

## **Land Based**

Agricultural Commissioner

Planning and Building  
Community Development

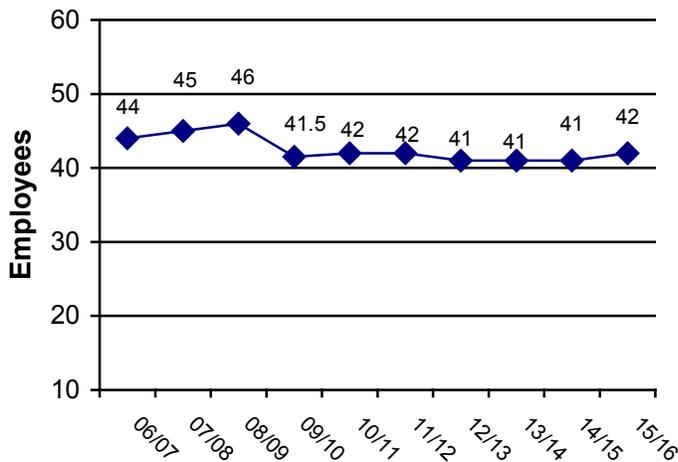
Public Works  
Los Osos Wastewater System  
Public Works Special Services  
Roads  
Road Impact Fees

**MISSION STATEMENT**

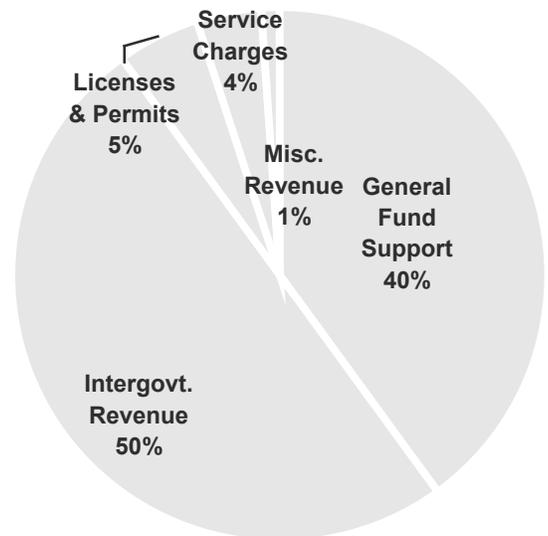
Through the effective and efficient use of resources, the Department of Agriculture/Weights and Measures is committed to serving the community by protecting agriculture, the environment, and the health and safety of its citizens, and by ensuring equity in the marketplace.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Licenses and Permits	\$ 270,688	\$ 277,532	\$ 284,558	\$ 284,558	\$ 284,558
Fines, Forfeitures and Penalties	16,000	14,850	0	0	0
Intergovernmental Revenue	2,884,819	2,783,856	2,721,945	2,721,945	2,721,945
Charges for Current Services	216,743	282,852	247,250	247,250	247,250
Other Revenues	7,542	15,582	500	500	500
Interfund	1,750	0	1,750	1,750	1,750
<b>**Total Revenue</b>	<b>\$ 3,397,542</b>	<b>\$ 3,374,672</b>	<b>\$ 3,256,003</b>	<b>\$ 3,256,003</b>	<b>\$ 3,256,003</b>
Salary and Benefits	4,508,390	4,689,020	4,635,382	4,665,003	4,665,003
Services and Supplies	681,576	730,779	791,415	801,572	801,572
Fixed Assets	0	12,886	7,000	7,000	7,000
<b>**Gross Expenditures</b>	<b>\$ 5,189,966</b>	<b>\$ 5,432,685</b>	<b>\$ 5,433,797</b>	<b>\$ 5,473,575</b>	<b>\$ 5,473,575</b>
Less Intrafund Transfers	3,868	5,003	0	0	0
<b>**Net Expenditures</b>	<b>\$ 5,186,098</b>	<b>\$ 5,427,682</b>	<b>\$ 5,433,797</b>	<b>\$ 5,473,575</b>	<b>\$ 5,473,575</b>
General Fund Support (G.F.S.)	<u>\$ 1,788,556</u>	<u>\$ 2,053,010</u>	<u>\$ 2,177,794</u>	<u>\$ 2,217,572</u>	<u>\$ 2,217,572</u>

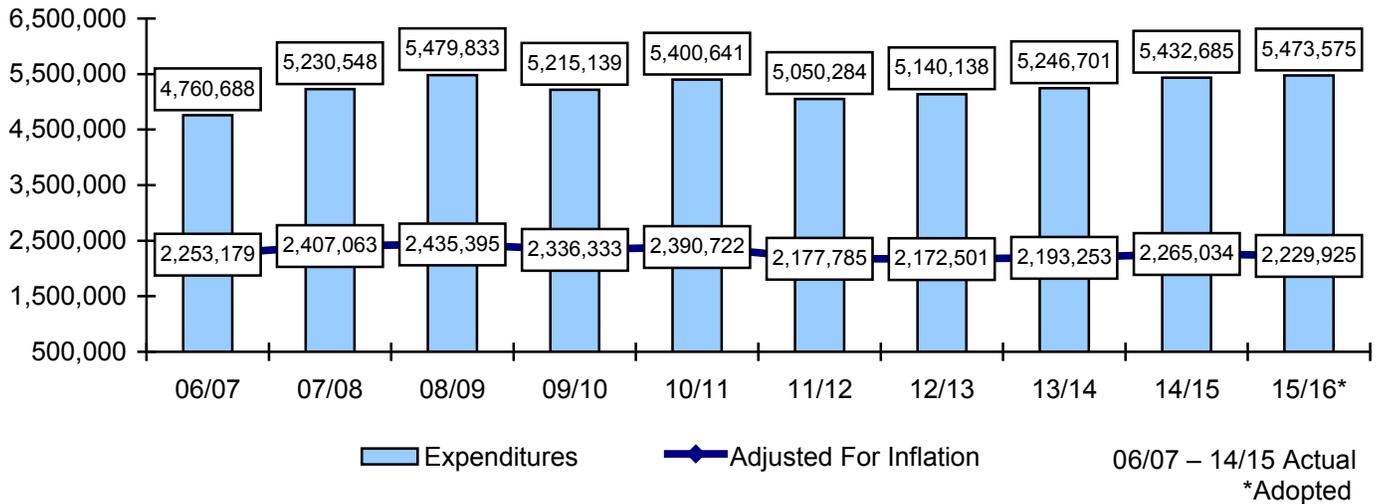
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Department of Agriculture/Weights and Measures has a total expenditure level of \$5,473,575 and a total staffing level of 42.00 FTE to provide the following services:

**Pesticide Use Enforcement**

Enforce mandated pesticide requirements to protect workers, public health and safety, the environment, and to ensure a safe food supply.

Total Expenditures: \$1,337,688 Total Staffing (FTE): 10.79

**Agricultural Resources Management**

Provide information and make recommendations about policies and processes to protect agricultural operations and resources.

Total Expenditures: \$285,191 Total Staffing (FTE): 2.30

**Pest Management**

Promote, implement and conduct agricultural and urban integrated pest management strategies.

Total Expenditures: \$295,894 Total Staffing (FTE): 1.18

**Pest Prevention**

Conduct mandated pest exclusion programs to prevent the introduction of quarantine pests, to determine pest presence, and to eliminate infestations. These programs protect agriculture, urban environments and native habitats in the county from injurious insect and animal pests, plant diseases and noxious weeds.

Total Expenditures: \$2,812,340 Total Staffing (FTE): 21.93

**Product Quality**

Perform inspections at certified farmers' markets, nurseries, organic producers and handlers, and seed distributors to ensure quality product and compliance with mandated requirements.

Total Expenditures: \$296,151 Total Staffing (FTE): 2.41

**Weights and Measures**

Protect consumers and businesses by inspecting weighing and measuring devices and verifying advertised sales prices and business practices to ensure transaction accuracy and preserve equity in the marketplace.

Total Expenditures: \$446,311 Total Staffing (FTE): 3.39

**DEPARTMENT COMMENTS**

The Agricultural Commissioner and Sealer of Weights and Measures is the local entity mandated to enforce state laws and regulations specific to plant quarantine, pesticide use and weights and measures, and operates under the authority of the California Department of Food and Agriculture and the California Department of Pesticide Regulation. The Agricultural Commissioner/Sealer also compiles annual agricultural statistics and provides other services to the community by participating in the Diablo Canyon Nuclear Power Plant Emergency Response program, aiding in emergency declarations and providing technical information to identify land use impacts to agricultural resources and operations.

During FY 2014-15 the department successfully initiated the first phase of a multi-year reorganization of the management and support services teams. With the implementation of this restructuring, the span of control for managers will be balanced, greater financial accountability and consistency will be achieved and the immediate and future succession planning objectives of the department will be enhanced.

Following are some of the department's notable accomplishments for FY 2014-15 and specific objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Collaborated with the University of California Cooperative Extension, California Department of Food and Agriculture and a local agricultural retail business to provide rodent control workshops to 125 attendees. Information was provided by statewide experts on the most effective and safe use of available control techniques. In addition to general control techniques, commercial agricultural producers were informed of sources of rodenticide baits for purchase. The department will provide the training again in FY 2015-16.
- Focused surveillance of pesticide use at agricultural production sites within one-quarter mile of schools and licensed day care facilities. Of the inspections performed from July through December 2014, applicators achieved 100% compliance with laws and regulations. Staff will continue to target surveillance of pesticide applications within one-quarter mile of schools and licensed day care facilities.
- Received training in new weighmaster inspection procedures pursuant to Senate Bill 485, designed to help deter metal theft. Of the six junk dealer/recycler businesses that renewed

**FY 2015-16 Objectives**

- To further assist producers that export agricultural commodities, staff will educate producers in the use of on-line certification resources. Staff will also explore means to streamline the certification process through the use of compliance agreements for qualified shippers.
- To prepare qualified staff for opportunities to promote into future vacancies in supervisory and management positions, staff members will complete training courses such as the Management Academy, Supervisor Academy and S.T.A.R.T. offered through the County's Learning and Development Center.
- The department will launch a regionalized approach for routine weights and measures inspections. There are approximately 650 business locations in the County that use weighing and measuring devices that fall into the routine inspection category, i.e. service station gas pumps, grocery and deli scales, water vending machines, and wire and cordage meters. These devices are inspected using test standards and equipment secured in fully

weighmaster licenses during the first half of FY 2014-15, all were inspected and found in compliance with statutory requirements. Additionally, all timeline and reporting aspects required of the department by the California Department of Food and Agriculture were met.

- Program manuals were created for staff and managers assigned to the Diablo Canyon Nuclear Power Plant emergency response program and the Weights and Measures program. Both manuals serve as training tools and help to preserve institutional knowledge, resulting in well trained staff and the continued delivery of high quality customer service.

equipped vehicles. As an alternative to housing equipment at a centralized location, inspectors and equipment staged at each of the three office locations will provide improved efficiencies and more responsive service to businesses and consumers countywide.

- Staff will provide outreach and education for newly implemented statewide pesticide use conditions pertaining to soil fumigants containing chloropicrin. These more stringent conditions will be added to each user's pesticide use permit and applications will be closely monitored for compliance with these new conditions. This further ensures the protection of residents, workers and bystanders in proximity to chloropicrin fumigant applications.

### **COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

General Fund support is recommended to increase \$115,797 or 5% compared to FY 2014-15 adopted levels. Revenues are recommended to decrease by \$7,305 or less than 1% and expenditures are recommended to increase by \$108,492 or 2% as compared to the FY 2014-15 adopted levels.

The decrease in revenue is due to four main factors: (1) a \$15,901 or 2% increase in State Aid for agriculture due to contract increases for High Risk Pest Exclusion and pesticide use enforcement data entry; (2) an anticipated \$39,914 or 3% decrease in Unclaimed Gas Tax based on the reduction of General Fund support for qualifying agricultural programs in FY 2014-15; (3) a \$19,000 or 2% reduction in Federal Aid due to the recent eradication of the Glassy-Winged Sharpshooter and the anticipated reduction of Light Brown Apple Moth regulatory work; and (4) a \$30,050 or 14% increase in agricultural services revenue due to an increased demand for export certificates for local plant products.

