

3030900000—Community Infrastructure Engineering

Roads & Facilities

Kris Balaji, Public Works Director

General Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
Expenditures					
Salaries & Benefits	\$932,307	\$1,065,361	\$1,081,487	\$1,081,487	\$16,126
Services & Supplies	26,096	320,000	460,000	460,000	140,000
Centrally-Budgeted Expenses	7,532	7,307	11,630	11,630	4,323
Total Expenditures	\$965,935	\$1,392,668	\$1,553,117	\$1,553,117	\$160,449
Expenditure Reimbursements	(937,114)	(1,327,668)	(1,488,117)	(1,488,117)	(160,449)
Total Appropriations	\$28,821	\$65,000	\$65,000	\$65,000	\$0
Earned Revenues By Source					
Charges For Services	\$12,596	\$55,000	\$55,000	\$55,000	\$0
Miscellaneous Revenues	16,225	10,000	10,000	10,000	0
Total Revenues	\$28,821	\$65,000	\$65,000	\$65,000	\$0
Net County Cost	\$0	\$0	\$0	\$0	\$0
Staffing					
Allocated Positions	7.0	7.0	7.0	7.0	0.0
Temporary (Full-Time Equivalent)	0.2	0.2	0.2	0.2	0.0
Total Staffing	7.2	7.2	7.2	7.2	0.0

Purpose

The Community Infrastructure Engineering (CIE) Division performs administrative, financial, and rate-setting functions related to the County's Special Districts; provides technical and engineering support to the Utility Maintenance Division; processes zone formation and annexation proceedings; performs capital asset management; develops capital improvement projects for the Special Districts; and administers the Community Development Block Grant (CDBG) program for the Public Works Department.

- \$50,000 Increase in public outreach consultant costs.
- \$10,000 Increase in web page development costs.

Centrally-Budgeted Expenses

- \$3,885 Addition of Countywide Cost Allocation Plan charges.

Expenditure Reimbursements

- \$160,449 Increase in cost reimbursement from Special Districts.

Major Budget Changes

Salaries & Employee Benefits

- \$16,126 Salary and benefits adjustments.

Services & Supplies

- \$80,000 Increase in street light maintenance costs.

Program Discussion

The 2019-2020 recommended budget for CIE totals \$1,553,117, which is an increase of \$160,449 from the 2018-2019 adjusted budget. The change reflects salary and benefits adjustments, increases in street light maintenance costs, consulting costs for utility project financing efforts and public outreach, and the addition of the Countywide Cost Allocation

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Plan charges. This budget also reflects an increase in web page development for Special Districts.

Special Districts Administration

In 2019-2020, CIE will continue to focus on securing sufficient revenues to ensure long-term sustainability of Special Districts. This requires evaluating each utility rate structure as well as conducting cost and service analyses. California State law, Proposition 218, mandates that any increase in property-related fees or benefit assessment be approved by the affected property owners. Significant public outreach efforts will be required to educate customers about the necessity for revised rate structures. Approximately 10% of the Special Districts will require rate adjustments over the next two to three years to achieve long-term sustainability. Additional details regarding the financially-challenged Special Districts and proposed rate increases for 2019-2020 are provided in the Special Districts budgets.

Providing utility services with constrained revenues continues to be a challenge when faced with increasing regulatory, capital replacement, operations, and maintenance costs. Staff will continue to seek legislative or regulatory action that addresses the challenges of maintaining sustainable revenue levels under Proposition 218 requirements, particularly for the small sewer, water, and storm drainage systems and will continue to present a series of individual recommendations to the Board of Supervisors to address the long-term sustainability of the Special Districts over the course of the next several years. Some of these recommendations may include Special District consolidation and strategic infrastructure financing mechanisms.

In response to constituent requests, CIE has been focusing on creating informational websites that are easy to access for each Special District. The websites are under construction and will include frequently asked questions, community meeting notices, and an email subscription service. Additional funding has been budgeted for services provided by Public Works staff to support this effort. CIE will be allocating additional resources to explore potential solutions for two severely distressed Special Districts, County Service Area 44 Zone E and Zone G. Negotiations to find solutions are ongoing in 2019-2020. Additional funding has been budgeted for consultant services to assist with public outreach.

The Utility Energy Efficiency Project planned for completion in 2019 has been delayed because of project development consultant delays. Staff is working to repackage the project based on identified financing challenges for portions of the project and to address potential delays caused by PG&E's recent bankruptcy filing. Recommendations for moving forward with the project are anticipated to be presented to the Board of Supervisors by the end of 2019.

Community Development Block Grant (CDBG)

The CDBG program provides limited funding for infrastructure (sewer, water, stormwater drainage, and pedestrian safety) enhancement to low-income areas that meet U.S. Department of Housing and Urban Development's national and local community development objectives. In 2018-2019, Public Works allocated \$773,000 for storm drainage improvements, pump replacements, and sidewalk design projects. These projects will continue during 2019-2020.

Workload Data

	-----Actual-----			Est./Act.	Projected
	2015-2016	2016-2017	2017-2018		
Special Districts Engineering Support					
<i>Engineer Reports</i>	5	8	11	10	9
<i>Special Districts Projects</i>	9	5	6	7	8
Special Districts Administration					
<i>Rate Adjustments</i>	1	3	10	13	8
<i>Special Districts Budgets</i>	105	105	105	105	105
<i>Street Light Service Calls</i>	339	315	354	338	350