

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Public Works

BOARD AGENDA #: *C-2

AGENDA DATE: January 10, 2017

SUBJECT:

Approval to Increase Appropriations in the Public Works Roads Fiscal Year 2016-2017 Budget by \$1.8 Million to begin Measure L Expenditure Plan Road Improvements

BOARD ACTION AS FOLLOWS:

No. 2017-13

On motion of Supervisor Monteith, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended


2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:


ELIZABETH A. KING, Clerk of the Board of Supervisors


File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Public Works

Urgent

Routine



BOARD AGENDA #: *C-2

AGENDA DATE: January 10, 2017

CEO CONCURRENCE:

4/5 Vote Required: Yes No

SUBJECT:

Approval to Increase Appropriations in the Public Works Roads Fiscal Year 2016-2017 Budget by \$1.8 Million to begin Measure L Expenditure Plan Road Improvements

STAFF RECOMMENDATIONS:

1. Approval to increase Appropriations in the Public Works Roads Fiscal Year 2016-2017 budget by \$1.8 million to begin Measure L Expenditure Plan road improvements.
2. Direct the Auditor-Controller to establish an interest bearing Fund for Roads Measure L and increase appropriations by \$1.8 million funded by departmental fund balance as reflected in the attached budget journal.

DISCUSSION:

On November 8, 2016, the residents of Stanislaus County voted to approve Measure L and institute a special 25 year, one-half cent sales tax increase designated for the sole purpose of local transportation improvement projects and programs. The ballot measure included an Expenditure Plan (Plan) developed by the Stanislaus Council of Government. As a result of extensive public outreach asking residents to identify their priorities for future transportation programs and projects, the Plan provisions committed 50% of the new tax exclusively for repair and maintenance of local streets and roads. The local cities and Stanislaus County identified and prioritized specific streets and roads for repair and/or refurbishment, and included lists in the Plan. Other components of the Plan included Regional Projects (28% of funding), Traffic Management (10%), Bicycle/Pedestrian (5%), and Other (7%). The Plan and tax increase will be implemented on April 1, 2017, with anticipated revenues for road maintenance of \$1.3 million during Fiscal Year 2016-2017 to Stanislaus County.

Prior to the creation of the Plan and approval of Measure L, funding for road maintenance in Stanislaus County had decreased approximately 30% during the last two fiscal years. Services were reduced in the Fiscal Year 2016-2017 Final Adopted Budget. This contraction resulted in leaving six full time road maintenance positions unfilled, and reduced standard maintenance efforts to emergency patching. The decrease in preventative maintenance has shortened the lifespan and quality of many aging roads.

To insure efficient delivery and the best economy of scale, the Plan proposed that three types of roadway maintenance be employed, asphalt overlay (designed for high volume, high speed roadways with a life span expected to be 10 years or more), conventional chip (designed for

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lower volume, rural local roads with a life span expected to be 7 years or more), urban slurry (designed for lower volume, lower speed urban roads with a life span expected to be 7 years or more) and reconstruction (designed for roads that have been neglected beyond repair with a life span expected to be 15 years or more).

Over the course of the 25 year Plan, scheduled road maintenance includes 3,085 miles of chip seal, 845 miles of slurry seal, 325 miles of asphalt overlay, and 50 miles of reconstruction will occur throughout the County. During the first year of the Plan, 32 miles of slurry seal and 83 miles of chip seal will be performed.

The April-June 2017 roadway maintenance tax revenue collections are estimated to be \$1.3 million and expected to be distributed in late August 2017. The spring and summer months are optimal weather conditions for road maintenance projects and Public Works has identified two projects it can fund with existing fund balance, prior to the receipt of tax revenue collections. The use of fund balance would act as a short-term loan and would be replenished with roadway maintenance tax revenue.

The first project identified for the 2017 road maintenance season is the slurry sealing of about 80% of Salida's streets. This project was postponed from the 2015 season due to funding cuts, and will be put out to bid in the winter of 2016 and awarded in early spring of 2017. Construction is anticipated to occur during May and June of 2017. Preliminary engineering estimates of construction costs are approximately \$1.2 million, with construction oversight costs of approximately \$100,000. Public Works did not include this project in the Fiscal Year 2016-2017 Adopted Final Budget. Appropriations are needed prior to putting the project out to bid.

