



TOWN OF TIBURON
1505 Tiburon Boulevard
Tiburon, CA 94920

Town Council Meeting
October 5, 2016
Agenda Item:

AI-1

STAFF REPORT

To: Mayor and Members of the Town Council
From: Office of the Director of Public Works
Subject: Discussion of CIP Prioritization
Reviewed By: 

BACKGROUND

At the Town Council/Staff Retreat on April 1, 2016, staff presented a proposed framework for capital project planning that would provide for a systematic approach to the planning, budgeting and financing of capital projects. It consists of the following steps:

- Development of a Project Portfolio
- Ranking of projects within the portfolio based on a set of established criteria
- Approval of prioritized Project Portfolio and integration into annual budget process
- Review and adjustments to Project Portfolio on annual basis and/or as new projects are identified

Council indicated its interest in pursuing development of this planning process for its obvious benefit as a tool for budgeting, as well as to make the process more open and accountable. Council also supported the formation of a Council ad hoc committee to assist staff in developing this planning tool.

At the July 20, 2016 Council meeting, Council appointed Mayor Tollini and Councilmember Fredericks to serve on an ad hoc Committee to establish the criteria for ranking proposed projects.

Staff had previously reached out to other jurisdictions and asked if they had a prioritization methodology. The County has a prioritization methodology and seems to use their method with the greatest success. The County's methodology includes 8 criteria, weighted, each of which can be scored between 1 and 5 or 6.

San Rafael and Sausalito have methodologies based on the County's. San Rafael's is a simplified version of the County's method and includes no weighting. Staff's opinion is that it did not properly differentiate priorities. Sausalito indicated their methodology is not differentiating in a way that helps their Council.

Staff did look beyond Marin County for other CIP ranking methodologies, but believes the County's combines both simplicity and useful criteria that effectively differentiates between projects.

ANALYSIS

Staff met with the ad hoc Committee and presented the County's methodology as a draft. Criteria were changed, new weights were established and scoring changed to reflect the needs of the Town. Staff presented the new methodology back to the ad hoc Committee, and further refinements occurred via e-mail. This resulted in the proposed methodology detailed in **Exhibit 1**.

We have provided a blank scoring sheet template for Council review as **Exhibit 2**

Staff selected 24 projects for a trial run using the methodology and had scoring done by five staff members without consultation or descriptions of the projects. There was approximately 75% agreement on what projects belonged in the top third the middle third and the bottom third. Relying on the three staff members with the best knowledge of the Town and individual projects increased this slightly. We have provided a ranking sheet for these 24 projects showing the rank by the based on the average (mean) scores provided by staff. We have included the rank based on the median scores as well for comparison. Comparison of the mean rank and the median rank shows where there was some disagreement in the scoring. The summary data from staff's 'trial' run as **Exhibit 3**.

RECOMMENDATION

Staff recommends that the Town Council:

1. Receive the Staff Report
2. Discuss and finalize the ranking criteria
3. Direct Staff regarding next steps in this planning process

Exhibits: 1. CIP Ranking Criteria
 2. Blank Scoring sheet
 3. Staff trial run ranking of 24 projects

Prepared by: Patrick Barnes

Proposed Criteria Guide for CIP Rating
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- a. Meets General Plan Policy (3)**
0 – Meets no policies
1 – Meets one policy
2 – Meets two policies
3 – Meets over two policies
- b. Required by Legal Mandate (3)**
0 – No legal mandate
1 – Yes, specific Mandate with a specified timeframe
2 – Yes, more than 1 mandate with a specified timeframe
3 – Yes, officially noted to be in violation of a Mandate
- c. Avoid Consequences of Deferred Maintenance (2)**
0 – No additional cost or consequence of deferred maintenance
1 – Will cost more to fix if delayed.
2 – Problem within 5 years
3 – Problem within 1 year
4 – Problem current or imminent
- d. Dedicated or Non-GF source of funding available (1)**
0 – Only funding is unallocated GF
1 – Allocated GF available
2 – Other Town Funding available
3 – Federal Grant funding with match
4 – Non Federal Grant Funded with match
5 – Wholly grant funded
- e. Effect of Project on Operating Costs (Energy, Water, etc.) (1)**
0 – No savings or increases operating costs
1 – Small saving expected (less than 5% of project costs annually)
2 – Yes, moderate saving expected (at least 5% of project costs annually)
3 – Yes, significant saving expected (more than 10% of project costs annually)
- f. Removes/Reduces Threats to Health & Safety (4)**
0 – Unlikely to be a danger
1 – Problem within 10 years
2 – Problem within 5 years
3 – Problem within 1 or 2 years
4 – Imminent danger
5 – Is currently a threat to Health & Safety
- g. Large Functional Benefit to Residents (2)**
0 – Minimal Functional Benefit
1 – Few users – Minor Benefit to Residents
2 – Moderate number of users – Benefit to Residents
3 – Significant benefit to Residents
- h. Large Aesthetic Benefit to Residents (1)**
0 – No aesthetic benefit
1 – Minor aesthetic benefit
2 – Some Aesthetic Benefit
3 – Great Aesthetic Value but project purpose is not Aesthetics
4 – Large aesthetic benefit; item's primary purpose is aesthetic (e.g. landmark building, sculpture)

