

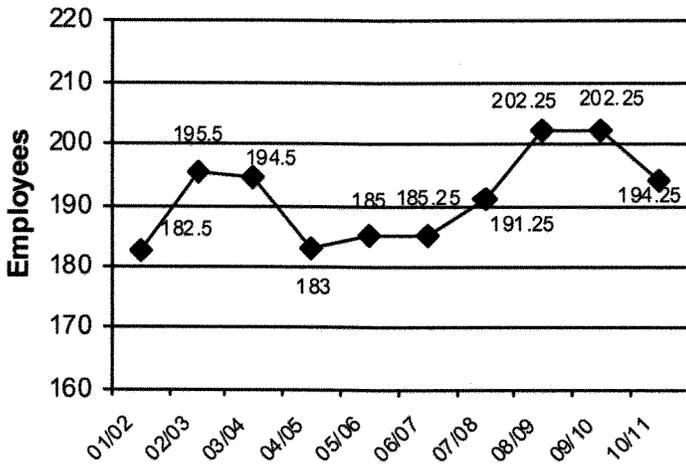
**MISSION STATEMENT**

Provide public facilities and services that ensure the health and safety and enhance the quality of life for the community.

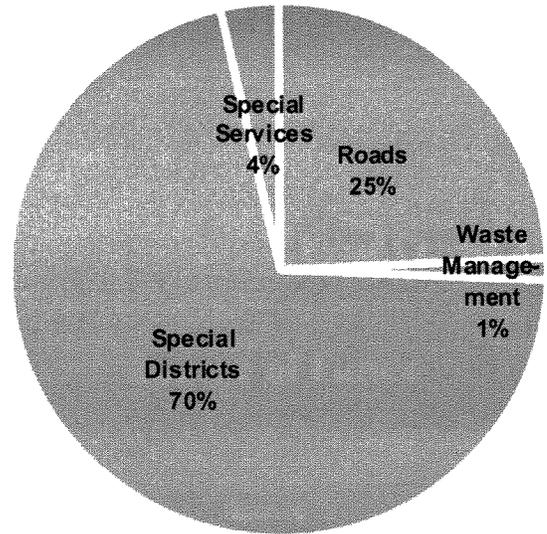
SCHEDULE 10

OPERATING DETAIL (1)	2008-09 ACTUAL (2)	2009-10 ACTUAL (3)	2010-11 RECOMMENDED (4)	2010-11 ADOPTED BY THE BOS (5)
<b>OPERATING REVENUES</b>				
Charges for Services	29,759,702	26,329,673	30,269,259	30,269,259
TOTAL OPERATING REVENUES	29,759,702	26,329,673	30,269,259	30,269,259
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	20,374,584	20,288,825	21,908,658	21,908,658
Services and Supplies	5,707,439	4,702,244	7,232,246	7,232,246
Insurance Benefit Payment	391,818	386,210	316,737	316,737
Depreciation	661,845	675,634	714,793	714,793
Countywide Overhead Allocation	72,556	103,873	96,825	96,825
TOTAL OPERATING EXPENSES	27,208,242	26,156,786	30,269,259	30,269,259
OPERATING INCOME (LOSS)	2,551,460	172,887	0	0
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest	131,051	54,665	150,000	150,000
Gain (Loss) on sale of Asset	(7,919)	(19,232)	0	0
TOTAL NON-OPERATING REVENUES (EXPENSES)	123,132	35,433	150,000	150,000
INCOME BEF. CAPITAL CONTRBS. & TRANSFERS	2,674,592	208,320	150,000	150,000
Contributions in (Out)	0	0	0	0
CHANGE IN NET ASSETS	2,674,592	208,320	150,000	150,000
Net assets - beginning	11,112,748	13,787,340	13,995,660	13,995,660
Net assets - ending	13,787,340	13,995,660	14,145,660	14,145,660
<b>FIXED ASSET EXPENDITURES</b>				
Equipment	1,369,924	309,273	972,000	972,000
TOTAL FIXED ASSET EXPENDITURES	1,369,924	309,273	972,000	972,000

