



FY 2019 Proposed Municipal Fee Schedule

Staff Report #9210

Finance Committee

May 16, 2018

Background & Fee Adjustment Summary

- **User Fee Cost Recovery Level Policy**
 - Low: 0.0 to 30.0%
 - Medium: 30.1 to 70.0%
 - High: 70.1 to 100.0%
- **Salary & Benefit Adjustment = 2.6%**
- **FY 2019 Proposed Muni Fee Schedule Summary**
 - 10 new fees
 - 31 deleted fees
 - 162 changed fees

New & Deleted Fees

New Fees

- Tobacco Retail Permit Fee (Development Services)
- Southgate Residential Parking Permit – Full Price Employee Parking Permit (Planning and Community Environment)
- One Day Liquor Permit (Police)

Deleted Fees

- Portable Dance Floor (Community Services)
- USB Flash Drive and Headphone (Library)
- Board or Commission Agenda/Minutes (Planning & Community Environment)

Changed Fees

Fee adjusted to align with market value

- Organic Garden Plot at the Community Garden – 6.7% increase

Technical adjustments

- Color print (1-100) 8.5" x 11" – 56.5% decrease

Fee adjusted to reach desired cost recovery

- Third False Alarm Fee – 7.8% increase



FY 2019 Proposed Budget Fire Department

Operating Budget pp. 237-249

Capital Budget pp. 94,240

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Budget Highlights

- Budget realignment by division (net zero)
- Stanford revenue (\$6.5 million)
- Annualized deployment changes (net savings \$1.7 million, -11.0 FTE)
- Recruitment & Retention:
 - Annual Firefighter promotional exams (\$20,000, ongoing)
 - Hiring costs for 5 new Firefighters (\$46,000, one-time)



FY 2019 Proposed Budget Police Department

Operating Budget pp. 325-338


Capital Budget pp. 618-619

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Budget Highlights

- Moderate Salary & Benefit increase of \$841,000 or 2.4%
- Transition from TrackWatch monitor contract services to a camera system (-\$1.2 million)
 - Reallocate ongoing camera costs to the Office of Emergency Services (\$400,000)



FY 2019 Proposed Budget Office of Emergency Services Department

Operating Budget pp. 301-309
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Budget Highlights

- Reclassify 1.0 FTE Program Assistant to Program Assistant II
- Reallocate Caltrain video monitoring costs from PD to OES (\$400,000 ongoing)

FY 2019 Proposed Budget Planning & Community Environment Department

Operating Budget pp. 311-323

Capital Budget pp. 223-256


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Budget Highlights

- Staffing Requests
 - Add 1.0 FTE Associate Planner and Drop 1.0 FTE Program Assistant II
 - Net Zero Staffing Realignment: General Fund (-0.07 FTE), Capital Improvement (-1.15 FTE), and Special Revenue Funds (+1.22 FTE)
- Operating Requests
 - Technology support for permitting system (+\$74,000; offset by fees)
 - Reduce non-salary expenses for normal business (-\$100,000)



FY 2019 Proposed Budget Special Revenue Funds

Operating Budget pp. 93 -106

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Significant Budget Proposals

Community Development Funds

- Capital Improvement Projects: \$3.9 million

Street Improvement Funds

- S.B. 1 Revenue: +\$1.1 million, used to offset Capital Improvement costs to reconfigure the Charleston/Arastradero corridor (\$1.1m)
- Other Capital Improvement Projects: \$1.4 million

Federal and State Revenue Funds

- Community Development Block Grant (CDBG): \$670,000

Traffic Mitigation & Parking In-Lieu Funds

- Capital Improvement Projects: \$6.9 million

Significant Budget Proposals

Special Districts Funds

- Staffing Reallocations (+0.95 FTE)
- 0.48 Administrative Specialist II (6 – 12 months)
- \$300,000 parking program administration (contract staff)
- Transportation Management Authority (\$480,000)
- Capital Improvement Projects: \$2.7 million

Stanford University Medical Center Fund

- Capital Improvement Projects: \$10.3 million



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FY 2019 Proposed Budget Library Department

Operating Budget pp. 289-299
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Budget Highlights

- FY 2018 to FY 2019 expense increase of 2.9%
- Elimination of Library Specialist reducing capacity for special programming (1.0 FTE)
- Augment international collection (\$15,000, one-time)
- Maintain current hours at all library locations



