FISCAL SUSTAINABILITY – DEPARTMENT OVERVIEWS **PART 2**

September 18, 2012 – PART 1
Central Administration
Administrative Services Department
Community Development Department

October 16, 2012 – PART 2
Parks, Recreation & Community Services Department
Police Department
Public Works Department

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PUBLIC WORKS

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KEY DEPARTMENTAL MESSAGES

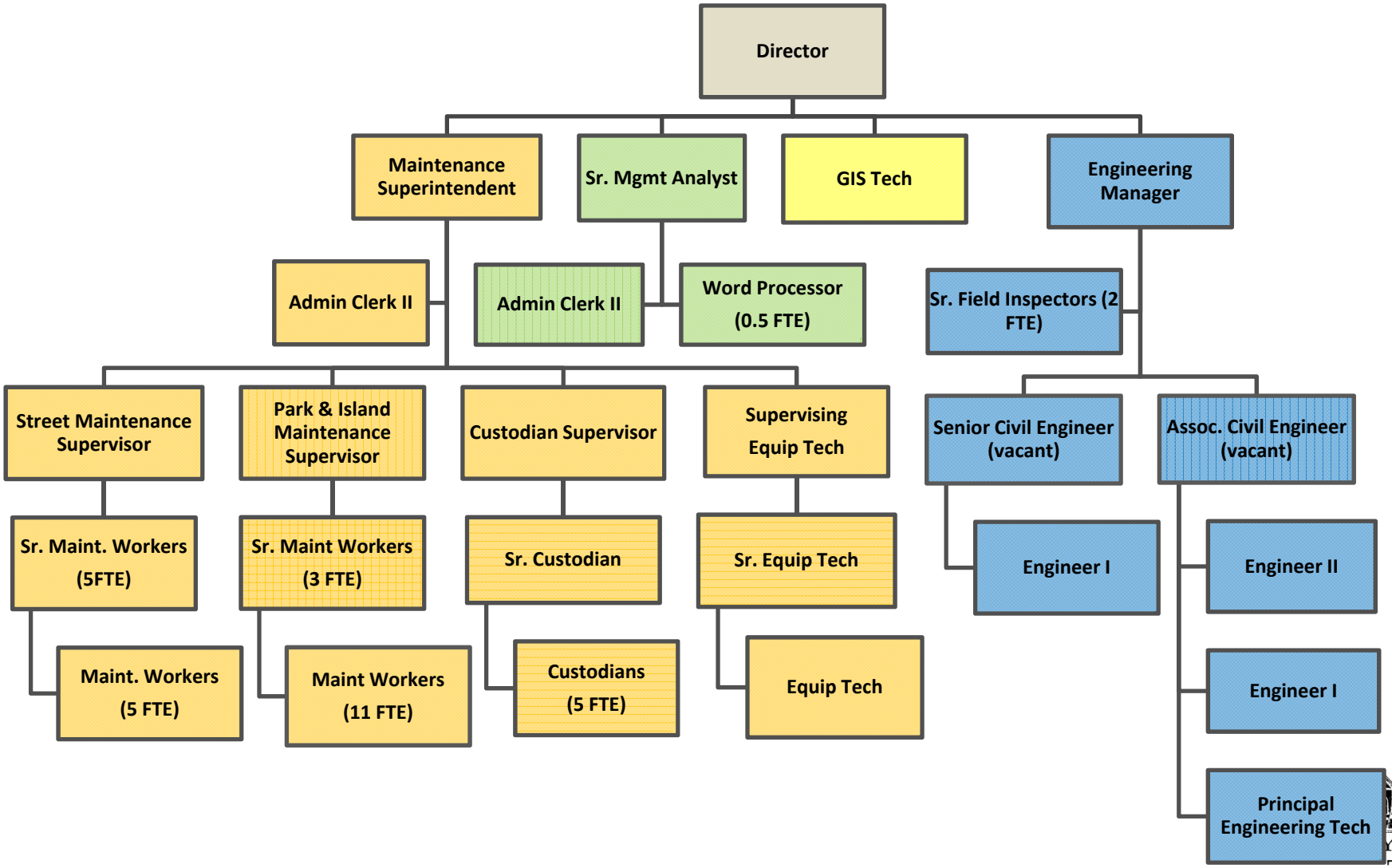
Public Works

In general Public Works is continuing to adjust to the new economic reality. The following are key departmental messages:

- Need to develop a resource / service level balance
  - "You can't buy something for nothing."
  - The community's service level expectations are unknown
- Current resource level is:
  - below service level expectations in Maintenance
  - resulting in increasing deferred maintenance costs
  - adequate in other sections to meet service levels
- Organizational and efficiency adjustments have been made, but more must be done, specifically in Maintenance, to adequately address resource / service level questions
  - What is the appropriate staffing level required
  - What are the service level standards

DEPARTMENT ORGANIZATION CHART/OVERVIEW

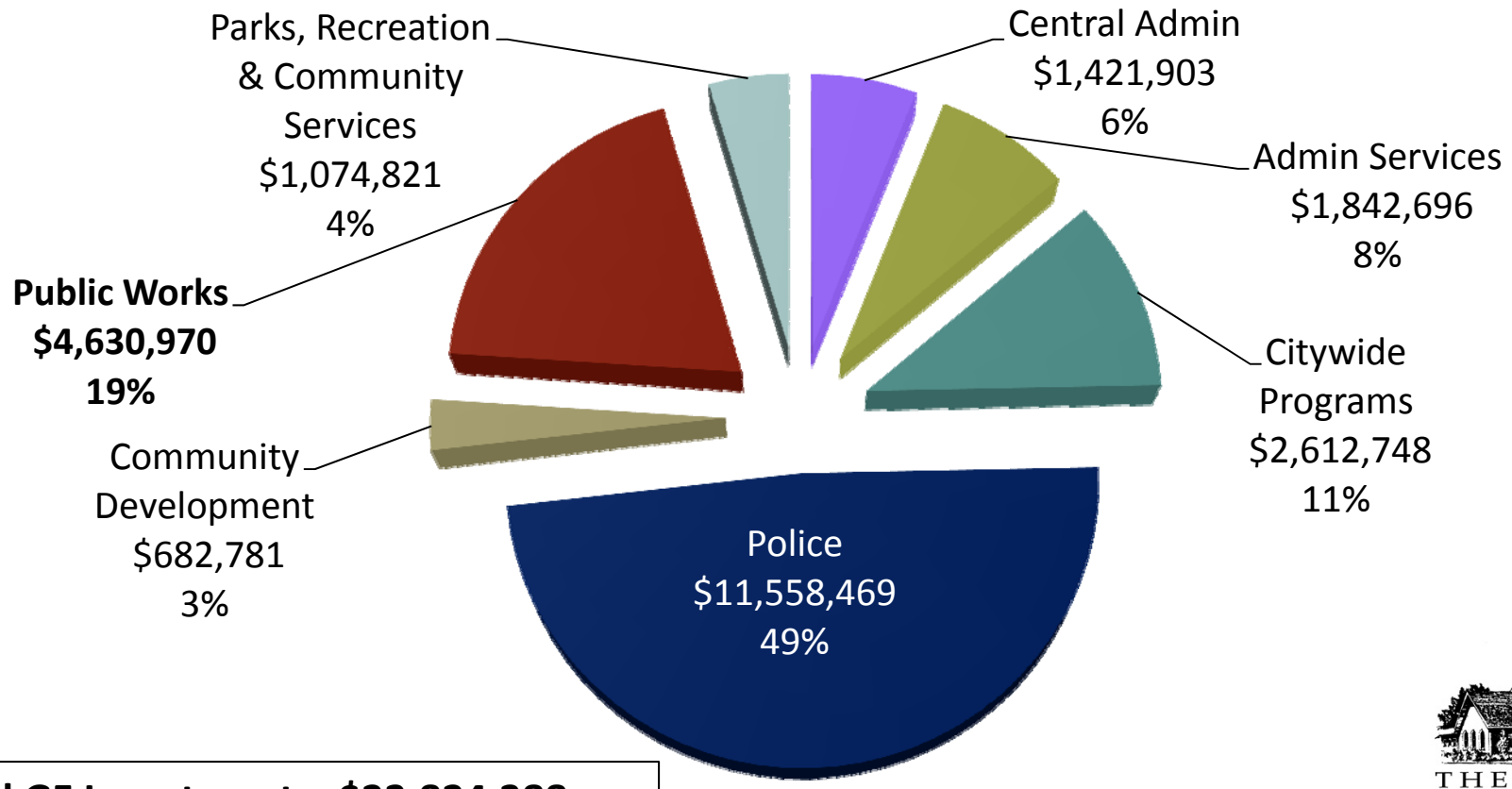
Public Works



GENERAL FUND INVESTMENT FY 12/13

Public Works

	Expenditures/ Transfers Out	Revenues/ Transfers In	General Fund Subsidy
Department Total	$5,937,737	$1,306,767	($4,630,970)



Total GF Investment = $23,824,388

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GENERAL FUND INVESTMENT BY DIVISION

Public Works

Division	Expenditures / Transfers Out	Revenues / Transfers In	Net General Fund Investment
Engineering	$1,279,456	$303,134	$976,322
Maintenance Admin	310,402	3,300	307,102
Street Maintenance	1,263,474	972,000	291,474
Traffic Operations	447,763	2,475	445,288
Tree & Island Maintenance	352,976	-	352,976
Parks Maintenance	1,325,474	4,536	1,320,938
Building Maintenance	958,192	21,322	936,870
TOTAL	$5,937,737	$1,306,767	$4,630,970

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DESCRIPTION OF CURRENT SERVICE LEVELS

Public Works – Department

	2007/08	2012/13	Δ
Staffing Level (in Full Time Employees)	71.5 FTE	50.5 FTE	-29%
Total Department Budget	$7,338,574	$5,858,693	-30%

- Over the past five years, Publics Works eliminated 21 positions, a 29% reduction.
- The Department has responded well to the economic changes