Unclaimed Gas Tax revenue is budgeted at over a \$1 million each year and makes up approximately one-third of total revenue in this budget. The State Food and Agriculture Code, Section 224.5 (3), requires that in order to be eligible to receive Unclaimed Gas Tax revenue each county must maintain a level of General Fund support "for agricultural commissioner services at least equal to the average amount expended for the five preceding fiscal years, unless the county is facing unusual economic hardship that precludes that support." In each of the past five fiscal years, the County has submitted documentation of economic hardship and obtained a waiver of this requirement. Consequently, the County has continued receiving Unclaimed Gas Tax revenue. Based on the General Fund support provided to the Agricultural Commissioner budget over the past five years, it is expected that a waiver request will not be necessary in FY 2015-16.

Salaries and benefits are increasing by \$105,641 or 2% due to a wage and benefit contribution increase for staff positions, an increase in pest detection trapper help, and the recommended addition of an Agricultural Inspector/Biologist position to the department's Position Allocation List (PAL). Services and supplies are increasing by \$8,851 or 1% primarily due to an increase in expenditures for the recommended addition of a Weights and Measures Vehicle. The addition of an Agricultural Inspector/Biologist position and the Weights and Measures Vehicle are described in more detail under the budget augmentation requests recommended section below.

Fixed assets are recommended to decrease by \$6,000. Included in the FY 2014-15 budget were replacement copiers for the San Luis Obispo and Arroyo Grande offices. The FY 2015-16 recommended budget includes a replacement copier for the Templeton field office.

The recommended amount of General Fund support will increase service levels. The addition of 1.0 FTE Agricultural Inspector/Biologist position will partially restore efforts dedicated to the Pesticide Use Enforcement (PUE) program and the Invasive Weed Management program closer to historic levels. The addition of a ¾-ton truck will allow inspectors to be staged in both North and South County areas and will begin a regional approach

to customer service. In addition, the recommended General Fund support increase will improve the department's unclaimed gas tax distribution the following year.

As discussed in the FY 2014-15 budget, the department is facing a multitude of retirements in the next four years, including key management positions. In order to proactively address these events and create improvements, the department has begun a succession plan through a departmental restructure. To preserve stability and coincide with imminent retirements, the complete restructure will be phased in over four fiscal years. The first step of this restructure was approved with the FY 2014-15 budget. On October 21, 2014, the Board approved the second step of the multi-year departmental restructure. The Board approved a new classification of Deputy Agricultural Commissioner and Sealer of Weights and Measures and amended the PAL by adding 1.0 FTE Deputy Agricultural Commissioner and Sealer of Weights and Measures and 1.0 FTE Administrative Service Manager. The Board item stated that subsequent to the appointments of the two new positions, the Department would request removal of the Chief Deputy Sealer and Administrative Services Officer position from the PAL. Due to timing, the removal of the two positions from the PAL is being recommended as part of the budget process (see below).

The FY 2015-16 recommended PAL for the department includes a net increase of 1.0 FTE compared to the FY 2014-15 adopted PAL.

FY 2014-15 Mid-Year PAL Changes

- +1.0 FTE Administrative Services Manager position as part of the departmental restructure (Board approved 8/21/2014)
- +1.0 FTE Deputy Agricultural Commissioner/Sealer position as part of the departmental restructure (Board approved 8/21/2014)

FY 2015-16 Recommended PAL Changes

- -1.0 FTE Administrative Services Officer position as part of the departmental restructure
- -1.0 FTE Chief Deputy-Sealer Weights and Measures position as part of the departmental restructure
- +1.0 FTE Agricultural Inspector Biologist position to partially restore efforts dedicated to the Pesticide Use Enforcement (PUE) program and the Invasive Weed Management program closer to historic levels.

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$61,822  General Fund support: \$61,822	Addition of 1.0 FTE Agricultural Inspector/Biologist	Allow the department to partially restore the staffing to two core agricultural programs: <u>Pesticide Use Enforcement (PUE) program</u> 1. Staff will increase the percentage of time dedicated to field surveillance of pesticide use to 9% restoring approximately 330 hours of time to field surveillance and increase our pesticide use monitoring opportunities. 2. The total number of field inspections will increase by 40 inspections per year, for a total of 584 field inspections per year countywide. <u>Invasive Weeds Program</u> 1. Staff will increase the number of net acres treated for invasive weed pests by over 100% (efforts will increase to over 50 net acres treated). 2. Staff will increase the number of sites surveyed for potential invasive weeds by 50% (surveys will be increased to 110 distinct properties). 3. Staff will have greater opportunity to submit grant applications that can be utilized to augment the

<p>Gross: \$42,120</p> <p>General Fund support: \$42,120</p>	<p>Purchase of one ¾-ton truck, equipped with a service body and securable storage compartments, to be used by weights and measures inspectors</p>	<p>Invasive Weeds program at minimal cost to the County.</p> <ol style="list-style-type: none"> <li>1. Inspectors and all-purpose equipment will be staged at locations in North and South County.</li> <li>2. Shared equipment used for non-routine devices will be equally distributed between North and South County during respective inspection seasons.</li> <li>3. During Fiscal Year 2013-14, the department responded to 8 out of 20 complaints within one business day for a response rate of 40%. With the addition of this new vehicle, the department expects to improve that response rate to 80%.</li> </ol>
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**GOALS AND PERFORMANCE MEASURES**

<p><b>Department Goal:</b> Uphold the commitment to serve the community as outlined in the department's mission statement, which is in alignment with county adopted Communitywide Results.</p>						
<p><b>Communitywide Result Link:</b> <input checked="" type="checkbox"/> Safe <input checked="" type="checkbox"/> Healthy <input type="checkbox"/> Livable <input checked="" type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community</p>						
<p><b>1. Performance Measure: Percentage of clients that indicate they are satisfied with departmental services. (Quality measure)</b></p>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
<p>94.4% overall satisfaction with services provided to local customers who receive export certification services</p>	<p>100% overall satisfaction with services provided to local grape growers who participated in the detection of European Grapevine Moth</p>	<p>100% overall satisfaction with services provided to the local residents whose properties required pesticide treatments during the Glassy-winged Sharpshooter eradication project</p>	<p>100% overall satisfaction with registration assistance provided to local organic producers</p>	<p>95% overall satisfaction with inspection and certification services provided to local businesses that use commercial weighing and measuring devices</p>	<p>97.8% overall satisfaction with inspection and certification services provided to local businesses that use commercial weighing and measuring devices</p>	<p>95% overall satisfaction with service provided to customers obtaining Restricted Materials Permits and/or Operator Identification Numbers for pesticide use.</p>
<p><b>What:</b> The department solicits feedback including ideas for improvement from its clients each fiscal year. Each year we choose a different program within our department to survey for customer satisfaction. Survey methods vary depending on clientele, and include direct mailings, person-to-person handouts, and through <a href="http://www.slocounty.gov/agcomm">www.slocounty.gov/agcomm</a>. Surveys are solicited at various times during the year and the format is standardized to maintain comparative results.</p>						
<p><b>Why:</b> The department is committed to providing excellent customer service. Customer feedback and suggestions help us achieve that goal.</p>						
<p><b>How are we doing?</b> California statute requires the county sealer to inspect most commercial weighing and measuring devices on an annual basis such as, grocery store scales, gas pumps, taximeters, livestock and vehicle scales. Periodic inspections ensure that when commodities are sold or purchased on the basis of weight or measure, that the measurements used for these transactions are accurate and reliable. Business compliance with weights and measures standards assures consumer confidence and fair competition in the marketplace.</p>						
<p>Feedback was solicited from the approximately 866 county businesses that use commercial weighing and measuring devices to determine their level of satisfaction with the inspection and certification services provided by the department. Survey forms were enclosed with the April 2015 annual device registration invoices. Of the approximate 866 surveys, 93 were returned by mail indicating their level of satisfaction. Ninety-one responders, or 97.8%, indicated an overall satisfaction with services provided.</p>						
<p>During FY 2015-16, feedback will be solicited from customers obtaining Restricted Materials Permits and/or Operator Identification Numbers for the agricultural use of pesticides to determine their level of satisfaction with the services provided during issuance. Survey forms will be provided to customers throughout FY 2015-16.</p>						

**2. Performance Measure: The number of packages denied entry into San Luis Obispo County due to violations of quarantine laws per 1,000 packages inspected at Federal Express. (Outcome measure)**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
7.4	7.4	7.4	7.4	7.4	7.4	7.4

**What:** San Luis Obispo County enjoys a relatively pristine environment, mostly free from quarantine agricultural pests and diseases. The Agricultural Commissioner/Sealer's staff intercepts and inspects incoming packages containing plant material at freight and package shipping terminals for the presence of detrimental pests. Shipments in violation of quarantine laws are denied delivery to the receiver, and the shipment must be treated, returned to the sender or destroyed, thereby protecting the county from potential pest infestations or disease outbreaks. This measure tracks the number of Notices of Rejection issued per one thousand packages inspected at the San Luis Obispo County Federal Express terminal and reflects our effectiveness in protecting the agricultural and environmental resources of the county. Although we inspect shipments passing through other shipping terminals, such as UPS and OnTrac, we consider Federal Express to be the highest risk pathway due to the volume of shipments originating from areas with high populations of significant agricultural pests. Thorough inspections also serve as a deterrent for shippers to avoid sending infested shipments to San Luis Obispo County.

**Why:** To protect agriculture and the urban and natural ecosystems in San Luis Obispo County. Each pest found is one new infestation prevented, which eliminates eradication costs and the negative effects on the county.

**How are we doing:** Staff inspected 1,589 packages at Federal Express and 15 were denied entry into the county for an overall rejection rate of 9.4 packages per 1,000 inspected. Of the 15 packages rejected, 10 were rejected for the presence of live pests and/or quarantine violations thus preventing a potential pest infestation. The remaining 5 were rejected due to problems with package markings and labeling. Although the overall rejection rate was lower than anticipated and down from the previous year, the detection of live pests entering the county increased over the previous year. Due to continuous inspection efforts and regulatory action taken by departmental staff, businesses that frequently ship plant material into San Luis Obispo County are trending toward a higher regulatory compliance rate overall.

The target for FY 2015-16 remains the same.

**3. Performance Measure: The overall rate of insect specimen interceptions by pest detection staff. (Quality measure)**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
89.7%	95.7%	92.6%	92.9%	90.0%	92.6%	90.0%

**What:** San Luis Obispo County is predominantly free from exotic and invasive insect pests. To help ensure that this remains true, the department conducts several state-mandated insect detection programs, each implemented and maintained under specific state protocols. Staff place and monitor insect traps throughout the county in order to detect target insects before any infestation exceeds one square mile. Well trained and efficient Pest Detection Trappers are necessary for an effective program. To measure Pest Detection Trapper performance, staff from the California Department of Food and Agriculture, Pest Detection Emergency Projects program periodically, and unannounced, place target insect specimens in traps. The detection rate measures the ability of individual Pest Detection Trappers to intercept these planted specimens. An effective pest detection program is determined largely by the collective interception rate for all Pest Detection Trappers. The department has determined that successfully trained Pest Detection Trappers should achieve an individual, and collective, score of at least 90%.

**Why:** Early detection of exotic and invasive pests protects agriculture, urban environments, and natural ecosystems in San Luis Obispo County, and prevents the negative ecological and economic effects caused by an established insect pest infestation.

**How are we doing?** The Pest Detection program continues to effectively monitor for exotic and invasive insect pests. Pest Detection Trappers intercepted 25 of 27 planted quality control insect specimens for an interception rate of 92.6%. In order to maintain an interception rate of 90.0% or greater, training for all Pest Detection Trappers will continue to focus on target insect identification.

The target for FY 2015-16 remains at 90%.