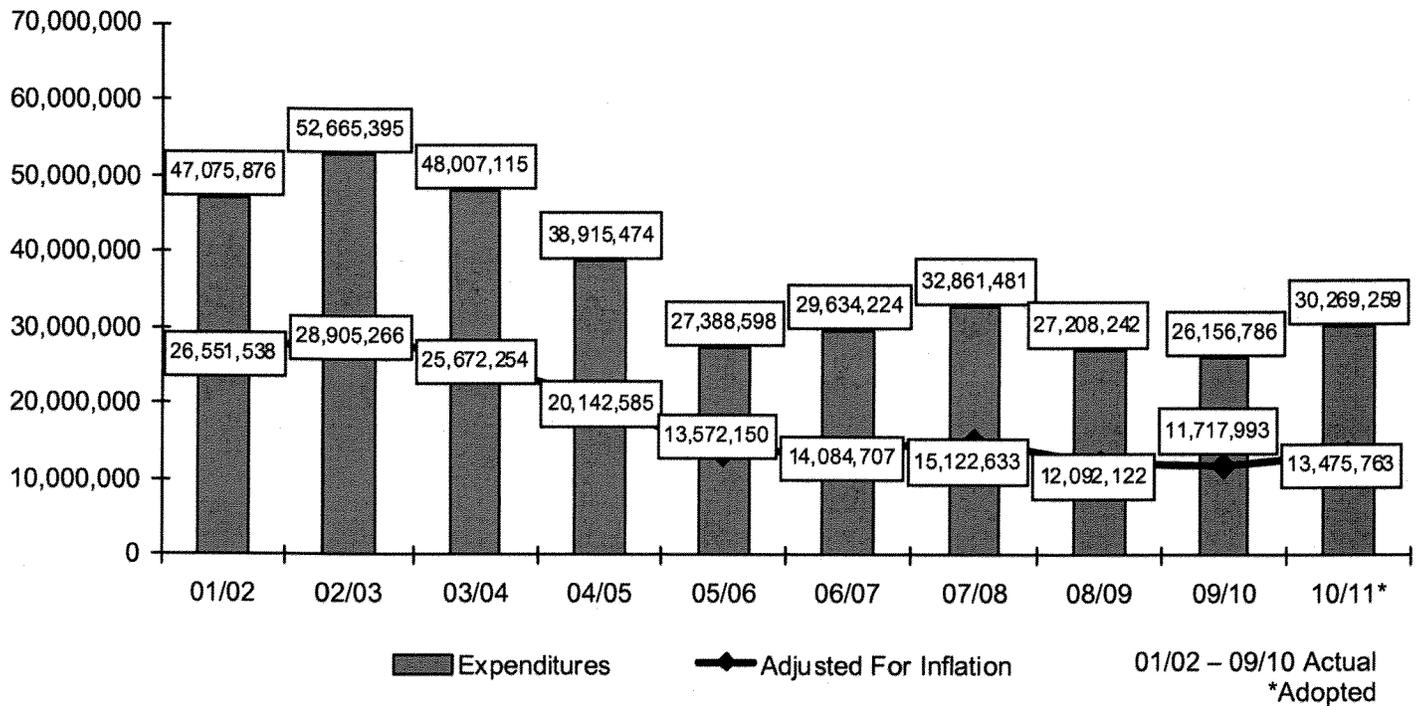
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

**Development Services**

To provide engineering and surveying review of land development as mandated by State law and County ordinance to ensure that our neighborhoods are livable, safe and well integrated into the community.

Total Expenditures: \$742,804 Total Staffing (FTE): 5.29

**Operations Center - Water and Sewer**

To provide water and sewer service to county departments and other governmental agencies in and around the Kansas Avenue area off Highway 1 in San Luis Obispo.

Total Expenditures: \$79,604 Total Staffing (FTE): 0.63

**Roads**

To administer roads programs in compliance with the Streets and Highways Code, the Motor Vehicle Code and County Ordinances, and to keep in good and safe repair the County's roads, culverts, bridges and traffic signs; increase traffic safety and control right-of-way encroachments.

Total Expenditures: \$6,935,376 Total Staffing (FTE): 89.00

**Services to Special Districts**

To provide fiscal, legal and engineering support to districts in the formation process; to perform general utility district planning, assessment apportionments, special studies and projects as directed by the Board of Supervisors; to acquire supplemental road-purpose equipment which is not fundable through Internal Service Fund financing methods; to provide administration of the County's cooperative road improvement program; to provide cable TV regulation and access activities; and to provide gas and electric franchise administration.