Draft Project Scoring Template

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Score	Project	Funding	Project Cost	Unallocated General Fund	Meets General Plan Policy	Required by legal mandate	Avoid consequences of Deferred maintenance	Dedicated or Non-GF source of funding available	Effect of project on operating costs	Removes Threats to Health and safety	Large functional benefit to Town residents	Large aesthetic benefit to Town residents
0	Sidewalk Repairs Program (ADA)	Gas Tax/GF	20,000	0								
0	Pot Hole Repair Program	Imp Fees/Gas Tax/GF	45,000	0								
0	Open Space Management Program	Measure A Parks/GF	53,000	25,000								
0	Storm Drain Improvements Program	GF	250,000	250,000								
0	Ferry Terminal ADA upgrades	GF	70,000	70,000								
0	Railroad Marsh Vegetation Removal	GF	45,000	45,000								
0	Street Overlay/Rehab	Imp Fees/Gas Tax/GF	1,500,000	0								
0	Elephant Rock Walkway Upgrade	GF										
0	Hawthorne Undergrounding-Resurfacing	Imp Fees/Gas Tax/GF	470,000	0								
0	PW Corporation Yard	GF	3,500,000	3,500,000								
0	McKegney Green	Public (GF)/Private	1,300,000	1,300,000								
0	Mar West Roundabout/Signal	Imp Fees/Gas Tax/GF	400,000	0								
0	Town Hall HVAC Replacement	GF	290,000	290,000								
0	Hawthorne Undergrounding-General Benefit	GF	900,000	900,000								
0	Traffic Calming Program	Imp Fees/Gas Tax/GF	20,000	0								
0	Sidewalk Construction 1 (Mar West to Lyford)	Gas Tax/GF	730,000	730,000								
0	Sidewalk Construction 2 (Gilmartin to San Rafael)	Gas Tax/GF	700,000	700,000								
0	Lyford Parking Lot Stair Construction	Gas Tax/GF	100,000	100,000								
0	Parking facility acquisition											
0	Residence parking pass program											
0	Relinquishment Cost Benefit/PSSR		133,000	133,000								
0	Hacienda Ridge Trail Access	GF	125,000	125,000								
0	Kayak Put -In	GF	500,000	500,000								
0	2020 Paradise Drive Retaining Wall Stabilization	Imp Fees/Gas Tax/GF	140,000	140,000								

Staff Ranking Summary Data

Exhibit # 3

Trial Run

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Project	Mean	Median
Street Overlay/Rehab	1	1
Storm Drain Improvements Program	2	3
Pot Hole Repair Program	3	2
McKegney Green	4	4
Sidewalk Repairs Program (ADA)	5	7
Open Space Management Program	6	6
Ferry Terminal ADA upgrades	7	5
PW Corporation Yard	8	10
Traffic Calming Program	9	13
Elephant Rock Walkway Upgrade	10	8
Hawthorne Undergrounding-Resurfacing	11	11
Sidewalk Construction 2 (Gilmartin to San Rafael)	12	16
Railroad Marsh Vegetation Removal	13	9
2020 Paradise Drive Retaining Wall Stabilization	14	23
Mar West Roundabout/Signal	15	12
Sidewalk Construction 1 (Mar West to Lyford)	16	17
Town Hall HVAC Replacement	17	18
Hawthorne Undergrounding-General Benefit	18	19
Hacienda Ridge Trail Access	19	20
Lyford Parking Lot Stair Construction	20	21
Kayak Put -In	21	22
Parking facility acquisition	22	14
Residence parking pass program	23	15
Relinquishment Cost Benefit/PSSR	24	24