<b>4. Performance Measure: Percentage of overall compliance by all regulated pesticide users (agricultural, structural and governmental). (Outcome measure)</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
96.9%	97.8%	97.8%	97.5%	98.0%	98.9%	98.0%
<p><b>What:</b> Laws require pesticide users to comply with mandated requirements such as, but not limited to: following pesticide labels, training workers, operating equipment and applying pesticides in a safe manner, and keeping records of usage. This measure reflects the effectiveness of the Agricultural Commissioner/Sealer's staff in educating pesticide users and, through strict enforcement, insuring that users are in compliance with California's pesticide laws. This measure excludes home use by the public, which currently is not monitored.</p> <p><b>Why:</b> To protect workers, the public's health and safety, the health of the environment, and to ensure safe food.</p> <p><b>How are we doing?</b> The Pesticide Use Enforcement Program continues to provide a high level of protection for the community. In FY 2014-15, staff inspected 9,193 requirements and found 9,023 to be in compliance for a 98.9% compliance rate, which is slightly above the statewide average of 98.5%. The compliance rate is based on conformance with standardized statewide requirements applicable to each type of inspection, including agricultural pesticide use monitoring, records audits and structural pest control.</p> <p>The target for FY 2015-16 remains at 98.0% and takes into consideration current pesticide use trends and newly introduced regulations. The department will continue to focus surveillance on field fumigant use while maintaining oversight of traditional agricultural and structural pesticide use.</p>						
<b>5. Performance Measure: Number of pesticide use report records processed per hour. (Efficiency measure)</b> <i>(This measure is being deleted in FY 2015-16)</i>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
79.2	68.2	54.1	71.6	70.0	90.7	Deleted
<p><b>What:</b> Producers of agricultural commodities and pest control businesses are required to report pesticide use to the County Agricultural Commissioner. This data is reviewed and entered into a statewide pesticide use report database. This measure demonstrates how efficiently we process pesticide use report data.</p> <p><b>Why:</b> Interested parties want prompt and efficient processing of pesticide use reports to obtain up-to-date data for identifying pesticide use in the county.</p> <p><b>How are we doing?</b> The number of pesticide use report records processed increased to 90.7 records per hour. This improvement is primarily due to progress made after a transitional period of pesticide users learning and utilizing the CalAgPermits system and web based use reporting. The CalAgPermits system will be fully implemented in FY 2015-16. The percentage of customers using web-based use reporting increased from 66% in FY 2012-13 to 86% in FY 2014-15. There is no statewide or comparable county data available for this measure.</p> <p>This measure has been eliminated in FY 2015-16 due to the full implementation of the CalAgPermits system.</p>						
<b>6. Performance Measure: Percentage of all weighing and measuring devices found to be in compliance with California laws. (Outcome measure)</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
SLO County 90.9%	SLO County 91.9%	SLO County 89.4%	SLO County 90.5%	To equal or exceed the statewide compliance average	SLO County 89.4%	To equal or exceed the statewide compliance average
Statewide 93.1%	Statewide 93.7%	Statewide 93.4%	Statewide 93.0%		Statewide data not currently available	
<p><b>What:</b> California law mandates the County Agricultural Commissioner/Sealer to inspect and test all commercial weighing and measuring devices on an annual basis, with a few exceptions. This measure represents the percentage of San Luis Obispo County weighing and measuring devices found upon initial inspection to be in compliance with laws, and our County's compliance level compared to the statewide results for the year. This measure reflects the effectiveness of the department in educating operators of commercial weighing and measuring devices and, through strict enforcement, insuring that these devices are in compliance with California weights and measures laws.</p>						

**Why:** The use of correct weighing and measuring devices protects consumers and helps insure that merchants compete fairly.

**How are we doing?** Staff inspected 3,810 weighing and measuring devices and found 3,408 in compliance, for an 89.4% overall compliance rate. Changes to staffing in the Weights & Measures program throughout FY 2014-15 increased the department's ability to complete regularly scheduled annual inspections by 34% or 971 devices. As a result of more devices inspected, a slightly lower rate of compliance was observed as compared to the prior year. The statewide compliance data for FY 2014-15 will be published in Spring 2016 for comparison.

The standard target for FY 2015-16 to equal or exceed the statewide compliance average is retained.

**7. Performance Measure: Percentage of price scanners found to be in compliance with California laws. (Outcome measure)**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
SLO County 98.7%	SLO County 99.3%	SLO County 98.6%	SLO County 99.1%	To equal or exceed the statewide compliance average	SLO County 98.2%	To equal or exceed the statewide compliance average
Statewide 98.1%	Statewide 97.9%	Statewide 98.3%	Statewide 98.6%		Statewide data not currently available	

**What:** Price scanner inspections compare the actual prices charged for items at retail store checkout stands with the lowest advertised, posted or quoted prices for those items. All retail stores, such as supermarkets and department stores, utilizing automated price scanners are subject to inspection. This measure represents the percentage of items tested that are charged correctly at the checkout stand and our county's compliance level compared to the statewide results for the year. This measure reflects the effectiveness of the department in educating operators of price scanning systems and, through strict enforcement, insuring that pricing is in compliance with California weights and measures laws.

**Why:** Accurate price scanners protect consumers and help insure that merchants compete fairly.

**How are we doing?** Staff inspected 2,634 items and found 2,587 items in compliance for a 98.2% compliance rate. Statewide compliance data for FY 2014-15 will be published in Spring 2016 for comparison.

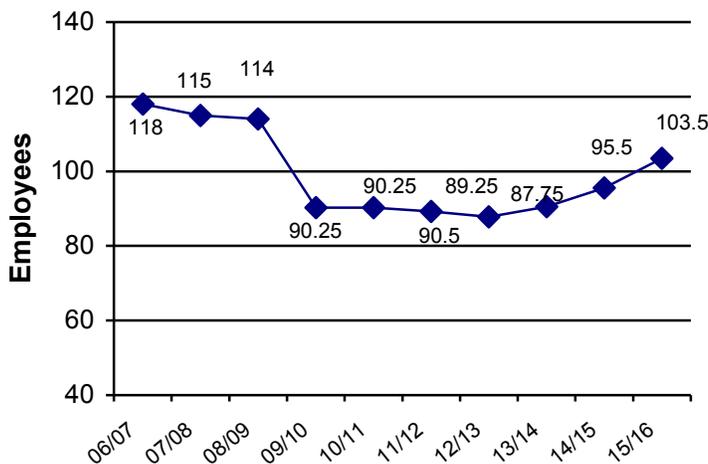
The standard target for FY 2015-16 to equal or exceed the statewide compliance average is retained.

**MISSION STATEMENT**

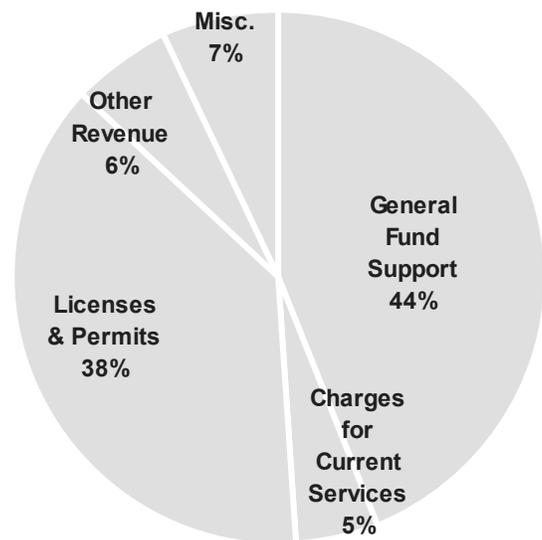
Promoting the wise use of land. Helping to build great communities.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Licenses and Permits	\$ 5,972,447	\$ 5,539,675	\$ 5,092,621	\$ 5,092,621	\$ 5,092,621
Fines, Forfeitures and Penalties	46,706	41,286	56,081	56,081	56,081
Intergovernmental Revenue	447,178	464,283	7,371	7,371	7,371
Charges for Current Services	724,261	621,289	635,084	635,084	635,084
Other Revenues	482,912	687,256	852,702	852,702	852,702
Other Financing Sources	19,341	0	86,621	399,427	399,427
Interfund	411,074	395,410	262,350	392,298	392,298
<b>**Total Revenue</b>	<b>\$ 8,103,919</b>	<b>\$ 7,749,199</b>	<b>\$ 6,992,830</b>	<b>\$ 7,435,584</b>	<b>\$ 7,435,584</b>
Salary and Benefits	9,727,462	10,278,393	11,020,198	11,362,902	11,362,902
Services and Supplies	2,313,821	2,222,848	1,892,182	1,969,579	1,969,579
Fixed Assets	6,750	6,750	0	0	0
<b>**Gross Expenditures</b>	<b>\$ 12,048,033</b>	<b>\$ 12,507,991</b>	<b>\$ 12,912,380</b>	<b>\$ 13,332,481</b>	<b>\$ 13,332,481</b>
General Fund Support (G.F.S.)	<u>\$ 3,944,114</u>	<u>\$ 4,758,792</u>	<u>\$ 5,919,550</u>	<u>\$ 5,896,897</u>	<u>\$ 5,896,897</u>

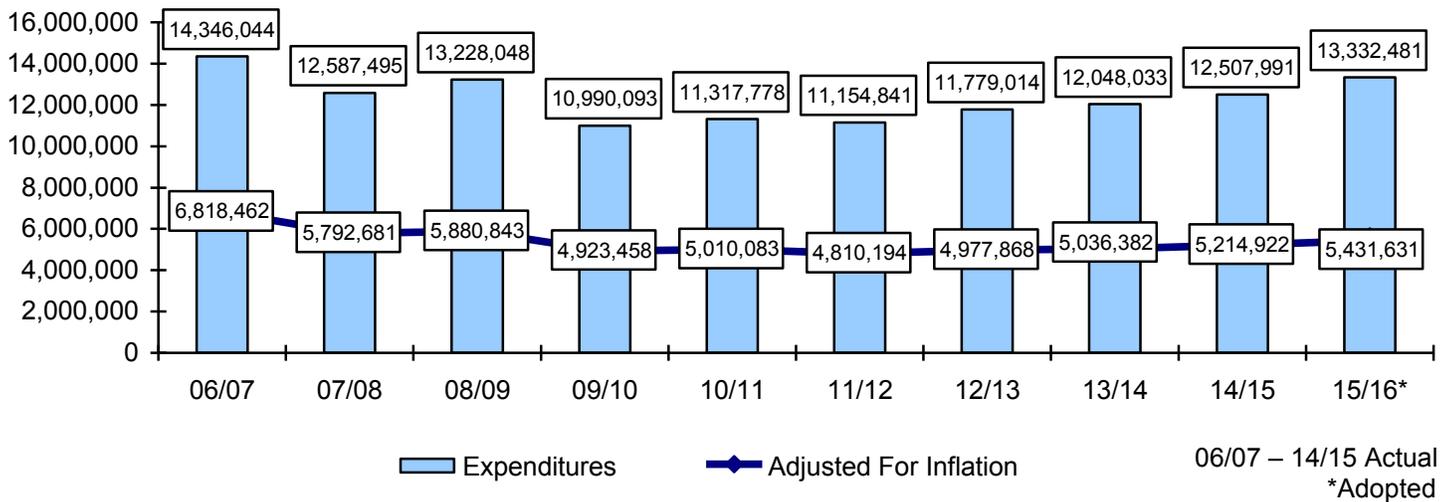
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



### 10 Year Expenditures Adjusted For Inflation



#### SERVICE PROGRAMS

Planning and Building has a total expenditure level of \$13,332,481 and a total staffing level of 103.50 FTE to provide the following services:

##### Land Use Planning

The Planning and Building Department helps plan communities and rural areas by:

- Facilitating public participation and providing opportunities to develop the County's vision for the future, through updates to the General Plan, ordinances and other planning initiatives.
- Collaborating with the public and decision makers on how best to guide future development and resource conservation.
- Addressing housing needs and economic development through public outreach, research, projections and programs to achieve identified targets.
- Maintaining and improving General Plan maps, other supporting maps, and Geographical Information System (GIS) databases that are valuable tools used for research, public information and decision making.
- Creating policies and strategies that are considered by decision-makers to implement the County vision.

Total Expenditures: \$3,710,463 Total Staffing (FTE): 32.00

##### Development and Permit Review

The department provides development and permit review services to enable the public to participate in implementing and monitoring the County's vision by:

- Guiding applicants and the public through the permit review process by explaining relevant policies, ordinances and regulations and applying these in a consistent and fair manner.
- Reviewing development, land division and building applications to assure they meet all federal, state and local requirements.
- Inspecting construction projects for compliance with codes, regulations and permit approvals.
- Administering the Mobile Home Park Rent Stabilization Ordinance.

Total Expenditures: \$5,050,898 Total Staffing (FTE): 42.00

**Resource Management and Monitoring**

The department monitors and manages the county's natural resources and environment by:

- Ensuring that development meets goals identified through local programs, policies, laws and ordinances for resource management and conservation.
- Working with other departments, agencies, applicants, and the public to administer resource conservation goals.
- Ensuring that land use and environmental policies, laws and ordinances are fulfilled.