Total Expenditures: \$279,163 Total Staffing (FTE): 1.72

**Special Districts**

Operations, maintenance, capital projects and debt service of all public works related Board-governed special districts in the County.

Total Expenditures: \$21,807,211 Total Staffing (FTE): 93.65

**Waste Management Programs**

To administer and implement solid waste management activities in certain unincorporated areas, including compliance with state mandates such as the Integrated Waste Management Plan, National Pollutant Discharge Elimination System (NPDES), post-closure compliance orders regarding the Los Osos landfill, and Board of Supervisors policies regarding County solid waste issues.

Total Expenditures: \$352,390 Total Staffing (FTE): 2.96

**Work for Outside Departments**

To provide water and sewer system maintenance at the San Luis Obispo County Airport for the General Services Agency and provide various other engineering services to other County departments and governmental agencies.

Total Expenditures: \$72,711 Total Staffing (FTE): 1.00

**DEPARTMENT COMMENTS**

The primary function of the Public Works Internal Service Fund (ISF) is overall accounting and reporting for the Department. The ISF includes the Position Allocation List and funding for all of the employees in the Department, and accounts for the Department's equipment and other reserves. The ISF incurs the labor and indirect cost of operations that are then recovered from programs, projects and services through departmental labor charges and overhead allocations.

**Internal Business Improvements – *As good as possible***

**FY 2009-10 Accomplishments**

- An Administrative Assistant was assigned to the Lopez Water Treatment Plant in order to process necessary routine paperwork which had previously been processed by higher paid Water System Workers resulting in more cost efficient delivery of Lopez water.

**FY 2010-11 Objectives and Challenges**

- Complete the American Public Works Association Self-Assessment process to determine how well national standards are being addressed.

**Finance – *As cost efficient as possible***

**FY 2009-10 Accomplishments**

- Overhead cost reduction strategies including leaving one of the two Deputy Director positions vacant have resulted in the departmental overhead rate being reduced by 5%.
- Assumed responsibility as primary bus pass sales office for the Regional Transit Authority without adding additional staff or cost to the department.

**FY 2010-11 Objectives and Challenges**

- Continue to manage the equipment fleet in order to meet new Federal Air Quality unfunded mandates phased in over the next several years and avoid fines for non-compliance.

**Customer Service – *As responsive as possible***

**FY 2009-10 Accomplishments**

- Delivered over \$45 million in Public Works Infrastructure projects including the completion of the Moonstone Drive Bridge replacement project and the Cambria Flood Control project.
- Assumed responsibility as primary bus pass sales office for the Regional Transit Authority. This provides pass sales adjacent to the main bus terminal.

**FY 2010-11 Objectives and Challenges**

- The department will continue to meet regularly with Advisory Committees, the Public, the Board of Supervisors, and numerous federal and state agencies to discuss customer needs and expectations and better serve the department's internal and external customers.

**Learning and Growth – *As responsible as possible***

**FY 2009-10 Accomplishments**

- Developed operation and maintenance, preventative maintenance and safety plans for the new Nacimiento Water Project facilities.

FY 2010-11 Objectives and Challenges

- Work with the American Public Works Association to assess the department's policies and procedures in all aspects of Public Works duties.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The Public Works Internal Service Fund (ISF) budget reflects appropriation amounts included in other fund centers, including Fund Center 245 – Roads, Fund Center 201 – Public Works Special Services, Fund Center 130 – Waste Management, and Special District budgets. Charges for services represent sources of revenue for the ISF. Recommended appropriations for those budgets, along with summaries for each program that purchases services from the ISF are indicated in the Service Program Summary.

It should be noted that the State Controller's Office requires an Operation of Internal Service Fund Schedule 10. The format of the Schedule 10, and some of the data it contains, is different from how other County departments' budgets are reported. For consistency purposes, the data provided for in the narrative, Service Programs, and 10 year Expenditure chart are from the Schedule 10, including depreciation. Additionally, the narrative compares FY 2010-11 recommended estimated numbers vs. FY 2009-10 estimated year end numbers. As fixed assets are noted separately on the Schedule 10 and are not included as part of total expenses, they are not included as part of the overall comparison.