To deliver this project as promised in the tax measure, additional appropriations are requested in the Public Works Roads operations budget so that the construction contract can be awarded and work can begin. The department is requesting to use \$1.3 million of the existing fund balance in Fiscal Year 2016-2017.

The second project identified for 2017 is the application of chip seal maintenance during the months of July, August and September 2017 to various sites within the County. These areas include rural roads south and west of Oakdale, east of Turlock, and south of Riverbank. Advanced preparation for the project requires the ordering of the chip during March to allow lead time for crushing and delivery, and beginning recruitment efforts for the vacant six Road Maintenance Worker positions in February to assure trained workers are available. The oil needed for chip sealing will be purchased in July 2017, and included in the Proposed Budget for Fiscal Year 2017-2018. The department estimates the cost of the chip to be approximately \$300,000 and the new staffing to be approximately \$200,000 in Fiscal Year 2016-2017, and requests approval to use \$500,000 of the existing Roads fund balance.

POLICY ISSUE:

Government Code 29125 requires a four-fifths vote of the Board to increase appropriations to an adopted budget.

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FISCAL IMPACT:

The total cost of the two projects is \$1.8 million and will be funded by existing departmental fund balance. The fund balance as of November 30, 2016 was \$13.3 million which is obligated for other road projects, the new shop and administration building, 7th Street bridge, and road maintenance and operations budgeted in the Fiscal Year 2016-2017 Adopted Final Budget. The fund balance utilized will be restored by the Measure L revenue in August 2017. This short term borrow of obligated fund balance will not affect the delivery of authorized projects.

Cost of recommended action:		\$ 1,800,000
Source(s) of Funding:		
Public Works Roads fund balance	\$ 1,800,000	
Funding Total:		1,800,000
Net Cost to County General Fund		\$ -
Fiscal Year:	2016-2017	
Budget Adjustment/Appropriations needed:	Yes	
Fund Balance as of November 30, 2016:		
Public Works - Roads & Bridges	\$13,309,348	

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priorities of providing A Safe Community, A Healthy Community, and A Well Planned Infrastructure System by expanding the County road system to facilitate and promote the efficient movement of goods and services.

STAFFING IMPACT:

Public Works staff is overseeing and completing these projects with existing allocated positions.

CONTACT PERSON:

Matt Machado, Public Works Director

Telephone: (209) 525-4153

ATTACHMENT(S):

1. Budget Journal Voucher

ATTACHMENT 1

Budget Journal Voucher

Database
Balance Type
Data Access Set

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
Budget
County of Stanislaus

DO NOT CHANGE
DO NOT CHANGE
DO NOT CHANGE

Ledger
Budget
Category
Source
Currency
Period
Batch Name
Journal Name
Journal Description
Journal Reference
Organization
Chart Of Accounts

* List - Text County of Stanislaus
* List - Text LEGAL BUDGET
* List - Text Budget - Upload
* List - Text PW JAS
* List - Text USD
* List - Text JAN-17
Text JV102339
Text FY1617 Budget for Measure L projects
Text To Set up Budget for Measure "L"
Text BOS 1.10.17 #C-2
List - Text Stanislaus Budget Org
List - Text Accounting Flexfield

DO NOT CHANGE
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ENTER AS MMM-YY (ALL CAPS FOR MMM) EX: NOV-11
DO NOT CHANGE
DO NOT CHANGE

Upl	Fund (4 char)	Org (7 char)	Account (5 char)	GL Project (7 char)	Location (6 char)	Misc. (6 char)	Other (5 char)	Debit incr appropriations decr est revenue	Credit decr appropriations incr est revenue	Line Description
								* Number	* Number	Text
	1105	0040350	63280	0000000	000000	000000	00000		1300000	FY1617 Slurry seal projec
	1105	0040350	65620	0000000	000000	000000	00000		300000	FY1617 Chip project mat
	1101	0040300	50000	0000000	000000	000000	00000		200000	FY1617 RMW staffing/sa
								1800000	0	

Totals:
Tip: This is not the end of the Template. Unprotect the sheet and insert as many rows as needed.

Explanation: To create FY16-17 budget for Measure L projects
BOS 1/10/17, item #C-2

Requesting Department <i>Public Works</i>	CEO <i>Patch</i>	Date Entry	Auditors Office Only
Prepared by <i>12-23-16</i>	Supervisor's Approval <i>12/30/16</i>	Keyed by	Prepared By <i>12/27/16</i>
Date	Date	Date	Date