Total Expenditures: \$1,222,175 Total Staffing (FTE): 10.00

**Supporting Services**

Administration of the department provides leadership, administrative and technical services by:

- Optimizing the procedures and processes that support land use planning, development, and construction within the county.
- Providing leadership to ensure high quality "result-oriented" services.
- Ensuring fiscally responsive and flexible management when dealing with fluctuating demands for services.
- Providing education, public outreach and training for Department staff, decision-makers, the general public and the community.

Total Expenditures: \$3,348,945 Total Staffing (FTE): 19.50\*

\* Included are 6.0 (FTE) Limited Term positions who are staff to assist in the implementation/installation of the Department's Land Based Fee Permit System.

Staffing for Fund Center 290 – Community Development is reflected in Fund Center 142 – Planning and Building.

**DEPARTMENT COMMENTS**

The Planning & Building Department's primary function is to support the County's mission by implementing programs that support a safe, healthy, livable, prosperous, and well-governed community. The department accomplishes this by issuing construction permits, completing inspections, implementing and maintaining the General Plan, evaluating development proposals for consistency with adopted plans, conducting environmental analysis of plans and projects, preparing both short- and long-term policy recommendations and assisting the Board of Supervisors as well as the County's Planning Commission in making informed decisions on land use policies. In addition, the department coordinates with local, county, state and federal agencies, and assists non-profit organizations and private parties in building affordable housing in San Luis Obispo County to the maximum extent feasible.

The department is continuing efforts to increase efficiency in order to meet customer expectations and needs arising from economic pressures to reduce land-holding costs and to quickly deliver products in an ever changing construction market. In order to increase efficiency, the management team has been focusing on project and time management efforts including reorganizing the department to mimic the two main functions of our services - "Permitting" and "Policy and Programs." The need for better tools to help manage projects and staff resources is paramount and is seen in the request to replace our aging and soon to be obsolete project tracking software. The department also faces the challenge of managing recent retirements of long serving management and supervisorial staff members.

Following are some of the department's notable accomplishments for FY 2014-15 and objectives for FY 2015-16 reflecting the department's Strategic Plan key priorities of: Balance, Education, Leadership and Service.

**FY 2014-15 Accomplishments**

- **Balance**  
Developed and implemented the residential water offset program for Urgency Ordinance 3246, an ordinance covering new development overlying the Paso Robles Groundwater Basin.  
  
Completed constraints mapping and drafted an ordinance to allow new renewable energy projects to be processed in a streamlined and cost efficient fashion.
- **Education**  
Expanded the use of the department's YouTube channel to educate the public on department services and programs.  
  
Provided training to the County's Community Advisory Councils.
- **Leadership**  
Developed electronic desk manuals to capture institutional knowledge to address succession planning and employee retirement.  
  
Worked with Federal resource agencies to further the completion of the Habitat Conservation Plan for the community of Los Osos.
- **Service**  
Expanded the types of permits that can be obtained through an "e-permit" to include roof mounted solar Photovoltaic. Additionally, we now have a program for Electronic Submittal of applications and plans for large PV projects and pre-authorized commercial and residential projects.  
  
Opened the North County Service Center on a limited schedule.

**FY 2015-16 Objectives**

- **Balance**  
Complete amendments that improve readability and understanding of the Land Use Ordinance.  
  
Continue to work with Federal resource agencies to further the completion of the Habitat Conservation Plan for the community of Los Osos.
- **Education**  
Conduct outreach to the community for the emPower energy efficiency financing program.  
  
Support staff training opportunities through the Learning and Development Center.
- **Leadership**  
Complete a department restructure that balances resources with service demands.  
  
Develop an annual report that identifies how we help to build better communities.
- **Service**  
Provide permit processing/inspections for 2,000 sewer connections to Los Osos Wastewater Treatment Plant.  
  
Deliver full Planning services at the North County Service Center.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The level of General Fund support for Planning and Building is recommended to increase \$34,626 or less than 1% compared to the FY 2014-15 adopted budget. Revenues are recommended to increase \$394,712 or 5% and expenditures are recommended to increase \$429,338 or 3% compared to FY 2014-15 adopted levels.

The increase in revenue is primarily due to a \$312,806 increase in reimbursement revenue from Fund Center 266 – Countywide Automation Replacement for the recommended budget augmentation request to replace the department's permit tracking system (outlined below). Government and non-governmental grant funded revenue is increasing by \$81,068 or 1% due to a \$68,495 increase in energy grants, a \$122,729 increase in U.S. Department of Housing and Urban Development (HUD) grant funding available to offset administrative costs, and a \$110,156 decrease due to the California Energy Commission grant ending. Large project revenue is

decreasing by \$274,251 or 31% due primarily to a decrease in plan check fee revenue generated from the completion of the two solar projects on the Carrizo Plain. This decrease in revenue is offset by the increase in revenue from the department's traditional customer base (i.e. more typical projects processed) reflecting some growth in development in the County. The department's traditional customer base revenue is increasing by \$275,081 or 5% from the FY 2014-15 adopted budget.

Overall, Building revenue is budgeted to increase by \$161,144 or 5%. The most significant increase in building revenue is the increase in revenue for work beginning on the Los Osos Sewer project. As noted above, the most significant decrease in building revenue is the decrease of Plan Check Fees by \$315,237 or 18%, driven by the completion of the two solar projects. In addition, the department is recognizing a substantial increase in photovoltaic systems, which is contributing to the increase in building revenue. Land use application revenue is decreasing by \$130,278 or 6% primarily due to a decrease in large value Conditional Use Permits partially offset by increased activity within plot plans, subdivision permits, and agriculture preserves. Additionally, code enforcement investigation revenue is decreasing by \$36,681 (33%) due to a decrease in caseload and activity.

As noted above, recommended expenditures are decreasing \$429,339 or 3% compared to the FY 2014-15 adopted budget. Salaries and benefits are increasing \$672,591 (6%) due to a wage and benefit contribution increase for staff positions, the recommended budget augmentation request to add 1.0 FTE Planner position to the PAL to expand services at the North County Service Center, and the recommended budget augmentation request to add 6.0 FTE limited term positions for the replacement of the department's permit tracking system (see budget augmentation requests recommended below).

Services and supplies are decreasing by \$243,253 or 10% from FY 2014-15 adopted levels. This decrease is primarily in the professional services account – an account that fluctuates from year to year depending on the projects planned for completion by the department and the need for technical experts to assist staff on these projects. The professional services account is decreasing by \$276,572 or 34% primarily due to the elimination of \$375,000 for inspection services for the completed solar projects. In addition, the Professional Services account includes the recommended budget augmentation requests of \$25,000 for consultant services for a Fair Housing Plan and \$30,000 to retain hydrogeological services (see budget augmentation requests recommended below). Other services and supplies accounts are increasing and decreasing by smaller amounts as compared to the FY 2014-15 adopted budget.

The recommended budget enables the Planning and Building Department to maintain the Board acknowledged priorities. The recommended budget augmentation request to add 1.0 FTE Planner will allow the department to increase service levels to North County residents by expanding services at the North County Service Center. The recommended budget augmentation request to add a vehicle for the will increase the number of annual inspections completed by the Building Inspection section.

The FY 2015-16 recommended PAL for Planning & Building includes a net increase of 8.0 FTE compared to the FY 2014-15 adopted PAL.

FY 2014-15 Mid-Year PAL Changes

Departmental Reorganization (Approved 7/15/2014)

- -2.00 FTE Supervising Building Inspector
- -1.00 FTE Assistant Building Official
- -1.00 FTE Supervising Plans Examiner
- -1.00 FTE Supervising Planner
- +5.00 FTE Building Division Supervisor

Department Reorganization (Approved 4/7/2015)

- -1.0 FTE Assistant Director – Planning and Building
- -1.0 FTE Division Manager – Planning
- +2.0 FTE Deputy Director – Planning and Building

Contract change orders to the Energy Watch Partnership Contracts (Approved 12/2/2014)

- -2.0 FTE Land Use Technician – Limited Term
- +2.0 FTE Planner – Limited Term

Contract change order to the emPower Program Contract (Approved 12/9/2014)

- +1.0 FTE administrative Assistant I, III, III – Limited Term

FY 2015-16 Recommended PAL Changes

North County Service Center

- +1.0 FTE Planner to provide services at the North County Service Center

Back-fill during implementation of new permit tracking system

- +2.0 FTE Plans Examiner II – Limited Term
- +0.5 FTE Resource Protection Specialist II – Limited Term
- +2.5 FTE Planner – Limited Term
- +0.5 FTE Department Automation Specialist– Limited Term
- +0.5 FTE Land Use Technician – Limited Term

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Unit Amount</b>	<b>Description</b>	<b>Results</b>
Gross: \$67,835  General Fund support: \$67,835	Add 1.0 FTE Planner I – III for the North County Service Center	The following services would be available at the North County Service Center: <ol style="list-style-type: none"> <li>1. Discretionary Permit Application Submittal</li> <li>2. Zoning Clearance for Construction Permits</li> <li>3. Review Site Plans</li> <li>4. Calculate Planning Application Fees</li> <li>5. Review Code Enforcement Case History</li> <li>6. Provide Due Diligence research</li> <li>7. Increase reliability of being open three days per week</li> </ol>
Gross: \$25,000  General Fund support:\$25,000	Fair Housing Plan: Consultant to provide fair housing services to the public pursuant to Federal law and the requirements of the Federal HUD funding programs	The Fair Housing Plan will comply with Federal civil rights and fair housing laws, and allow the County to continue receiving an annual allotment of HUD grant funds.
Gross: \$30,000  General Fund support:\$30,000	Retain Hydrogeological Services: One-time consultant to provide assistance for water program issues and implementation of water-offset cases	A consultant would be available to provide on call assistance for water program issues, including program development, studies, and specific water-offset cases. The Department will receive 200 consultant hours of expertise necessary to implement the water program.
Gross: \$32,191  General Fund support: \$32,191	Purchase of one 2-Wheel Drive Sport Utility Vehicle for the Building Inspection section	The department will meet its performance measure goal of completing 99% of building inspections by the next day, while annual inspection requests have increased in excess of 25% from FY 2012-13 to FY 2014-15.

**Planning and Building  
Fiscal Year 2015-16 Final Budget**

**Fund Center 142**

		At least 2,000 building inspections will be made annually with this vehicle.
Gross: \$1,513,605, funded through FC 266- Countywide Automation Replacement  General Fund support: \$0	Permit Tracking System Replacement Project: replace the Planning and Building Department's permit tracking system (Tidemark), which no longer meets the department's business needs with a modern enterprise permit tracking system.  The following 6.0 FTE Limited Term positions will be added for one year: <ul style="list-style-type: none"> <li>• 2.0 FTE Plans Examiner II</li> <li>• 0.5 FTE Resource Protection Specialist II</li> <li>• 2.5 FTE Planner</li> <li>• 0.5 FTE Department Automation Specialist</li> <li>• 0.5 FTE Land Use Technician</li> </ul>	The Tidemark Replacement project will provide the department with a modern enterprise permit tracking system that: <ol style="list-style-type: none"> <li>1. Is actively supported and maintained</li> <li>2. Runs on current operating systems and database platforms</li> <li>3. Allows data to be more fully integrated with other systems and applications across departments</li> <li>4. Will include a publicly-accessible Internet portal</li> <li>5. Will improve counter services once the system is implemented by allowing new processes to be developed that are based on the new system's more efficient interface and access to more accurate and detailed information.</li> </ol>

**BUDGET AUGMENTATION REQUESTS NOT ADOPTED**

Unit Amount	Description	Results
Gross: \$32,191  General Fund support: \$32,191	Purchase of one 2-Wheel Drive Sport Utility Vehicle for the Code Enforcement section	<ol style="list-style-type: none"> <li>1. The department will meet its internal performance measure for 48 hour response to health and safety violation complaints.</li> <li>2. The department will avoid future increases in motor pool rental expense.</li> <li>3. At least 1,000 code enforcement inspections will be made annually with this vehicle.</li> </ol>

**GOALS AND PERFORMANCE MEASURES**

<b>Department Goal:</b> Conserve natural resources to promote a healthy environment.						
<b>Communitywide Result Link:</b> <input type="checkbox"/> Safe <input checked="" type="checkbox"/> Healthy <input checked="" type="checkbox"/> Livable <input checked="" type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community						
<b>1. Performance Measure: Acres of land protected through the agricultural preserve program.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
794,248 acres protected	795,328 acres protected	796,907 acres protected	785,609 acres protected	787,320 acres protected	784,882 acres protected	786,288 acres protected
<b>What:</b> The objective of the Agricultural Preserve Program (Williamson Act) is to protect agricultural lands for continued production of food & fiber. The land is reassessed on the basis of the agricultural income producing capability of the land. Agricultural Preserve contracts are for either 10 or 20 years and are automatically extended annually for another year unless the owner files a notice of non-renewal. This assures the landowners that property valuations and taxes will remain at generally lower levels.						