FY 2019-2023 Proposed Capital Budget Capital Improvement Funds (incl. Cubberley Property Infrastructure Fund)

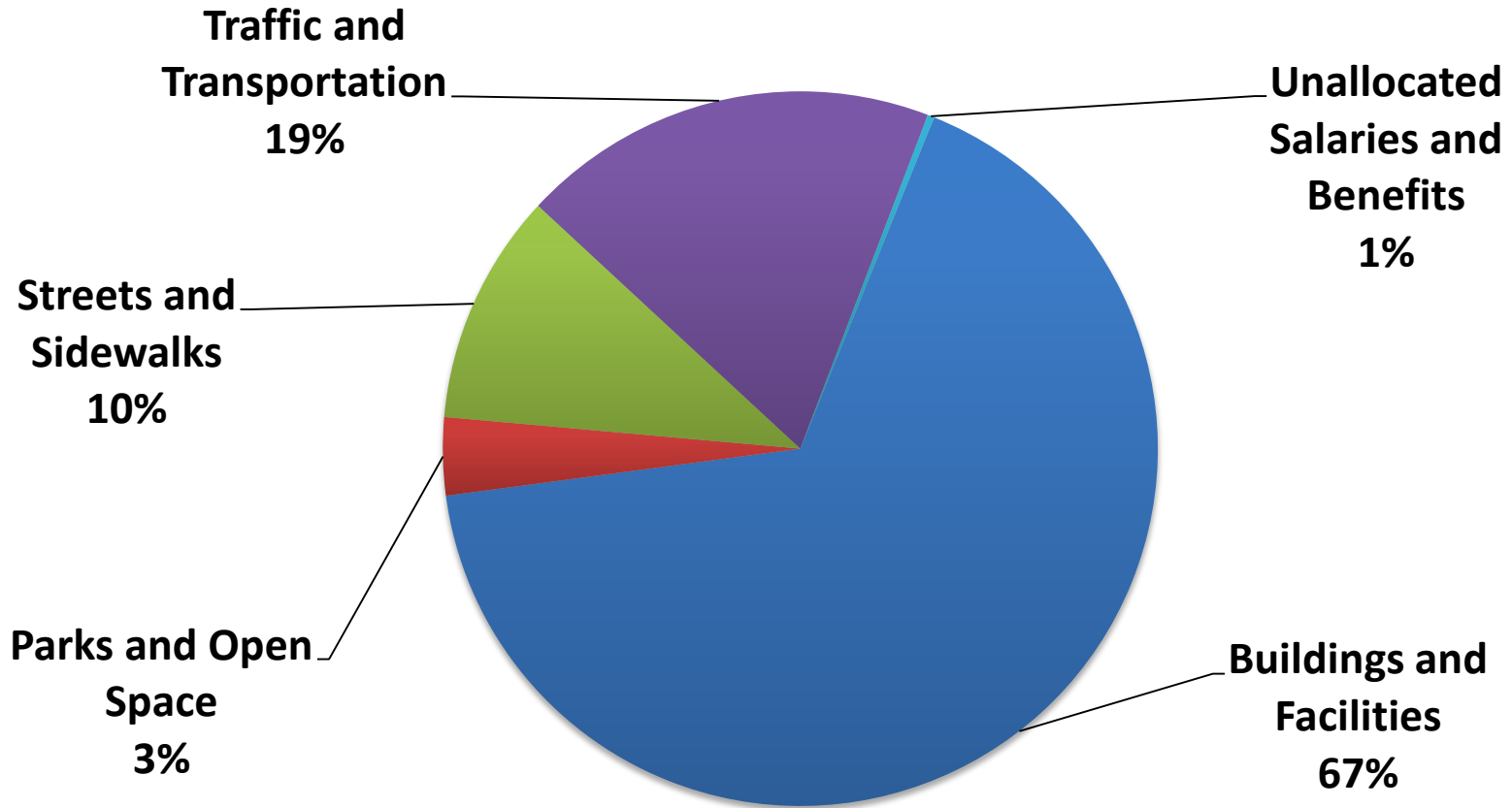
Capital Budget pp. 53-283

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FY 2019 Capital Improvement Fund Expenses

Project Expenditures by Category (\$125.7 Million)



