

CITY OF SAN JOSE 2015-2016 ADOPTED CAPITAL BUDGET

CAPITAL PROGRAM PERFORMANCE MEASURES

A set of consistent and comprehensive performance measurements along with targets and goals has been established for the entire capital program. Measures have been established for two key areas: schedule (cycle time) and project delivery costs. In addition, two performance measures regarding Green Building certification, as discussed later in this section, are tracked below.

The following table lists the city-wide capital program performance measures. These measures are designed to provide uniformity and consistency, provide clear and measurable outcomes, and encourage operating City Service Areas and departments to consider total requirements for service delivery, including capital facilities and assets.

City-Wide Capital Program Performance Measures

Strategic Goals	City-Wide Performance Measures	2013-2014 Actual *	2014-2015 Target	2014-2015 Estimate**	2015-2016 Target	5-Year Goal
A. Deliver Quality CIP projects on-time and on-budget	1. % of CIP projects delivered*** within 2 months of approved baseline schedule	74% (35/47)	85%	89% (67/75)	85%	85%
	2. % of CIP projects that are completed within the approved baseline budget****	85% (39/46)	90%	93% (65/70)	90%	90%
B. Utilize Green Building design in all public buildings	1. Cumulative square footage of new and existing municipal buildings certified as green buildings	1.9 million square feet	2.3 million square feet	2.1 million square feet	2.3 million square feet	2.5 million square feet
	2. % of new and existing municipal building square footage certified as green buildings	46%	54%	49%	54%	55%

Changes to Performance Measures from 2014-2015 Adopted Budget: No

* The 2013-2014 Actual number of projects may vary from the 2013-2014 Estimate as documented in the 2014-2015 Adopted Budget as a result of the date of the estimated beneficial use of the project being revised and the project expected to be delivered in the following fiscal year. Also, the number of projects may change with the inclusion of projects in the 2013-2014 Actual not originally included in the 2013-2014 Adopted Budget Estimate due to incomplete project information at that time.

** The 2014-2015 Estimate does not include any Public Art projects which can instead be found in the "Art in Public Places" Appendix.

*** Projects are considered to be "delivered" when they are available for their intended use; projects are considered "on schedule" if delivered within two months of the baseline schedule.

**** Projects are considered "completed" when final cost accounting has occurred and the project has been accepted; projects are considered "on budget" when the total expenditures do not exceed 101% of the baseline budget.

The City has successfully delivered over 1,570 capital projects to the community since 2000. With the build-out of the Airport expansion and the Library, Parks, and Public Safety bond programs nearing completion, future project delivery will primarily consist of investments related to replacement and renewal of existing infrastructure. For 2014-2015, City staff is estimated to deliver 75 projects. The notable capital projects delivered in 2014-2015 include the new West Evergreen Park, new Del Monte Park, new Roberto Antonio Balermينو Park, Patty O'Malley Community Fields, and numerous trail projects, sanitary sewer and storm rehabilitations, roadway resurfacing, and traffic light synchronization projects city-wide.

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On-time delivery performance measures the percent of projects that are available for their intended use no later than two months after the target date established by the Public Works Department. Of projects delivered in 2014-2015, 67 of 75 (89%) are estimated to be delivered within baseline schedules, exceeding the 85% target.

On-budget performance is measured after all costs have been accounted for and after documentation of project acceptance is filed with the County of Santa Clara. Project acceptance can occur months, or sometimes a year or more, after a project reaches beneficial use due to issues such as the time required to complete punch list items or resolving contractor claims. Of the 70 projects estimated to be accepted in 2014-2015, 65, or 93%, are expected to be completed on-budget as compared to project baseline budgets,

meeting the 90% “on-budget” performance target. Staff continues to strengthen the alignment of project scopes, schedules, and budgets, while also accounting for external market conditions that may affect the delivery of capital projects. Staff relies heavily on the cost estimating and tracking tools that are available through Capital Project Management System (CPMS). These tools allow project management staff to effectively track project costs on an ongoing basis and assist in ensuring that expenditures remain within budgeted levels. Instances in which projects do exceed the baseline budget are typically attributed to schedule-related delays, redesign costs, and additional staff costs needed to resolve unforeseen construction issues.

As part of the ongoing efforts to support San José’s Green Vision, two new performance measures were introduced in 2009-2010. Green Vision Goal #4 is to build or retrofit 50 million square feet of “Green” building space within 15 years. In order to measure progress towards this target, the first performance measure focuses on the cumulative square footage of new and existing municipal buildings certified as “green” buildings. For 2014-2015, the cumulative square footage of new and existing municipal buildings certified as “green” buildings is estimated at 2.1 million square feet, falling short of the goal of 2.3 million square feet. The second measure focuses on the percentage of cumulative new and existing municipal buildings certified as “green” buildings. In 2014-2015, approximately 49% of buildings have been certified, below the target of 54%.

**Construction Projects -
Completion within Baseline Budget**