The recommended FY 2010-11 budget of \$30,269,259 is a decrease of approximately 7% compared to the estimated FY 2009-10 amount of \$32,574,072 due to a combination of factors: 1) in FY 2009-10, a 4% prevailing wage increase was budgeted for. The ISF budgeted costs for salary and benefits in FY 2010-11 includes the FY 2009-10 deferred prevailing wage increase as well as a 2% estimated prevailing wage increase for FY 2010-11; and 2) salary and benefit accounts have been reduced by approximately 3.5% (\$788,353) as a result of General Fund support reductions required of the programs within the ISF. As a result of the 25% reduction in the Roads Fund, six (6) vacant Public Works Workers I positions and one (1) vacant Public Works Section Supervisor are recommended to be eliminated. Service impacts relating to the reductions can be found in the individual fund center narratives. Other factors contributing to the overall budget decrease include reduced inter-departmental service charges, departmental and countywide overhead charges.

The Public Works ISF includes budgeted amounts for Special Districts that include the Flood Control District and County Service Areas. Special Districts provide flood control, road maintenance, water, sewer and other services through the use of assessments and other sources of funding. Charges to Special Districts, which comprise about \$21,879,922, or 72% of the ISF's operating revenue and expense budget, are 5% or \$1.2 million less than FY 2009-10 amounts. Although the total expense and revenue for Special Districts is shown in the Public Works ISF, each district has its own budget that is separate from the overall County budget. These budgets are contained in the Special District Budget document prepared by Public Works and approved by the Board of Supervisors during the County's annual budget hearings in June.

Three other functional areas in the ISF - Roads, \$6,935,376 (23%) is recommended to decrease \$675,968 or approximately 9% from FY 2009-10 levels; Special Services, \$1,101,571 (4%), a decrease of \$384,400 or approximately 26% over FY 2009-10 adopted budget; and Waste Management, \$352,390 (1%), an approximate decrease of 7% or \$24,868 from FY 2009-10 – account for the balance of the ISF operating revenues and expenditures.

Service and supply accounts are decreasing by \$1.5 million or 17% compared to FY 2009-10 which can be attributed to a 25% (approximately \$470,000) decrease in inter-department service charges as well as reductions in charges to Special Districts for non-labor work order, equipment and departmental overhead. These costs are calculated using FY 2008-09 actuals.

Fixed assets in the amount of \$972,000 are recommended to be funded in FY 2010-11. No General Fund money will be used to purchase the following equipment. They include:

- 3 - Diesel Particulate Filters – purchase of these filters continues the mandate of the California Air Resources Board to retrofit all 2006 or earlier diesel engine equipment with diesel particulate filters; cost \$45,000 and funding is through the Roads Fund (FC 245);
- 1 - Street Sweeper – this purchase will replace a 1999 street sweeper that is at the end of its useful life; additionally, purchasing the sweeper meets the mandate noted above; cost \$240,000 and will be funded through the Roads Fund (FC 245) and the ISF;
- 1 - Ton Cone Truck – replaces a like truck that is past its useful life and which currently has over 100,000 miles on it; cost \$45,000 and funded through the Roads Fund (FC 245) and the ISF;
- 2 - Utility Trucks – these two trucks, (1 Ton and 1 ton 4WD), are past their useful life with 104,000 to 106,000 miles on them; total cost is \$95,000 and will be funded through the Roads Fund (FC 245) and the ISF;
- 1 - Utility Truck – this vehicle (1.5 tone 4WD) will replace a like vehicle with over 114,000 miles on it; cost \$60,000 and will be funded through various North County special district water and sewer funds and the ISF;
- 6 - half Ton Trucks – these vehicles will replace 6 like vehicles with over 100,000 miles on each; total cost \$126,000 and will be funded through the Roads Fund (FC 245) and the ISF;
- 1 – half Ton Truck 4WD – replaces a 1999 truck that is passed its useful life; cost \$26,000 and funded through various South County special district water and sewer funds and the ISF
- 7 – three-quarter Ton Trucks – replaces seven like vehicles that has between 101,000 – 123,000 miles on them; total cost \$175,000 and if funded through the Roads Fund (FC 245) and the ISF;
- 1 - Dump/Patch Truck – this purchase will replace a 1997 dump/patch truck that is at the end of its useful life; additionally, purchasing the truck meets the mandate noted above; cost \$150,000 and will be funded through the Roads Fund (FC 245) and the ISF;
- 1 - Water Purification Unit – this unit is used by the Water Quality Lab and the new unit will replace one purchased in 1999 and whose replacement parts are no longer available; cost \$10,000 and will be funded through various special district funds that utilize the Water Quality Lab.