- Due to reductions in staff, management has analyzed existing operations to explore the potential for increased efficiencies and cost savings. Some of these efforts include:
  - Equipment Maintenance (complete; implementation in process)
  - Vehicle and Equipment Utilization Study (completed; implementation pending)
  - Custodial and Building Maintenance Study (completed; implemented as recommended)
  - Landscape and Streets Maintenance Service Level Evaluation (in process)
  - Building Condition Assessment & Maintenance Analysis (pending)

DESCRIPTION OF CURRENT SERVICE LEVELS (CONT.)

Public Works – Parks & Islands Maintenance

	2007/08	2012/13	Δ
Maintenance Workers	16 FTE	11 FTE	-31%

- **The resource / service level relationship is unbalanced in Park & Island Maintenance, as we do not believe we are providing the expected service level to the community.**
- Island maintenance has been concentrated on main thoroughfares, while secondary islands and landscapes get less frequent attention.
- No active maintenance of Open Space
- Parks maintenance has been concentrated on high-use regional parks, while community parks get less frequent attention.

Landscape Areas: 450

Island & Medians: 85 acres

Parks: 230 acres

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DESCRIPTION OF CURRENT SERVICE LEVELS (CONT.)

Public Works – Parks & Islands Maintenance (cont.)

	The Good	The Bad	The Ugly	
ISLANDS				ISLANDS
PARKS				PARKS

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DESCRIPTION OF CURRENT SERVICE LEVELS (CONT.)

Public Works – Streets Maintenance

	2007/08	2012/13	Δ
Maintenance Workers	8 FTE	5 FTE	-37%

Roadways: 151 miles

Storm Drain Inlets: 3,110

New ways to fix old roads

By Janelle Wetzstein
ARGUS-COURIER STAFF
Published: Thursday, October 4, 2012 at 8:57 a.m.