**Why:** To protect agricultural land, strengthen the county's agricultural economy and preserve natural resources, consistent with County policy.

**How are we doing?** There has been a decrease in the acres protected for FY 2014-15 due to an unusually high number of land owner initiated contract non-renewals in 2006 (non-renewals severed in 2006 expired 9 years later in 2015). These non-renewal requests were presumably driven by the real estate market and the desire to subdivide, develop, and sell property restricted by Williamson Act contracts. We anticipate that these unusual acreage decreases will level off next year and we will begin to see increases to the program. Based on these changes, the target for FY 2015-16 has been slightly increased based on earlier upward trends.

**Department Goal:** Protect public health and safety by effective and timely administration of development regulations and by fostering clean and safe communities through responsive code enforcement and preparation and implementation of the County General Plan.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**2. Performance Measure: Percentage of project types processed within established time lines for representative project types.**

	10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
<b><u>Building Permit applications</u></b> Goal: Single-family dwelling permits - 20 days to complete plan check.	94%	94%	98%	45%	95%	55%	95%
Goal: Commercial project permits - 30 days to complete plan check	95%	95%	99%	76%	95%	76%	95%
<b><u>Building Inspection</u></b> Goal: All building inspections requested completed by the next day	100%	99%	99%	98%	99%	99%	99%
<b><u>Land Use Permit &amp; Subdivision applications</u></b> Goal: Exemptions from CEQA - 60 days from acceptance	60%	70%	55%	48%	75%	46%	75%
Goal: Negative Declaration - 180 days from acceptance	71%	76%	71%	71%	75%	63%	75%

**Code**

**Enforcement**

Goal: All complaints reviewed within 10 working days. --- 100% 100% 100% 100% 100% 100%

Goal: Voluntary compliance resolved within 45 days of initial inspection. --- 47% 60% 40% 75% 60% 70%

**Long Range Planning**

Goal: Complete annual reports and public review drafts within the timeframes set by their respective work programs. 60% 82% 42% 87% 75% 79% 85%

**What:** Timely processing of applications/permits and complaints and the timely completion of long range planning initiatives.

**Why:** To provide timely, quality service that saves applicants time and money, adds value to tax base and local economy, and meets local and state laws. Timely completion of long range plans ensures a plan produced within budget respond to the community's vision, local needs and issues before the document begins the hearing process. Timely annual reports keep the communities and decision makers current on issues affecting the County.

**How are we doing?**

**Building Permits & Permit Center**

We monitor our workload weekly to try to achieve our adopted goal of completing 95% of the initial plan review for new dwellings within 20 working days. Our FY 2014-15 year-end review percentage was 55%. This is up from our FY 2013-14 rate of 45%. We experienced a 17% increase in application submittal from FY 2013-14 (which was an increase of over 40% in the number of applications submitted as compared to FY 2012-13) and a 20% increase in the number of issued permits as compared to FY 2013-14. Annual application totals were as follows: FY 2012-13: 2341, FY 2013-14: 1915, and FY 2014-15: 3405. Since 2007 (when this goal was developed), there has been an increase in the number of state codes and local regulations (i.e. new Residential Code, State Green Code, new Energy Code, Regional Water Quality Control Board (RWQCB) storm water regulations and a Local Green Building Ordinance) that must now be incorporated into the plan review process. With these additional code elements and the rebounding economy, we acknowledge that the 95% review goal will be difficult to achieve, but still remains our target for customer service. We are achieving 92% review within 40 days. As implementation of these code changes continues to increase plan review time, the department will evaluate the feasibility of the current goal of 20 working days for initial plan check of a single family dwelling, to a goal that reflects the current complexity of plan review. For now, the department is keeping this goal as our gold standard to achieve.

The percentage of plan check reviews of commercial project permits completed within 30 days remained the same from FY 2013-14 to FY 2014-15 at 76%. We are achieving 92% review within 40 days. Annual commercial plan check application totals as follows: FY 2012-13: 216, FY 2013-14: 327, and FY 2014-15: 319. Although the department's goal remains at 95%, achieving this goal faces the same increasing code challenges are our residential plan review standard. 100% of all the Business Assistance Team (BAT) projects initial plan reviews were completed within 10 working days. In addition, we were able to develop an in-house electronic application and electronic plan submittal system for photovoltaic projects and pre-approved residential and commercial projects. Getting this electronic application and plan review process up and running has consumed a large amount time for two plans examiners. We processed 279 e-applications, 281 e-permits and 1058 photovoltaic permits.

The department is currently evaluating the responses to our Request For Proposal (RFP) for consultant assistance with plan review to facilitate surges in applications.

We will continue to devote time to: (a) in-house code training (b) reviewing the more complex and BAT projects in house, (c) providing consultations to customers for expired/abandoned projects and unpermitted construction due to the improving economy, (d) preparing a waste water management program as required by the RWQCB and (e) administering the National Storm Water Pollution Program.

**Building Inspections**

Our goal is to complete 99% of construction inspections on the day after they are requested. For FY 2014-15 we completed more than 99% of the inspections within this timeline (13,886 inspections out of 13,891). This was a slight decrease (5%) in the number of requested inspections compared to FY 2013-14. For FY 2015-16 our target is to meet 99% while accommodating the approximately 4,000 inspections necessary for the sewer hook-ups in Los Osos.

**Land Use Permits/Subdivisions**

The number of land use and subdivision applications processed in FY 2014-15 was 128 (as compared to 127 in FY 2013-14). The percentages of projects processed within the processing time goals decreased by 4% in FY 2014-15 due to the combined effect of staff vacancies, appeals, and significant staff time required for large controversial projects. As positions are filled it is expected that permit processing times will improve. The department foresees that appeals and controversial projects will continue to require significant staff time. In FY 2014-15, 44 out of 96 categorical exempt projects were processed within 60 days with an average processing time of 79 days. 20 of 32 Negative Declarations were processed within 180 days. The average processing time for Negative Declaration projects was 170 days, which is within the goal of 180 days. The FY 2015-16 target for processing projects within the established timeframes is 75%.

**Code Enforcement**

For FY 2014-15, code enforcement conducted initial inspections on 100% of complaints within 10 days, and achieved 60% voluntary compliance within 45 days. The voluntary compliance target for FY 2014-15 was 75%. All cases are reviewed within 10 working days of initiation with the majority viewed the same week they are brought to our attention. Life/Safety issues and environmental damage cases are a priority and are field inspected within 48 hours. Due to staffing priorities being shifted (e.g.; Stormwater Audit) our voluntary compliance target of 75% within 45 days was not met. In the last two quarters of FY 2014-15 we have caught up fully with the backlog of cases in this program. The FY 2015-16 targets remain unchanged as 100% of initial inspections being completed within 10 days of receipt and achieving 60% of voluntary compliance within 45 days.

**Long Range Planning**

79% of the reports and public review drafts of long range plans within FY 2014-15, have been completed within the timeframes set by their work programs. Of the 14 plans or studies either completed or in process, 11 are on schedule, or completed, or have had their schedules revised to reflect changes in circumstances, as described below. In addition, as the Board shifts priorities in the department – this can also lead to delays in the items that are tracked here. The descriptions below contain details as to the status of the projects and their schedule. The 14 long-range plans being tracked are the (1) Annual Report on the General Plan, (2-3) Strategic Growth implementation amendments and studies (Complete Communities Survey, Infill Subdivision-Development Standards), (4) “Clean Up” Amendments, (5) Resource Management System (RMS) and Growth Management Ordinance (GMO) revisions, (6) San Miguel Community Plan, (7) Resource Management System Biennial Report (8) Paso Robles Groundwater Basin Urgency Ordinance Implementation, (9) Los Osos Community Plan, (10) Renewable Energy Streamlining Program, (11) Countywide Water Programs, (12) Revisions to Los Osos Plumbing Retrofit Programs and (13) Housing and Economic Element Programs, and (14) Workforce Housing Amendments. The department provides the Board with regular updates regarding department workload and priorities. This will result in better estimates of the time needed for completion of Long Range planning initiatives, as well as allowing the department to track new or different priorities as set by the Board. For FY 2015-16, our target is 85%.

Long Range Programs:

The following is a description of each long range plan, including its current status, whether it is on time and the reason for or circumstance involving any delay.

(1) Annual Report on the General Plan (annually). The Annual Report for FY 2013-14 was presented to the Planning Commission on November 6, 2014 and to the Board on December 2, 2014, which meets expectations. The report contains the necessary information to fulfill state requirements to measure progress in implementing the General Plan.

(2-3) Strategic Growth implementation amendments and studies. A package of amendments to encourage infill development and implement other aspects of Strategic Growth was authorized by the Board in 2009. Since then, Strategic Growth implementation efforts have been focused on several studies funded by a grant from the California Strategic Growth Council. The studies are intended to enhance unincorporated communities by encouraging infill development, planning for infrastructure, calculating the effects of strategic growth and other land use scenarios, and illustrating compatible infill development and community expansion. In November 2011, the Board approved consultant contracts, together with work programs and schedules for several strategic growth-related projects, including amendments to encourage infill development. Work began on these amendments in winter 2011. As of April 2015, the grant project has been completed. A series of proposed amendments that focus on permit streamlining are pending public outreach, Board authorization, and public hearings.

- a) *Infill Subdivision – Development Standards study to revise standards and remove barriers in order to encourage in-town development.* The project started in December 2011 and was largely completed in July 2014, about 12 months behind schedule. The major work products include ordinance revisions and a “Great Communities Design Toolkit.” Adjustments were made to the original scope of work by phasing the work products to result in more useful and immediately usable work products, but this added some time to the work schedule. The ordinance revisions recommended by this study are expected to be presented to decision makers in the future in a phased manner. The first such amendment processed included an exclusion of mini-storage warehouses in the Residential Multi-Family land use category. The Toolkit is scheduled to be considered by the Planning Commission in Winter 2015.

(4) Clean up Amendments. On December 16, 2014, the Board approved the first set of "clean up" amendments to Titles 21 and 22. The department will continue to bring amendments forward in small packages from time to time in order to keep the department's ordinances up to date and current, as well as reflect any changes in state law. The initial package was completed within the time frames established in the work program.

(5) RMS and GMO revisions. The Planning Commission recommended approval of the RMS amendments in September 2014. The Board approved these revisions on December 16, 2014. On May 19, 2015 the Board of Supervisors adopted amendments to the GMO to update the fiscal year references for the maximum number of new dwelling units allowed for the Nipomo Mesa area for Fiscal Year 2015-2016 and maintain the 0% Cambria growth rate per fiscal year for the period from July 1, 2015 through June 30, 2018. The Board also approved to maintain the 2.3% County wide and 1.8% Nipomo Mesa growth rates for FY 2015-16.

(6) San Miguel Community Plan Update. In November 2011, the Board authorized processing a Community Plan Update, together with a work program and schedule. The work schedule was revised to reflect a new approach to public outreach that engaged the public up-front, rather than after release of the public draft. This responds to community sentiment and formation of a sub-committee to review the community plan and could save time in the long run. As a result, the Public Review Draft plan was released in June 2013, in line with the revised work program. The staff-prepared Public Hearing Draft Plan and Draft EIR were expected to be released in mid-2014. However, due to staff workload, consultant assistance was sought to complete the EIR using the draft chapters that had been prepared in-house. This has resulted in a delay in releasing the Draft EIR and the Public Hearing Draft Plan. Rincon Consultants, Inc. has been selected to prepare the Administrative Draft EIR, which will feature programmatic mitigation measures in order to streamline the environmental review process for future projects. The Draft EIR and Public Hearing Draft Plan are now expected to be released in Winter 2015.

(7) Resource Management System Biennial Report. On May 5, 2015, the Board approved the 2012-2014 Biennial Resource Summary Report of the RMS. A public draft of the 2014-2016 report is anticipated to be completed by the end of FY 2015-16 so that it can be considered by the Water Resources Advisory Committee in Fall 2016 and by the Board in winter of FY 2016-17. This is expected to be completed within the established time frames.

