



Ad Hoc Joint City-Schools Facility Investment Task Force

Capital Planning and Implementation Subcommittee

Memo Outline – DRAFT

- I. Introduction & Overview
 - a. Focus / charge
 - b. Subcommittee members
 - c. Meetings (date and agenda topic)
- II. Executive Summary of Findings & Recommendations
 - a. Summary of Key Takeaways
 - b. Summary of Recommendations (may seem repetitive in this format, but used for broader Joint Task Force executive summary)
- III. Current State:
 - a. Current City process overview – CIP (Staff to provide input)
 - b. Current Schools process overview – CIP (Staff to provide input)
 - c. Current staffing structure (Staff to provide input)
 - i. DGS
 - ii. Schools – Facilities
- IV. Themes / Major Discussion Points (aka Sub-Committee’s Vision for Success):
 - a. Application of the framework and processes outlined in this memo should be **applied to the capital budget in its entirety**. The isolation of facilities is a false separation from all capital projects. While we recognize it will be challenging to implement a new framework as the City has committed funding to projects, we urge the City to endeavor to reach a steady-state utilizing this framework.
 - b. A comprehensive **culture shift** is required among leadership and staff that embraces:
 - i. A joint proactive and formalized planning process across City and Schools.
 - ii. A planning process that focuses on the delivery of services and capabilities rather than projects.
 - iii. Consistency, coherency, and comprehensiveness in capital planning that includes more discipline in the analysis of alternatives and project strategies.
 - c. Updated capital planning and implementation **processes** supporting this culture shift should be developed and implemented. A high-level framework is described herein, which will require additional consideration by staff to establish a process that determines the correct approach to deliver capabilities.
 - i. Describe framework (capabilities service model)
 1. Identify needs and services
 2. Determine capabilities to support the need
 3. Evaluate alternatives
 4. Planning/design/execution

5. How it aligns with CIP – connect to timing and appropriation of funding.
- ii. Include concrete examples of projects that illustrate the proposed process/framework.
- iii. The process should:
 1. Be traceable from concept to planning to design to execution and all stages in between.
 2. Outline planning and project decision rights and information flow should be transparent and clear. Decision rights are applicable to both capabilities and projects.
- d. Overall, these cultural and structural improvements to project planning should support an increase in a project’s level of ‘readiness’ for full funding and implementation, therefore setting up a project to be successfully delivered on schedule, on budget, and to the level of quality expected. The framework allows leaders and elected officials to make informed, and defensible decisions.
- e. In applying the framework, the City’s **engagement process** should be made explicitly part of the process.
- f. **Identification of a champion** to determine what ultimately is recommended to elected officials.

V. Actionable Recommendations

- a. Review the impact of implementing a Capability Delivery Model (framework) as described and presented by the subcommittee.
 - i. Identify methods to review capabilities
 - ii. As modeled in the FCIP, pursue funding plans that provide ‘seed money’ concept to support project strategy development and inform project assumptions
 - iii. Identify planning decision rights and work flows between staff and political leadership.
- b. City and Schools should pursue a **Joint Facilities Master Plan that**:
 - i. Reviews existing conditions and future state assumptions by:
 1. Reviewing and building upon previous departmental level efforts and studies (e.g. Fire Station Location Study, enrollment projections, etc.)
 2. Outlining needs for additional supporting data and studies
 3. Reviewing and analyzing asset data such as the life spans of building systems (per M&O subcommittee)
 - ii. Develops a new strategic vision for facilities across the City and Division by:
 1. Outlining a distilled strategic vision for facilities with clear and measureable objectives and that embodies the Capability Delivery Model
 2. Conducting a gap analysis of the new strategic vision against existing conditions so that the largest gaps can be identified
 3. Providing a framework for making decisions and engaging stakeholders
 - iii. Synthesizes the understanding of existing conditions, future needs, and the distilled strategic vision to develop a road map that:
 1. Builds upon the FCIP planning strategies outlined by the Task Force by examining:

- a. Addresses highest needs and biggest risks first
 - b. Optimal way to provide swing space needs
 - c. Optimal way to solve land needs
2. Includes an outline of proposed facility projects concepts with key assumptions for scope, budget, and schedule and preferred CIP timeframe.
- c. Creation of a Joint Capital Management Council to provide leadership and ensure the capabilities service model (framework) is implemented by all entities.
 - i. Joint group to serve as peer review to ensure all projects have the appropriate level of rigor and have gone through the framework.
 - ii. Example compositions:
 1. City Manager, Deputy City Managers, Superintendent
 2. Representative from “sectors” (edu, health, infrastructure, etc.)
 - iii. Specify the stage(s) wherein this Council would make recommendation for a project to be placed in the CIP.
 - iv. How group would interact with (or replace) the current process for developing a CIP.
- d. Perform a review of **project implementation practices** similar to the effort conducted for the M&O subcommittee to better define areas for process improvement and organizational needs as well as inform the creation of a program management office (discussed in the following recommendation).
 - i. Conduct staff interviews and map out current implementation processes to understand areas for process improvement.
 - ii. Evaluate staff and resource needs for project execution and engagement.
 - iii. Review and illustrate current project execution decision rights and refine as appropriate.
- e. Identify an objective ‘program management office’ that **champions and facilitates** the distilled strategic vision, pursuit of joint planning, and the eventual implementation of the new Joint Facilities Master Plan in coordination with appropriate departments.
 - i. Specify the stages within the framework this office would manage.
 - ii. Construction arm for all capital projects “on behalf of the City.”
- f. City and Schools should explore **decoupling** the annual capital and operating budget cycles so that:
 - i. Staff resources can be used effectively.
 - ii. The bandwidth of the political decisions is not overtaxed and capital projects can adequately reviewed and discussed.
 - iii. Related public engagement activities do not result in engagement fatigue and therefore dilute public participation levels.
- g. Timing and appropriation of funding within the CIP.
 - i. Elliott to draft for review by Subcommittee.
 - ii. Funding in the CIP creates an expectation among staff and the community that a project will occur.
 - iii. How to budget and phase funding in the CIP as a capability becomes a project, is identified for alternative delivery, or determined to be an operational expense.

- iv. Concept of undistributed capital.
 - 1. Near-term funding (Years 1 – 3) is more certain, mid-term funding (Years 4-6) is distributed as ROM, and late-term funding (Years 7+) is undistributed (or utilized for planning?).
- v. Recognition that real estate and land acquisition costs are true capital.

VI. Additional Considerations

- a. Cost implications of recommendations – operating and capital
- b. Timing and staging of recommendations

VII. Exhibits (to be confirmed)

- a. Doc and Data
- b. Meeting Summaries
- c. Capability Delivery Model (slides)