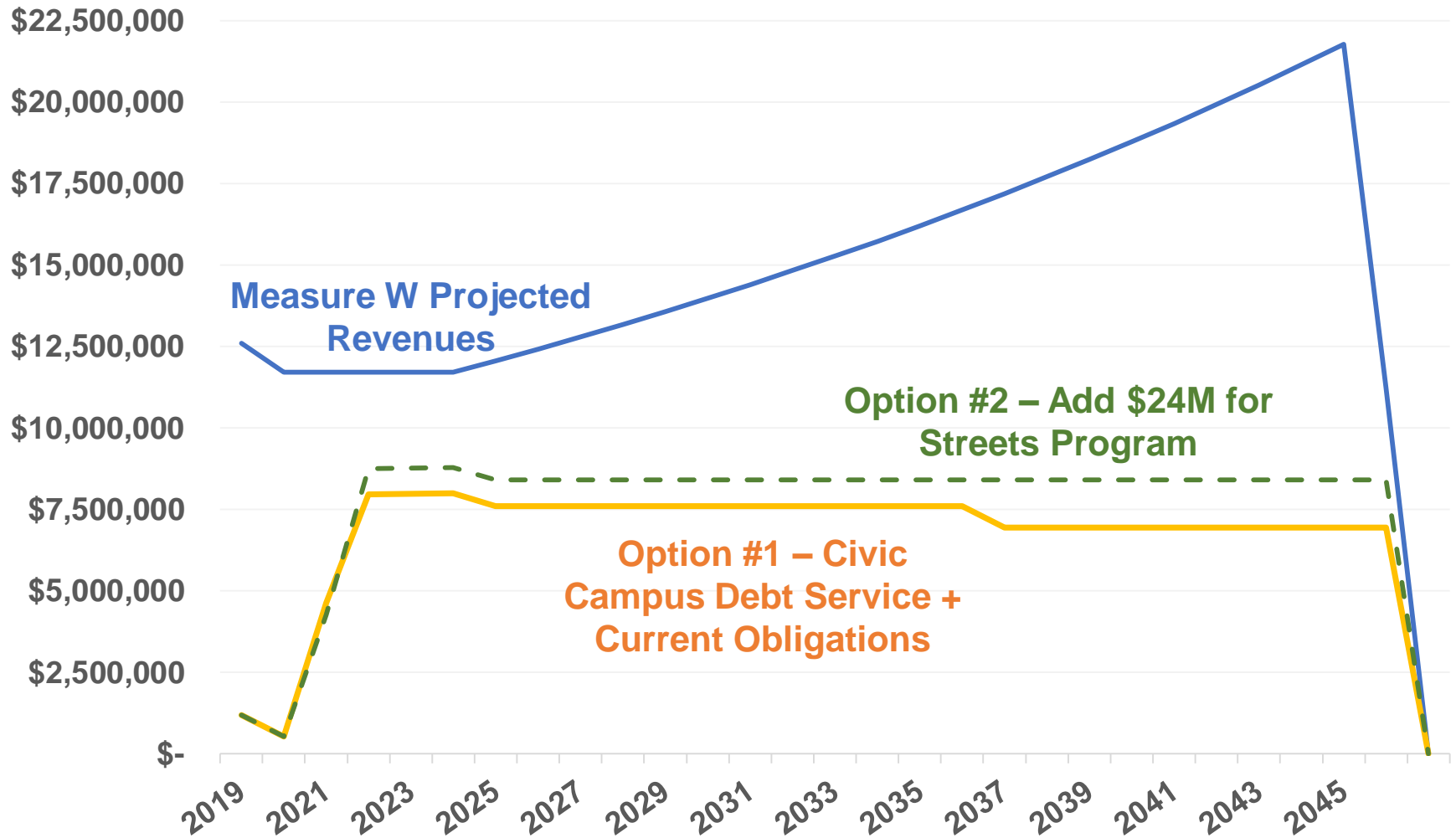


Average **\$2 M/year**
Surface Seal by Zone

Project Summary – Street Bond Program

Items	Current Year by Year Project	Bond Measure Project
Rehabilitation Cost	\$2.5 M/yr	\$24 M Single Project
Zone Surface Seal Cost	\$2.0 M/yr	\$2.0 M/yr
15-year Total Cost	\$4.5 M*15 = \$67.5 M	\$24 M + \$2.0 M*15 = \$54 M (-20%)
Upfront Cost Savings	0	\$2.0 M
Total Cost Savings	0	(\$67.5 M – \$54 M) + \$2 M = \$15.5
Treated CL Miles (rehab. only)	17.2	25.2 (+46%)
Pavement Condition Index (PCI)	Maintain Current Level (70s)	Current Level + 10 points (80s)
General Network Condition	Good condition with low severity cracking and pavement distress, still poor condition streets	Excellent – Significantly less pavement distress, no poor condition streets

Revenues vs. Option #1 and #2 Cashflow



Bond Sale Assumptions

Description	Option #1 (LPR Only)	Option #2 (LPR + Streets)
Bond Proceeds	\$ 74,000,000	\$ 98,000,000
All-In Total Interest Cost	2.86%	2.86%
Average Annual Debt Service	\$ 4,175,600	\$ 5,305,000
Total Debt Service	\$ 105,200,000	\$ 148,460,000
Impact on DS with 1% Interest Rate Move	+/- \$350,000	+/- \$400,000

Projected Cash Flow Detail

Date	Estimated Sales Tax Receipts (Measure W) ¹	Phase I: Debt Service (Police Station)	Phase II: Debt Service (Library, P&R, Council) ²	Street Paving	Capital Project Director	Remaining Measure W Funds
6/30/21	\$ 11,704,090	\$ 2,767,200	\$ 847,178	\$ 297,645	\$350,000	\$6,774,645
6/30/22	11,704,090	2,765,450	4,173,000	1,459,340	357,000	2,282,300
6/30/23	11,704,090	2,766,450	4,170,400	1,465,770	364,140	2,270,300
6/30/24	11,704,090	2,764,950	4,175,400	1,463,323	371,423	2,261,994
6/30/25	12,055,213	2,765,950	4,172,600	1,465,060		2,984,603
6/30/26	12,416,869	2,764,200	4,172,200	1,466,098		3,347,371
6/30/27	12,789,375	2,764,700	4,174,000	1,466,426		3,717,250
6/30/28	13,173,056	2,762,200	4,177,800	1,466,030		4,100,027
6/30/29	13,568,248	2,764,800	4,173,400	1,464,260		4,498,789
6/30/30	13,975,296	2,765,200	4,171,000	1,467,085		4,905,010

¹ Assumes no growth in sales tax receipts from FY 2021 – 2024 and 3.00% CAGR thereafter

² Assumes all-in total interest cost of 2.86%.