(8) Paso Robles Groundwater Basin (PRGWB) Urgency Ordinance Implementation. The Board of Supervisors adopted an urgency ordinance on August 27, 2013, and on October 8, 2013 extended the ordinance through August 2015. The Board directed staff to conduct outreach to stakeholders and gather input on procedures for vesting rights exemption. This issue was considered by the Board of Supervisors on November 26, 2013. This is in line with the established work plan. In February 2014, in order to implement the Urgency Ordinance, the Board of Supervisors approved a water conservation program for new development that began in April 2014, consistent with established time frames. In March 2014, the Board approved a contract with the Upper Salinas-Las Tablas RCD to develop and manage an agricultural water conservation program to implement the Urgency Ordinance. The draft water conservation program was prepared on schedule and was considered by the Board in October 2014 per the expected time line. On February 24, 2015, the Board directed staff to begin drafting a revised agricultural water conservation program for the PRGWB, which would take effect after the expiration of the Urgency Ordinance. The new program will require that all new plantings in the PRGWB be water neutral, no new vested rights will be granted, and it will expire when a sustainable groundwater management plan for the basin has been adopted. On March 31, 2015, staff released drafts of the proposed ordinance amendments that would be necessary to implement the revised program. On July 30, 2015, the Planning Commission considered the proposed ordinance amendments and is scheduled to consider the items again on August 13<sup>th</sup> and August 27<sup>th</sup>. After consideration, the Planning Commission will make a recommendation to the Board regarding their adoption.

(9) Los Osos Community Plan Update. The Board authorized preparation of this update on December 11, 2012. The update is being closely coordinated with the Basin Management Plan (draft released on August 1, 2013) and the Habitat Conservation Plan (administrative draft submitted to the U.S. Fish and Wildlife Service in June, 2014). Biweekly meetings with a subcommittee of the Los Osos Community Advisory Council began in June 2013 and continued through July 2015. The Public Review Draft Community Plan was released on January 20, 2015. Due to extensive comments received by the resource agencies on the Habitat Conservation Plan, the time frame for the Community Plan update has been delayed. The Draft EIR is anticipated to be released in Spring 2016. The project is expected to be completed within the revised timeframes.

(10) Renewable Energy Streamlining Program. The Board approved the grant agreement with the California Energy Commission (CEC) on July 9, 2013 and the contract was approved by the Board on August 13, 2013 for this project, which includes amendments to revise policies, combining designations and ordinances to streamline development of renewable energy projects in areas of the county that meet selected criteria. The Planning Commission approved the program in February 2015 and the Board of Supervisors approved the program in March 2015. This project was completed within the revised time frames.

(11) Countywide Water Programs. On March 4, 2014, with subsequent direction in May 2014, the Board of Supervisors authorized processing of water conservation related amendments to ordinances and policies regarding new landscape requirements and incentive programs to reduce outdoor water use, retrofit-on-sale, water waste, water neutral new development, and water supply assessments for new land divisions. On July 8, 2014, the Board gave highest priority to the amendments regarding water neutral development and water waste and directed staff to bring those items to the Board for final action before August 27, 2015 (expiration of the Paso Robles Groundwater Basin Urgency Ordinance). Public review drafts of the water neutral new development and water waste prevention ordinances and policy amendments, together with the Final EIR, have been completed. On July 21, 2015, the Board directed staff to defer the introduction of ordinances associated with the Countywide Water Conservation Program and direct the Clerk to set said ordinances for public hearing and action after the Planning Commission had completed its review and had made a recommendation to the Board regarding all of the associated ordinances and General Plan amendments. On August 13, 2015, the Planning Commission made a recommendation that the Board implement the proposed Countywide Water Conservation Program. The Countywide Water Conservation Program, as recommended by the Planning Commission will be brought to the Board on October 6, 2015 and October 27, 2015.

(12) Revisions to Los Osos Plumbing Retrofit Programs--Titles 8 and 19. On January 14, 2014, the Board of Supervisors authorized processing of amendments to the Title 19 retrofit-to-build ordinance and directed staff to provide options for continuation of the Title 8 retrofit-on-sale ordinance. Public review draft amendments were released ahead of schedule in October 2014. The amendments were then introduced at the Board on November 4, 2014, heard by the Board on November 25, 2014, and continued to February 10, 2015 for final action. On February 10, 2015, the Board approved changes to Title 8 and Title 19. The Title 8 Retrofit on Sale program was amended with only minor changes to plumbing fixture requirements. The Title 19 Retrofit to Build Program was amended for various changes, including no longer allowing retrofit work in the Prohibition Zone to count as credits for new development and allowing for a one time transfer of water conservation certificates when certain conditions are met

Housing & Economic Development Programs:

Most programs of this section are ongoing, such as grants administration and Mobilehome Park Rent Review Board support. They are "on schedule" in that deadlines set by funding sources and by the Mobilehome Park Rent Stabilization Ordinance were met, so no sanctions from the funding sources were imposed and no complaints from Mobilehome Park owners, residents or the Rent Review Board were filed.

(13) Workforce Housing Amendments. In July 2014, the Board authorized amendments to the Land Use Ordinance and General Plan to facilitate workforce housing. County staff has since been working with the Building Design and Construction cluster of the Economic Vitality Corporation to scope proposed amendments. A public review draft of the amendments is on track for release in Fall 2015, and will likely include two components: (1) revisions to various ordinance standards for new subdivisions providing workforce housing; and (2) increased flexibility for allowing residential development in commercial mixed use projects. Additionally, a companion guidance document will be developed, providing guidelines for the design of new workforce housing subdivisions. Staff will conduct outreach to advisory groups in Summer 2015. The timing of this project has been delayed due to staff workload matters. The amendments are expected to be considered by the Planning Commission in December 2015, with Board action following shortly thereafter. The project is expected to meet revised time frames.

**3. Performance Measure: Percentage of customers who rate the overall services provided by the Planning and Building Department as "above satisfactory" or higher through continuous client surveys.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
95%	97%	95%	82%	95%	82%	90%

**What:** The Planning and Building Department's customers who submit building and land use permits will be continuously surveyed to determine how well their needs were served.

**Why:** To ensure effective customer service is provided and track changing customer expectations.

**How are we doing?** The department's feedback from our customers continues to be positive. Through June of FY 2014-15, 82% of the individuals who completed surveys, sent e-mails or letters rated the department as above satisfactory or higher for our overall services (320 of 388). In addition, over the past fiscal year, the department's performance has been affected by workflow issues related to increases in activity, as well as in training and in staff turnover. This has resulted in some increases in processing time that has led to less positive survey responses. Included in these survey responses are community group outreach and engagements such as the Los Osos Community Plan, public information outreach workshops on water-related amendments, and our attendance to all the Community Advisory Councils. The Department dialogued with citizens and collected responses to concerns and needs regarding their community's future. These meetings were well-attended and were for the most part positive and exhibited hope for the community in creating "community driven plans".

The department continuously seeks to improve service through direct outreach to our customers and stakeholders using the Planning User Group and the Building User Group meetings. We have tracked customer "wait times" at our Permit Center and these continue to remain low (average of ten minutes) even as our workload has increased. We have improved the accessibility of our Permit Center and reduced Vehicle Miles Traveled by the opening of our North County Service Center in early FY 2014-15 and with our e-Permit process. We track customer service phone calls through our "Call Guru" software - a program developed by our staff that allows us to keep track of and return phone calls in a timely manner - usually by the end of the next day. Through June 2015, the Permit Center has assisted 16,001 walk-ins for general questions, 504 code enforcement and pre-application appointments, and returned 7,608 general information phone calls, issued 281 e-Permits and accepted 279 e-Applications for Building permits.

**Department Goal:** Promote economic development and affordable housing opportunities countywide pursuant to the Economic and Housing Elements of the County General Plan.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**4. Performance Measure: Number of newly constructed/purchased affordable housing units for low - and moderate - income families.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
80 housing units	39 housing units	44 housing units	13 housing units	135 housing units	151 housing units	135 housing units

**What:** Affordable housing units resulting from permit requirements and incentives (including state, federal and local funds) to maximize the number of newly constructed /purchased affordable housing units provided for low and moderate-income families.

**Why:** Affordable housing enhances the health of families and improves the stability of communities and the local workforce.

**How are we doing?** The department uses federal funds (from the United States Department of Housing and Urban Development) and the County's Title 29 funds (in-lieu fees) to help nonprofit developers construct affordable housing units. In addition, a small number of affordable units are constructed privately (farm support quarters and secondary dwellings). The actual number of housing units produced in FY 2014-15 was 151. Federal HUD funds were used to construct the following: 35 units in Arroyo Grande (Courtland Street Apartments), and 80 units in Paso Robles (Oak Park 1). Title 29 funds were used to assist with construction of 18 units in Atascadero (El Camino Oaks) and 6 units in Oceano (PSHHC-Oceano townhomes). Three units were acquired through the First Time Home Buyer program funded with state CalHome program. In addition, 7 affordable secondary dwelling units (4 for moderate income households and 3 for very low and low income households), and 2 farm support quarters were built in the unincorporated county.

The projected number of affordable housing units to be constructed or rehabilitated in FY 2015-16 is 100 units. Federal HUD funds will be used to construct the following: 42 units in San Luis Obispo (South Street Apartments), and 20 units in Morro Bay (Morro del Mar). Title 29 funds were used to assist with construction of 18 units in Atascadero (El Camino Oaks). At least three units will be acquired through the First Time Home Buyer program funded by state CalHome program. In addition, it is anticipated that 2 affordable secondary dwelling units (1 for moderate income households and 1 for very low and low income households), and 2 farm support quarters will be built in the unincorporated county. A total of 13 mobile homes will be repaired through the County's minor home repair program.

Although the department coordinates funding, the number of housing units constructed is difficult to estimate because the department does not construct the housing. However, each year, we poll our nonprofit partners to determine the projected completion date of the projects they are building and use this information to develop the target for the upcoming fiscal year.

**Department Goal:** Promote the values of good planning and building through education and outreach

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**5. Performance Measure: Percentage of planned public outreach and education efforts completed during the year.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
465*	93%	93%	100%	93%	100%	100%

\*Note: this measure was revised in FY 2011-12 to report the percentage of planned outreach and education efforts rather than the actual number of outreach and education events.

**What:** To provide public information/training and gather public input through outreach on specific topics of interest that impact the land owners of the unincorporated areas of the County.

**Why:** To improve, strengthen and foster maximum participation in the process through listening to concerns and educating stakeholders about department processes and the benefits of good planning and building programs.

**How are we doing?** The success of our work depends on our ability to gather information from stakeholders, inform residents and property owners of our efforts, and educate the general public about planning and building. Our public outreach and education is designed to promote public awareness for a wide variety of audience and stakeholders within and outside government.

Our on-going measures include: live broadcasting and web-streaming of Planning Commission meetings, live web-streaming of Airport Land Use Commission, Subdivision Review Board and Planning Department meetings, staff reports and agendas available on the webpage, e-comment for hearing items available on the webpage, "how to" and other informational handouts available on the webpage, interactive Geographic Information System (GIS) mapping and data on the webpage, annual GIS day, Community Advisory Councils (CAC) liaison duties, yearly CAC training, quarterly CAC chair meetings, yearly California Environmental Quality Act training, resource report training as needed (i.e. geology, biology), on-going erosion control training, Agriculture Liaison Advisory Board and Water Resource Advisory Board presentations, guest lecturing at Cal Poly and Cuesta College, a quarterly newsletter, and information provided on Facebook, Twitter and YouTube.

To continue our successful collaboration with agencies, organizations and residents, our goal for FY 2014-15 was to complete certain outreach and public education efforts. The department is proposing to continue many of the outreach and education initiatives from FY 2014-15 to FY 2015-16. The number shown in parentheses below represents the number of meetings from FY 2014-15 within the respective effort. Where a program's specific outreach was completed in FY 2014-15, it will be removed from the list for FY 2015-16. Where a measurement is noted, the department will provide a report on that measure. In FY 2013-14 the department completed 100% of planned public outreach and for FY 2014-15 the department has completed 100% as well. For FY 2015-16, the department projects a similar number of efforts for public outreach.