As the city of Petaluma has seen a continued decrease in funding for road repair, the Public Works Department has begun to adopt alternate strategies for tackling the city's serious road maintenance problems.

Starting this week, Public Works employees began a "crack-sealing" program designed to prevent roads that are in moderate shape from deteriorating further.

Janelle Wetzstein/Argus-Courier Staff
This is a machine the city is renting to seal cracks in roads to keep them from deteriorating.

"Crack sealing is the first step in protecting pavement against mother nature," says Public Works Director Dan St. John. "Our crews have not done this in a long time. I was surprised to hear that the city has not been doing crack sealing because in the public works industry, it is known as the first line of defense for roads," said St. John, who began working for the city on Jan. 31.

- **Operational changes away from paving to potholing & preventative maintenance.**
- Effective management of current storm water quality requirements; however, NPDES Phase II increases mandates.
- Street sweeping has been reorganized and made more efficient, resulting in a significant reduction in complaints due to standardized program.
- To date, staff has had healthy roadway maintenance funds through community approved infrastructure bonds, such as Measure B.
- Staffing is adequate for the current service level.
- Increasing focus on removal of homeless camps.

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DESCRIPTION OF CURRENT SERVICE LEVELS (CONT.)

Public Works – Engineering – CIP and Private Projects

	2007/08	2012/13	Δ
Staffing Level	18 FTE	9.5 FTE	-47%

- Staffing in the three engineering sections (Capital Projects, Private Projects and GIS) appears to be adequate due to less available funds and smaller, more traditional projects.
- **Measure B expired in March 2012.**
- Intelligent and strategic use of CIP funds to keep good/fair streets good.
- Engineers are now responsible for taking projects from cradle to grave.
- Consultants are used to provide a higher level of technical experience.
- The volume of private projects requiring Engineering has significantly declined over the past 5 year, although the volume of encroachment permits continues to be strong.

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DESCRIPTION OF CURRENT SERVICE LEVELS (CONT.)

Public Works – Engineering – CIP and Private Projects

Before

After

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KEY ISSUES AND TRENDS

Public Works

Regulatory

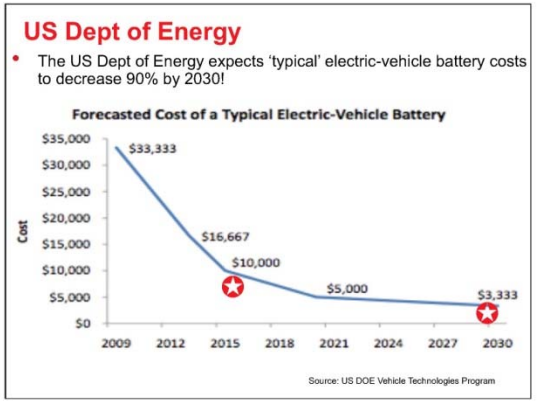
- NPDES Phase II Permit mandates
- Established timelines for traffic safety upgrades (CA MUTCD)
- Electrical vehicle support infrastructure (not mandated)

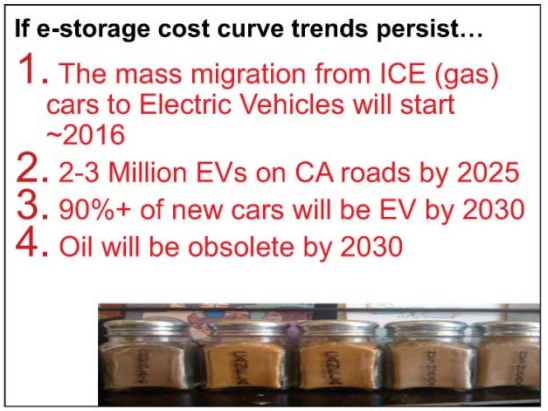
Funding

- OBAG linking transportation funding to land use planning
- Expiration of Measure B = $1.0 - $1.5 million per year
- Anticipated changes in gas tax revenues
- Increased oil prices affect construction & maintenance costs