**BOARD ADOPTED CHANGES**

As part of the Supplemental Document (page S-23), the Board approved the FY 2010-11 list of projects that will be carried out by Public Works. Projects include those for Roads (including new construction/reconstruction, repair, pavement management and traffic lights upgrades), drainage improvement projects, bridge upgrades, pedestrian ways and bike path improvements as well as various special Districts projects. Funding for these projects can be found in FC 245 – Roads and the Special Districts budgets.

**Public Works  
Fiscal Year 2010-11 Final Budget**

**Fund Center 405**

Project No.	Project Description	Phase Completion at 6/30/11	Funding Requirements for 10/11	Previous Years Balance to be Encumbered	New Funding to be Appropriated 10/11
<b>ROADS</b>					
<b>New Road Construction</b>					
300129	Willow Rd Extension	PARTIAL CONST	10,116,839	10,116,839	0
300140	Southland On-Ramp	ON HOLD	175,000	175,000	0
300142	Willow Road Interchange	AD-15	359,791	359,791	0
300147	Tefft Street & Hwy 101 Ramp Relocation	ON HOLD	0	0	0
300231	Buckley Road Extension	ON HOLD	0	0	0
300311	El Camino Left Turn Lane at Carmel	CONST	20,000	20,000	0
300348	LTL on Nacimiento Lake Dr @ Adelaide Rd	ON HOLD	82,750	0	82,750
300353	Harmony Valley Rd LT Channel Imp.	PART ENV MIT	349,549	349,549	0
300372	Halcyon/Rt 1 Realignment Phase 1	PART DESIGN	25,362	25,362	0
300379	Las Tablas Park and Ride Expansion	CONST	122,522	122,522	0
<b>Total New Road Construction</b>			<b>11,251,813</b>	<b>11,169,063</b>	<b>82,750</b>
<b>Road Reconstruction</b>					
300136	Price Canyon Road Widening	AD-15	3,683,719	3,329,019	354,700
300150	Main Street Hwy 101 PSR/PDS	PARTIAL PE	534,436	534,436	0
300223	Buckley Rd TWLTL Santa Fe Rd to Thread Ln	ON HOLD	0	0	0
300274	LOVR / Foothill	ON HOLD	0	0	0
300289	South Frontage Road Construction	ON HOLD	0	0	0
300321	Channel & LT Ln Los Berros/Thompson	PARTIAL DESIGN	154,824	83,926	70,898
300352	Orcutt Rd Widen & Vert. Curve Corr.	ON HOLD	0	0	0
300364	San Luis Bay Dr. Interchange Imp.	PARTIAL PE	199,533	199,533	0
300380	Orchard Ave Two Way LTL s/o Southland	OH HOLD	0	0	0
300384	Los Berros at Dale Left Turn Lane	OH HOLD	0	0	0
300386	Templeton Rd Safety Imp SR 41 to S El Pomar	DESIGN	1,375,797	1,175,797	200,000
300388	Mission St Enhancement Phase III	AD-15	400,000	0	400,000
300396	Hutton Road Shoulder Project	CONST	623,892	623,892	0
300397	La Panza Road Widening	DESIGN	1,515,671	1,515,671	0
300415	Pomeroy Rd & Augusta	DESIGN	204,769	204,769	0
<b>Total Road Reconstruction</b>			<b>8,692,641</b>	<b>7,667,043</b>	<b>1,025,598</b>
<b>New Road Lights, Traffic Signals</b>					
300349	Avila Beach Dr/1st St Traffic Signal	AD-15	243,459	243,459	0