Completed in FY 2014-15 and continuing to FY 2015-16

- CDBG / HOME (and other housing grant) Outreach & Public Workshops (10 meetings in FY 2014-15 reduced from 20 meetings in FY 2013-14 per the decrease noted in the revised Community Participation Plan for CDBG)
- Homeless Services Oversight Council Meetings (20 meetings)
- Energy Retrofit Training (4-events and 1 (one) 5 -week Home Performance Building Course for Contractors,
- National Pollutant Discharge Elimination System (NPDES) Training & Outreach (3 meetings) (number of grading regulation violations as compared to permits issued – 3 out of 14, many of the violations are allowed alternate review and wouldn't require a permit)
- San Miguel Community Plan Outreach (18 meetings)
- Resource Education (Water, Oak Woodlands, Mining, GIS, etc.) (2 meetings)
- Mobilehome Park Rent Stabilization Ordinance Education (10 meetings)
- Stakeholder Outreach (Building Industry, Environmental Interests, Professional Organizations, Service Organizations, etc.) (10 meetings)
- Workforce Housing Coalition (15 meetings)
- Economic Vitality Corporation Board of Directors meetings (10 meetings)
- SLO County Housing Trust Fund Commission (10 meetings)
- User Group Outreach (2 meetings)
- Energy Efficiency Financing Outreach (47 events held throughout the county)
- Paso Robles Groundwater Basin Urgency Ordinance Implementation Outreach (2 meetings)

Identified to begin in FY 2015-16

- Proposed Countywide Water Conservation Program (25 meetings)
- Supportive Housing Consortium (11 meetings)
- HMIS User Group Outreach (2 Meetings)

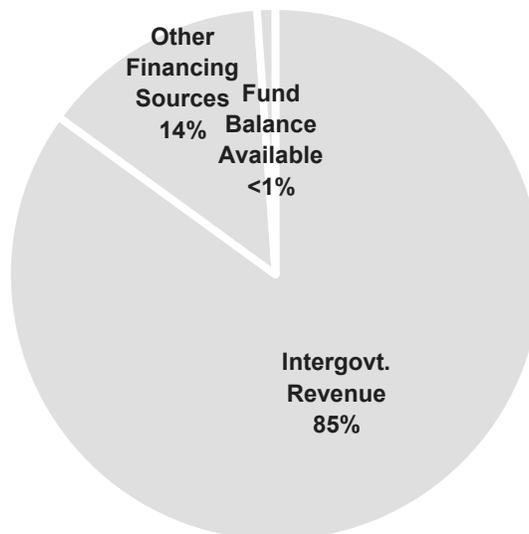
For FY 2015-16 the department is anticipating meeting all of the outreach and public education efforts as identified as continuing or new above.

**MISSION STATEMENT**

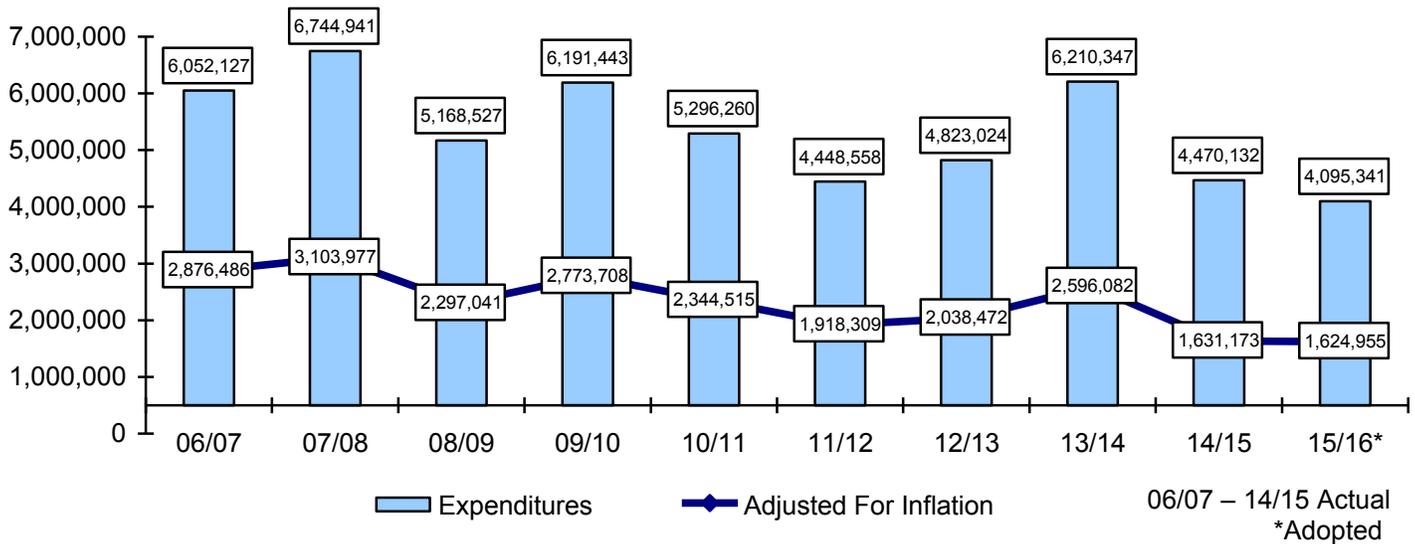
The mission of Community Development is to enhance the quality of life for San Luis Obispo County through programs that provide affordable housing, shelter and services for the homeless, economic development opportunities, and public improvements to benefit the communities that we serve.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Revenue from Use of Money & Property	\$ 625	\$ 1,608	\$ 0	\$ 0	\$ 0
Intergovernmental Revenue	5,804,929	4,070,252	3,396,467	3,503,905	3,503,905
Other Revenues	0	2,143	0	0	0
Other Financing Sources	412,464	391,436	391,436	391,436	591,436
<b>Total Revenue</b>	<b>\$ 6,218,018</b>	<b>\$ 4,465,439</b>	<b>\$ 3,787,903</b>	<b>\$ 3,895,341</b>	<b>\$ 4,095,341</b>
Fund Balance Available	\$ 37,167	\$ 44,840	\$ 0	\$ 0	\$ 40,148
Cancelled Reserves	0	0	0	0	0
<b>Total Financing Sources</b>	<b>\$ 6,255,185</b>	<b>\$ 4,510,279</b>	<b>\$ 3,787,903</b>	<b>\$ 3,895,341</b>	<b>\$ 4,135,489</b>
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	746,242	823,128	650,786	780,734	780,734
Other Charges	5,464,105	3,647,004	3,137,117	3,114,607	3,314,607
Fixed Assets	0	0	0	0	0
<b>Gross Expenditures</b>	<b>\$ 6,210,347</b>	<b>\$ 4,470,132</b>	<b>\$ 3,787,903</b>	<b>\$ 3,895,341</b>	<b>\$ 4,095,341</b>
Contingencies	0	0	0	0	40,148
New Reserves	0	0	0	0	0
<b>Total Financing Requirements</b>	<b>\$ 6,210,347</b>	<b>\$ 4,470,132</b>	<b>\$ 3,787,903</b>	<b>\$ 3,895,341</b>	<b>\$ 4,135,489</b>

**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

Community Development functions under the Planning and Building Department. Community Development has a total expenditure level of \$4,095,341 to provide the following services:

**Federal Department of Housing and Urban Development (HUD)  
Funded Community Development Block Grants (CDBG)**

Provides funding for a variety of community development activities provided they 1) benefit primarily lower-income persons, or 2) aid in the prevention of slums or blight.

Total Expenditures: \$1,645,012 Total Staffing (FTE): \*

**Home Investment Partnership Act (HOME) Funds**

Provides for a variety of affordable housing opportunities for lower-income households such as mortgage and rent assistance.

Total Expenditures: \$637,847 Total Staffing (FTE): \*

**Federal Emergency Shelter Grants (ESG)**

Provides funding for operations of one or more shelters, homeless day centers, and domestic violence shelters.

Total Expenditures: \$145,085 Total Staffing (FTE): \*

**Continuum of Care (CoC) Funds**

Provides funding for permanent housing, transitional housing and case management services for homeless persons.

Total Expenditures: \$1,075,961 Total Staffing (FTE): \*

**General Fund Support for Programs Benefiting the Homeless**

Provides funding for emergency shelter services for homeless persons.

Total Expenditures: \$202,500 Total Staffing (FTE): \*

**General Fund Support for Economic Development Services**

Provides \$148,775 in funding for economic development services provided through the nonprofit Economic Vitality Corporation (EVC), such as business surveys, international trade classes, assistance to businesses, and collaboration on County economic strategies and \$200,000 in funding to support the economic development activities and job creation priorities through the SLO HotHouse.

Total Expenditures: \$348,775 Total Staffing (FTE): \*

**General Fund Support for SLO Co Housing Trust Fund**

Provides funding for housing finance services throughout the County.

Total Expenditures: \$40,161 Total Staffing (FTE): \*

\*Staff is budgeted in FC 142 – Planning and Building

**DEPARTMENT COMMENTS**

The Community Development Fund Center obtains, administers and distributes Federal and state grant funding to assist local organizations in providing affordable housing, public facilities, public services (such as shelter and meals for the homeless), and economic development financing and technical assistance (such as educational workshops for businesses) throughout the county. This Fund Center also provides General Fund support for special community development programs such as shelter and services for homeless persons, economic development activities by the Economic Vitality Corporation and operating costs for the San Luis Obispo County Housing Trust Fund.

During and after four onsite monitoring visits by staff of the U.S. Department of Housing and Urban Development (HUD) during FY 2012-13, FY 2013-14 and FY 2014-15, HUD directed the County to implement additional administrative tasks, including more frequent monitoring of cities and nonprofit groups receiving Federal funds through the County, preparing more detailed procedures for all of the Federal grants, and preparing more detailed documentation relating to federal environmental review of funded activities. In response to this HUD direction, the Planning and Building Department shifted its staffing assignments in order to enable staff trained in HUD grants to implement the additional work. Overall, this resulted in an increase in staff commitment for Fund Center 290.

In addition, HUD strongly encouraged the County to assume grant administration responsibilities for the Community Development Block Grant (CDBG) funds which are allocated for use by the participating cities since those cities did not have staff fully trained to ensure compliance with numerous Federal requirements of the grant. The County and six cities approved three-year cooperation agreements, which assign grant administration responsibilities to the County along with CDBG revenue to cover the County's increased cost to administer the cities' CDBG funds. In order to provide the staffing needed to meet HUD requirements and administer the cities' CDBG funds for FY 2015-16, the Planning and Building Department has allocated one additional position in support of Fund Center 290.

Following are some of the Fund Center's notable accomplishments for FY 2014-15 and objectives for FY 2015-16:

**FY 2014-15 Accomplishments**

- Distributed approximately \$5 million dollars in Federal and state grant funds for affordable housing, public facilities, public services and economic development programs to individuals, cities, unincorporated communities and local non-profit organizations.
- Constructed handicapped accessible curb/sidewalk improvements in the cities of Atascadero and Paso Robles.
- Property acquisition on 313 South St with San Luis Obispo City CDBG for 40 units of affordable rental housing.
- Provided approximately \$1.6 million dollars in funding for shelter and other services for homeless persons countywide.
- Provided \$1.5 million of HOME funds to construct the 36-unit Courtland St Apartments in Arroyo Grande.

**FY 2015-16 Objectives**

- Distribute approximately \$3.5 million dollars in Federal grant funds for affordable housing, public facilities, public services and economic development programs to individuals, cities, unincorporated communities and local non-profit organizations.
- Use General Fund support to provide shelter and other services for the homeless persons and families.
- Provide funding for the Americans with Disabilities Act (ADA) improvements to Cities of Morro Bay, Paso Robles, and Atascadero.
- Provide \$150,000 to San Lawrence Terrace well blending pipeline in San Miguel so that the water supply will meet Federal drinking water standards.
- Provide \$700,000 to acquire 20 affordable rental housing units on Humbert Ave. in San Luis Obispo through the Housing Authority of the City of San Luis Obispo. 10 of the 20 units will serve homeless veterans.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

Recommended funding for the Community Development budget includes a full accounting of Federal funds received and transferred to participating cities and agencies in compliance with General Accounting Standards Board rules.

Total financing sources for Community Development are recommended to decrease by \$61,868 or 1% compared to the FY 2014-15 adopted budget. Contingencies in the amount of \$44,840 were included in the FY 2014-15 adopted budget due to a Fund Balance Available (FBA) of this amount at year end. The recommended FY 2015-16 budget does not include the use of any Contingencies or FBA.