Utilities

- Increasing water and electricity costs
- Increasing use of reclaimed water
- Increased reliability of energy efficiency and solar products





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MEASURE F – DIRECT FUNDING

2012-2013 Fiscal year

Measure F Funded Positions/Programs	$
1.0 FTE Maintenance Worker (retain for 1 year) *Rationale – position needed for one year for graffiti abatement/general maintenance; analysis of staffing levels to be completed this fiscal year*	**$88,000**
Public Works GIS Intern *Rationale – Provide part time assistance to GIS operation*	**$15,000**

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MEASURE F – GENERAL FUND DEFICIT BACKFILL

Budget Reductions without Measure F

The Public Works department comprises 19% of the total General Fund investment. If Measure F did not backfill the current deficit, this would entail additional significant reductions in the following program areas:

- Streets, Traffic Operations, and Parks & Islands Maintenance
- Engineering and Construction Management
- Public and Private Projects Inspection and Oversight

This could result in four or more additional layoffs.

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SERVICE LEVEL "HOLES"

Internal and External Needs

- Evaluation in Parks & Island and Street maintenance to determine appropriate resource / service level balance.
  - Staffing
  - Operational
  - Equipment

- Ongoing infrastructure funding
  - Roadway maintenance – Measure B expired March 2012
  - Storm drain maintenance
  - Building facilities
  - Parks facilities

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FISCAL SUSTAINABILITY/MEASURE F IDEAS

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FISCAL SUSTAINABILITY IDEAS AND PROPOSALS

Public Works

Proposal/Idea	Fiscal Impact/Cost	Annual Net Savings
Complete Streetlight Conversion to LED	$1.05 million	$132,000
Refocus custodial staff on building maintenance & contract out janitorial services		~ $100,000
Implement Recommendations of Upcoming Facilities Management Study	TBD	TBD
Increased Solar Capacity	TBD	TBD
Storm Drain Master Plan	TBD	TBD
Maintain a current average pavement condition index (PCI) of 72, no focus on deferred maintenance.	$2.7 million	TBD

FISCAL SUSTAINABILITY IDEAS AND PROPOSALS

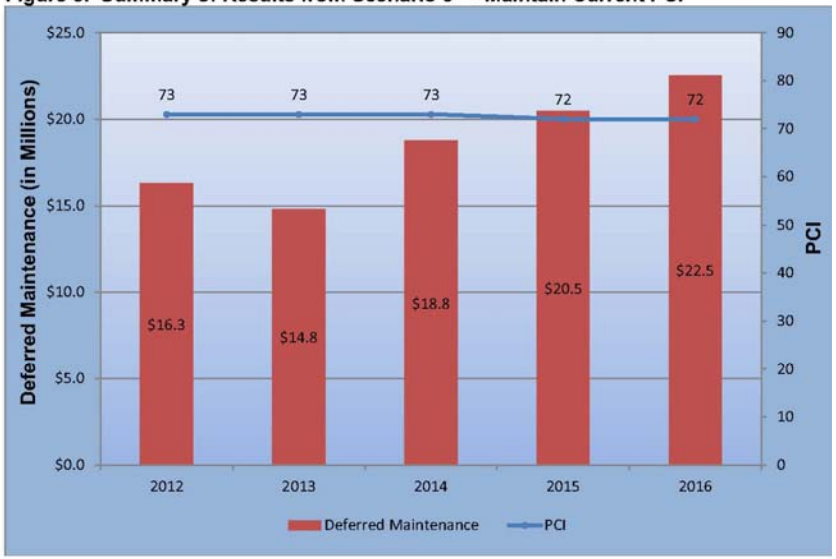
Scenario 3 — Maintain Current PCI

This scenario shows the effects of an investment level of $2.7 million per year for five years, starting in 2012, totaling $13.5 million over five years. This investment level maintains the overall average street network PCI at the current level of 72 over the five year scenario. While the PCI is stabilized, the deferred maintenance backlog increases, from $16.3 million in 2012, to $22.5 million in 2016, mainly due to the increase of streets that will need reconstruction. The percentage of the street network in the 'Good' condition category increases from 63.4% currently, to 75.3% in 2016. However, the percentage of roads in 'Very Poor' condition increases to 4.7% from the current level of 2.2%. These results are illustrated in Table 9 and Figure 5.