Capital Improvement Fund Highlights/Assumptions

- Focus on funding Infrastructure Plan (IP) Projects and maintaining funding for Infrastructure Blue Ribbon Committee “catch-up” and “keep- up” projects
- Initial “Catch-up” backlog \$41.2 M
 - \$23.3 M funded up through the Proposed 2019-2023 CIP
 - \$17.7 M remaining
- Additional TOT revenue of \$3.6 M from new Marriott Hotels starting FY 2020
- \$128.6 M in Certificates of Participation (COP) funding for IP Projects
 - \$35.3 M new COP funding in FY 2020 using TOT revenue from new hotels
- \$17.6 M in reappropriations from FY 2018

New Projects

5 New Projects (\$1.7 million FY 2019; \$2.4 million total)

Facility Upgrades– 3 Projects (\$1.0 M in FY 2019; \$1.7 M total)

- Animal Shelter Renovation (\$0.8 M in FY 2019 and total)
- City Hall Space Planning (\$0.1 M in FY 2019 and total)
- Water, Gas, Wastewater Office Remodel (\$0.1 M in FY 2019; \$0.8 M total)

Enhanced Public Safety – 2 Projects (\$0.7 in FY 2019 and total)

- Emergency Vehicle Traffic Signal Preemption System Pilot (\$0.6 M in FY 2018 and total)
- Fire and Utilities Trench Training Facility (\$0.1 in FY 2018 and total)

City Council approved 2014 Infrastructure Plan

\$248.8 million estimated cost

(includes full salaries & benefits estimates)

- Public Safety Building (potential \$92.2 million)
- Replacement of Fire Station 3 (\$9.9 million)
- Replacement of Fire Station 4 (\$8.2 million)
- California Avenue Area Parking Garage (\$47.9 million)
- Downtown Area Parking Garage (\$29.1 million)
- Bicycle/Pedestrian Transportation Plan (\$20.8 million)
- Highway 101 Bicycle/Pedestrian Bridge (\$18.5 million)
- Charleston/Arastradero Corridor Improvements (\$18.6 million)
- Byxbee Park Completion (\$3.6 million)

Community Asset Projects ?

- Animal Shelter Reconstructions
- Junior Museum and Zoo Phase II
- Parks Master Plan
 - Baylands 10.5 Acre Expansion
 - Parkland Acquisition
 - Cubberley
 - Foothills Park 7.7 Acres
- Roth Building




Cubberley Property Infrastructure

Changes for FY 2019-2023

- One new project – Cubberley Building Management Systems (\$0.4 M in FY 2019 and total)
- Cubberley Amenities Improvements (Reserve) Project will be closed and funds returned to the Cubberley Fund Balance to use for other facility needs





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FY 2019 Proposed Budget Public Works Department

Operating Budget pp. 339-397

Capital Budget

pp. REF 461-64, STORM 471-83, WWT 515-49, AIR 287-305, VRM 629-55

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Budget Highlights

General Fund:

- Custodial service delivery change; reduction of Building Serviceperson (-1.0 FTE)
- Reduce streets and sidewalks operations staffing (-2.48 FTE) and a commensurate reduction to resources (-\$50,000)
- Eliminate part-time water truck staffing (-0.48 FTE)
- Realign trees division staffing; net-zero FTE change in General Fund
- Private development workgroup pilot study (\$30,000, one-time)

Budget Highlights

Refuse Fund:

- Commercial revenue increase (\$0.75 M)

Storm Drain Fund:

- Ballot measure passed 2017; recommended increase of 2.9% CPI (\$0.2 M)
- Ballot measure identified 13 projects in the Capital Improvement Plan with 4 planned in 2019-2023 CIP, 3 funded in FY 2019

Wastewater Treatment Fund:

- Replace Incinerators with Dewatering Facility, ongoing net cost (\$0.8 M)
- New Advanced Water Purification Facility
- Secondary Treatment Upgrades replacing Fixed Film Reactor Rehabilitation
- Consolidation of ongoing Plant Repair, Retrofit and Equipment Replacement projects

Budget Highlights

Airport Fund:

- Airport Business Plan and Facility Assessment (\$0.12 M, one-time)
- FAA prioritized grant funding for Airport Apron Reconstruction project
 - all 4 phases programmed in 2019-2023 CIP; total project cost \$39.3 M
 - 10% matching funding from City financials

Vehicle Fund:

- Eliminate Part-time Vehicle Stock Clerk (-0.48 FTE); public private partnership with NAPA Autoparts
- Internal service fund the City contributes funding for vehicle and equipment replacement