**Public Works  
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**Fund Center 405**

Project No.	Project Description	Phase Completion at 6/30/11	Funding Requirements for 10/11	Previous Years Balance to be Encumbered	New Funding to be Appropriated 10/11
300399	Changeable Message Signs on 101 and 227	AD-15	185,412	185,412	0
Total New Road Lights, Traffic Signals			428,871	428,871	0
Drainage Improvements					
300393	Main Street Storm Drain	ON HOLD	178,202	178,202	0
Total Drainage Improvements			178,202	178,202	0
Pedestrian Ways & Bike Paths					
300359	14th RR Ped Xing, San Miguel	CONST	81,415	81,415	0
300362	Nipomo Elem Sdwks & Ped Br Haystack	CONST	805,974	805,974	0
300394	ADA Santa Marg/Cambria 2009	CONST	60,198	60,198	0
300401	Santa Ysabel Pathway	CONST	90,842	90,842	0
300404	16th St Ped RR Xing San Miguel	PARTIAL DESIGN	379,182	379,182	0
300413	ADA Ramp Construction 2010	CONST	82,493	82,493	0
300419	Main St Templeton Bike Lane	AD-15	192,000	0	192,000
300425	ADA Ramp Construction 2011	PARTIAL CONST	120,000	0	120,000
Total Pedestrian Ways & Bike Paths			1,812,104	1,500,104	312,000
Pavement Management System					
300417	A/C Overlay Willow	PARTIAL CONST	1,000,000	1,000,000	0
300422	A/C Overlay 10-11	PARTIAL CONST	3,271,166	0	3,271,166
Total Pavement Management System			4,271,166	1,000,000	3,271,166
Bridges					
300153	San Simeon Ck Br, 3.6 Mi E of Hwy	PARTIAL CONST	3,268,436	3,268,436	0
300154	San Simeon Ck Br, 2.6 Mi E of Hwy	PARTIAL CONST	2,836,686	2,836,686	0
300180	Main Street Br @ Santa Rosa Ck	PARTIAL R/W	680,191	680,191	0
300360	Price Cyn Rd Br-Edna (UPRR) Overhd	AD-15	2,603,395	2,237,845	365,550
300361	Price Cyn Rd Br-West Corral de Piedra	AD-15	2,466,553	2,087,703	378,850
300382	River Grove Drive Bridge	PARTIAL DESIGN	562,988	265,874	297,114
300385	Branch Mill Road Bridge	PARTIAL DESIGN	800,152	800,152	0
300387	Geneseo Road Low Water Crossing	PARTIAL DESIGN	982,123	234,567	747,556
Total Bridges			14,200,524	12,411,454	1,789,070
TOTAL ROADS			40,835,321	34,354,737	6,480,584
SPECIAL DISTRICTS					
Nacimiento Water Project					

**Public Works  
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**Fund Center 405**

Project No.	Project Description	Phase Completion at 6/30/11	Funding Requirements for 10/11	Previous Years Balance to be Encumbered	New Funding to be Appropriated 10/11
300187	Water Project	PARTIAL CONST	52,212,964	52,212,964	0
Total Nacimiento Water Project			52,212,964	52,212,964	0
Los Osos Wastewater Project					
300337	Los Osos Wastewater Project	PARTIAL DESIGN	70,695	70,695	0
Total Los Osos Wastewater Project			70,695	70,695	0
State Water Project					
300411	CVP-SCADA System Renovation	CONST	44,060	44,060	0
Total State Water Project			44,060	44,060	0
Flood Control Zone 1					
300355	Sand Canyon Outlet Structure-Flap Gates	ENV MIT	276,376	16,721	259,655
Total Flood Control Zone 1			276,376	16,721	259,655
Flood Control Zone 3					
300369	Waterline Crossing-Rodriguez Bridge	PERMITTING	496,859	496,859	0
300390	Upgrade WTP Sludge Beds	ENV MIT	987,575	595,575	392,000
300392	PH Suppression Lopez WTP	ENV DOC	197,847	197,847	0
552R235687	Pigging Entitlement	ENV MIT	434,780	329,781	104,999
300426	Filtered Water Effluent Valve	ENV MIT	55,000	0	55,000
Total Flood Control Zone 3			2,172,061	1,620,062	551,999
Salinas Dam					
535R155711	Salinas Dam Booster Pump Station Upgrade	PARTIAL CONST	1,251,875	180,875	1,071,000
Total Salinas Dam			1,251,875	180,875	1,071,000
County Operations Center					
320026	Ops Center-Waterline Connection to CMC	AD-15	817,613	817,613	0
Total County Operations Center			817,613	817,613	0
County Service Area 1					
575R600102	Galaxy Park Pump Control Panel	CONST	12,000	0	12,000
Total County Service Area 1			12,000	0	12,000
County Service Area 7-A					
300201	Interceptor Sewer Risk Assessment	PE	30,000	0	30,000
300427	Sludge Removal/Liner Ponds 3&4	PE	15,000	0	15,000
Total County Service Area 7-A			45,000	0	45,000
County Service Area 10-A					