Table 9. Summary of Results, Scenario 3 — Maintain Current PCI

	2012	2013	2014	2015	2016	Total
Budget	$2,700,000	$2,700,000	$2,700,000	$2,700,000	$2,700,000	$13,500,000
Rehabilitation	$2,429,946	$2,429,085	$2,419,054	$2,418,611	$2,417,452	$12,114,148
Preventative Maintenance	$166,849	$255,563	$243,224	$259,504	$254,422	$1,179,562
Deferred Maintenance	$16,297,504	$14,814,937	$18,756,605	$20,463,609	$22,535,664	---
PCI	73	73	73	72	72	

Figure 5. Summary of Results from Scenario 3 — Maintain Current PCI



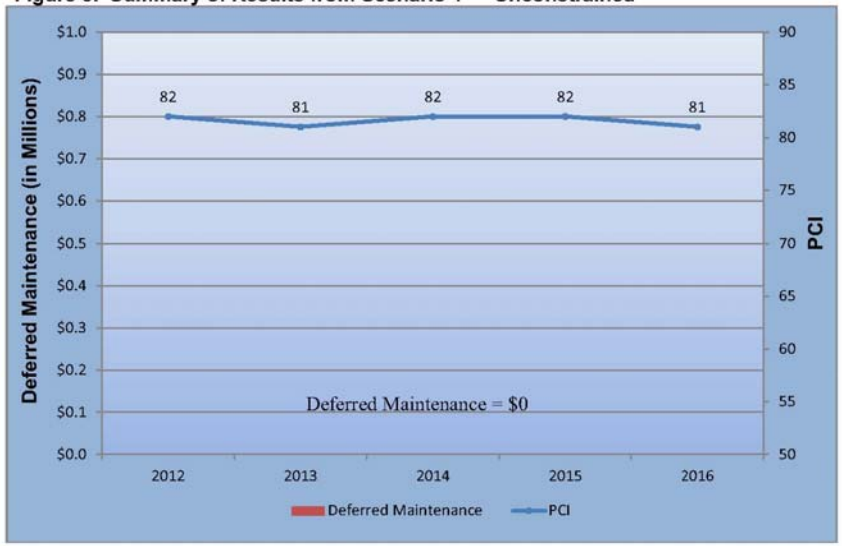
Scenario 1 — Unconstrained *(zero deferred maintenance)*

This scenario shows the effects of implementing the ideal investment strategy (as recommended by the MTC PMP Needs module). Because it is more cost-effective to eliminate the deferred maintenance backlog as quickly as possible, the bulk of the maintenance needs are addressed in the first year of the five-year program, raising the overall average network PCI to 81. The PCI remains at an optimal level over the entire time period. By 2016, 88.4% of the network improves into the 'Good' condition category, a significant increase from the current level of 63.4% in 'Good' condition. These results are shown in both Table 7 and Figure 3.

Table 7. Summary of Results from Scenario 1 — Unconstrained

	2012	2013	2014	2015	2016	Total
Budget	$18,894,463	$3,357,143	$6,653,798	$3,752,804	$3,493,372	$36,151,580
Rehabilitation	$16,857,968	$2,950,345	$6,356,424	$3,141,623	$3,330,442	$32,636,802
Preventative Maintenance	$2,036,494	$406,797	$297,373	$611,180	$162,929	$3,514,773
Deferred Maintenance	$0	$0	$0	$0	$0	---
PCI	82	81	82	82	81	

Figure 3. Summary of Results from Scenario 1 — Unconstrained



QUESTIONS

Public Works Department

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