**Public Works  
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**Fund Center 405**

Project No.	Project Description	Phase Completion at 6/30/11	Funding Requirements for 10/11	Previous Years Balance to be Encumbered	New Funding to be Appropriated 10/11
300279	New Storage Tank	ENV DOC	113,679	113,679	0
300383	Replace Gilbert Waterlines	ENV DOC	59,054	59,054	0
Total County Service Area 10-A			172,733	172,733	0
County Service Area 10 WTF					
300284	Clearwell Tank Repair	ENV MIT	199,554	119,554	80,000
Total County Service Area 10 WTF			199,554	119,554	80,000
County Service Area 16 - Water					
300368	Replace Water Main on Center	PE	22,492	22,492	0
Total County Service Area 16 - Water			22,492	22,492	0
County Service Area 23					
300377	Water Tank Replacement	CONST	1,192,423	1,192,423	0
Total County Service Area 23			1,192,423	1,192,423	0
TOTAL SPECIAL DISTRICTS			58,489,846	56,470,192	2,019,654
TOTAL ROADS AND SPECIAL DISTRICTS			99,325,167	90,824,929	8,500,238

**GOALS AND PERFORMANCE MEASURES**

Additional Goals and Performance Measures for Public Works can be found in the following Fund Centers: Roads (Fund Center 245), Public Works Special Services (Fund Center 201), and Waste Management (Fund Center 130).

<b>Department Goal:</b> Deliver Capital Projects on time and on budget.						
<b>Community-wide Result Link:</b> A safe community, A well-governed community.						
<b>1. Performance Measure: Percentage of capital projects that are completed on time.</b>						
05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
66%	61%	42%	56%	80%	64%	80%
<b>What:</b> This measures the percentage of Public Works Capital Project phases actually completed compared to the phase estimated to be complete as stated in each year's budget.						
<b>Why:</b> To determine the timeliness of capital project completion which enhances public health and safety by correcting potentially dangerous problems identified in the need for each project.						

**How are we doing?** With a 14% increase from the previous year, the Department is trending in a favorable direction with a result of 64%. Overall, 37 of 58 approved phases were completed on schedule. Projects that were delayed can be grouped as follows: two projects required additional environmental time, five projects had funding and regulatory agency delays, eight projects were delayed due to significant project scope changes, schedule slips or construction rescheduling, three projects incurred property access delays and other projects were reassigned a lower priority or cancelled. Funding delays on Transportation projects are related to delays in the distribution of State revenues under State Budget actions as well as delays Federal transportation authorization for specific projects. This has delayed paving and bridge replacement projects from beginning construction.

**2. Performance Measure: Percentage of capital projects that are completed at or under budget.**

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
94%	91%	83%	89%	90%	86%	90%

**What:** This measures the percentage of Public Works Capital Projects where actual costs are at or under the budget for the particular project phase approved by the Board of Supervisors in a given fiscal year.

**Why:** To determine how accurately project costs are estimated so that funds are allocated and projects are prioritized properly.

**How are we doing?** The Department ended 2009-10 on track for this performance measure. Of the 37 projects that were completed on schedule, 32 projects were completed within the allocated budget. Projects that exceeded their allocated budget can be grouped as follows: two projects incurred additional right of way costs, one project incurred unanticipated design costs, the scope of work was expanded on one project and purchasing restrictions changed the method of construction on one project.