Approximately \$3.5 million of the total \$3.9 million in revenue budgeted in FY 2015-16 represents grant funding from the U.S. Department of Housing and Urban Development (HUD) and includes the following:

Community Development Block Grant (CDBG)	\$1,645,012
HOME grant	\$637,847
Emergency Shelter Grant (ESG)	\$145,085
Continuum of Care grants (CoC)	\$1,075,961

The amounts reflect a \$17,339 (1%) increase in CDBG, a \$88,316 (12%) decrease in HOME, a \$9,589 (7%) increase to ESG, and a \$44,360 (4%) increase in CoC funding compared to the FY 2014-15 adopted budget.

The reduction in expenditures reflects the reduced grant funding total noted above. More than \$863,000 in CDBG funds will be distributed to six incorporated cities, with the largest shares going to the City of San Luis Obispo (\$405,515) and the City of Paso Robles (\$166,575). In addition, approximately \$2.2 million in grant funds from CDBG, HOME, ESG and CoC programs will be distributed to various non-profit organizations.

The level of General Fund support is recommended to remain flat at \$391,436 compared to the FY 2014-15 Adopted Budget. The recommended General Fund support includes: \$202,500 for homeless programs, \$148,775 for the Economic Vitality Commission (EVC), and \$40,161 for the San Luis Obispo Housing Trust Fund.

Of the \$202,500 for Homeless Programs, \$180,000 is allocated to service providers that operate emergency shelter programs based on a competitive application process. After receiving applications for the County's General Fund support funds, a five-person ad-hoc subcommittee of the Homeless Services Oversight Council (HSOC) met to discuss and recommend funding allocations using the County CDBG Public Services funds, ESG funds, and General Fund support funds. The full HSOC advisory body made the final funding recommendations at its January 21, 2015 meeting. The HSOC recommendation for County General Fund support allocation is shown below.

<b>Homeless Services Programs</b>	<b>2015 General Fund support Allocations</b>
Prado Day Center by CAPSLO	\$18,825
Maxine Lewis Shelter by CAPSLO	\$56,025
ECHO Shelter Services	\$29,000
Women's Shelter SLO Emergency Shelter	\$22,097
Women's Shelter Prevention/Re-Housing	\$6,978
RISE	\$36,650
Transitional Food and Shelter	\$10,425
<b>Total 2015 General Fund support funds</b>	<b>\$180,000</b>

In addition to the \$180,000 of General Fund support shown above for programs providing emergency shelter services for homeless persons, the County set aside an additional \$22,500 for other homeless related programs (i.e. safe parking, warming centers, and other unforeseen services). The funds have yet to be allocated.

Staffing to administer the HUD grant programs and contracts funded with General Fund support is included in Fund Center 142 - Planning and Building. In FY 2015-16, \$392,298 in funding will be transferred to Planning and Building to support the cost of administering these programs. As previously reported to the Board of Supervisors, funding levels for HUD grants have declined over the past few years, while the administrative requirements for these grants have expanded. After four onsite monitoring visits, HUD strongly encouraged the County to assume grant administration responsibilities for the CDBG funds, which are allocated for use by the participating cities. In FY 2014-15, the County and six cities approved three-year cooperation agreements assigning CDBG grant administration responsibilities to the County along with increased CDBG revenue to help cover the administration costs. For FY 2015-16, the County will retain \$198,540 of the cities' share of general administration funds to administer the cities' CDBG funds.

HUD also directed the County to implement additional administrative tasks making it difficult for Planning and Building to reduce costs to match the level of funding provided in these grants. This situation results in an impact to the General Fund of approximately \$254,518 in FY 2015-16. This is down from \$335,000 in FY 2014-15. In addition, in response to a compliance review by the HUD-Civil Rights Compliance Division the County has agreed to implement a fair housing strategy. Included in Fund Center 142 – Planning and Building's budget is the recommended budget augmentation request of \$25,000 to implement a Fair Housing Plan. Staff continues to pursue options to reduce administrative workload in order to reduce the impact to the General Fund.

**BOARD ADOPTED CHANGES**

During the budget hearings, the Board approved an annual contribution in the amount of \$200,000 to the SLO HotHouse to support the economic development activities and job creation priorities of the HotHouse. The County's financial contribution was funded from General Fund Contingencies and will go directly towards supporting the payment of rent and utilities, staff costs, and programs.

On September 15, 2015, the Board approved an increase in the appropriation to Contingencies for FC 290 in the amount of \$40,148 due to actual Fund Balance Available from FY 2014-15 coming in higher than assumed in the FY 2015-16 Proposed Budget.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

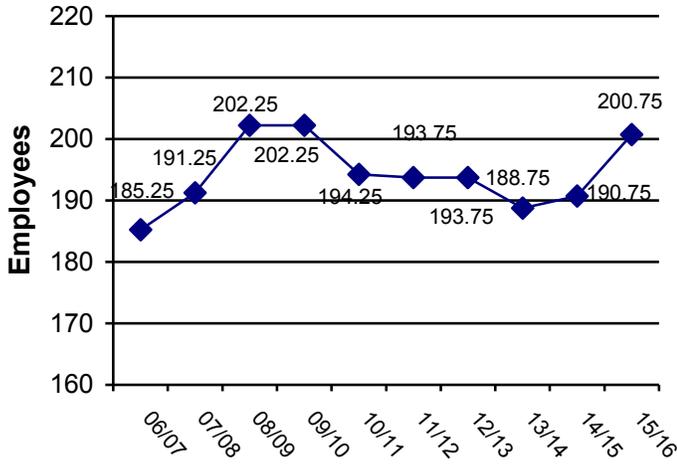
None requested.

**MISSION STATEMENT**

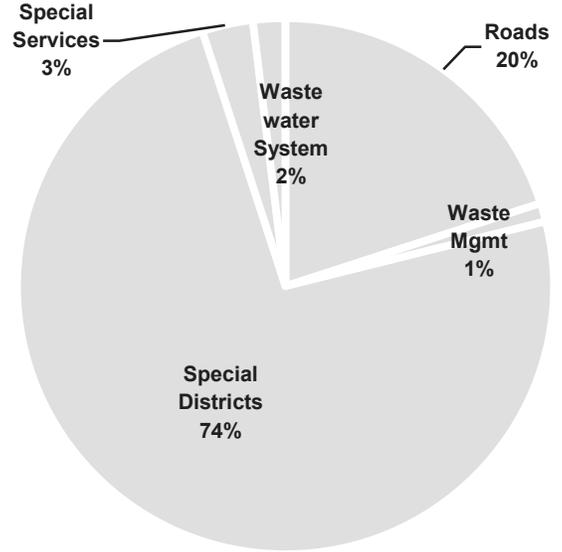
Provide public services related to the safe and efficient movement of traffic on County maintained roadways; engineering and surveying review of proposed land development; administration and operation of various water and waste water wholesale and retail facilities; long term master water planning; and franchise administration for the unincorporated areas.

OPERATING DETAIL (1)	2013-14 ACTUAL (2)	2014-15 ACTUAL (3)	2015-16 RECOMMENDED (4)	2015-16 ADOPTED BY THE BOS (5)
<b>OPERATING REVENUES</b>				
Charges for Services	28,496,602	30,913,226	34,265,943	34,486,043
Other Revenues	411,033	106,303	0	0
TOTAL OPERATING REVENUES	28,907,635	31,019,529	34,265,943	34,486,043
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	19,903,925	20,824,624	23,430,171	23,618,071
Services and Supplies	7,323,582	9,199,938	9,638,912	9,638,912
Insurance Benefit Payment	0	0	255,317	255,317
Depreciation	764,705	807,759	825,881	825,881
Countywide Overhead Allocation	60,862	10,217	115,662	115,662
TOTAL OPERATING EXPENSES	28,053,074	30,842,538	34,265,943	34,453,843
OPERATING INCOME (LOSS)	854,561	176,991	0	32,200
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest	24,862	40,495	50,000	50,000
Gain (Loss) on sale of Asset	39,912	62,616	0	0
Other	0	0	150,000	150,000
TOTAL NON-OPERATING REVENUES (EXPENSES)	64,774	103,111	200,000	200,000
INCOME BEF. CAPITAL CONTRBS. & TRANSFERS	919,335	280,102	200,000	232,200
Contributions in (Out)	(789,018)	(808,769)	(150,000)	(150,000)
CHANGE IN NET ASSETS	130,317	(528,667)	50,000	82,200
Net assets - beginning	17,883,151	18,013,462	18,063,462	17,484,795
Net assets - ending	18,013,462	17,484,795	18,113,462	17,566,995
<b>FIXED ASSET EXPENDITURES</b>				
Equipment	1,836,552	888,023	1,473,000	1,505,200
TOTAL FIXED ASSET EXPENDITURES	1,836,552	888,023	1,473,000	1,505,200

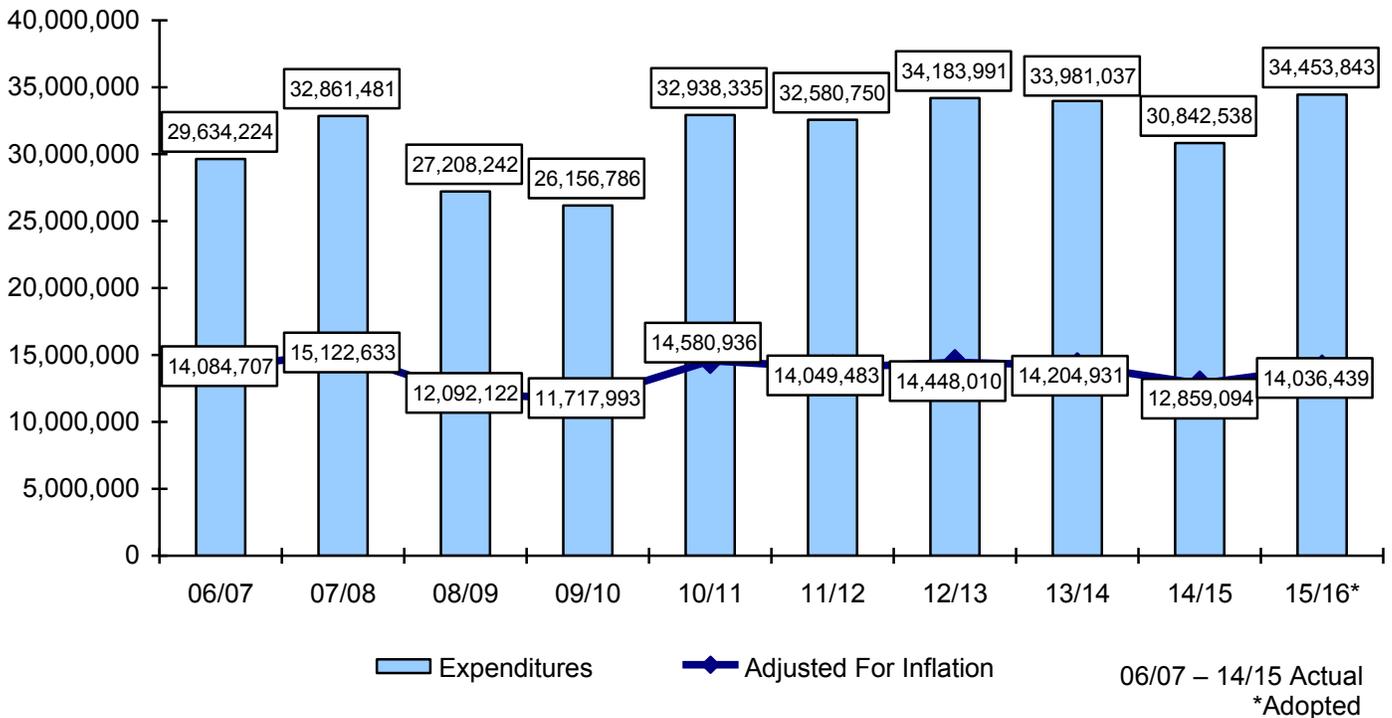
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

The Public Works Internal Service Fund has a total expenditure level of \$34,453,843 and a total staffing level of 200.75 FTE\* to provide the following services:

**Development Services**

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: \$666,537 Total Staffing (FTE): 4.60

**Operations Center - Water and Sewer**

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: \$109,842 Total Staffing (FTE): 0.80

**Roads**

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: \$6,794,249 Total Staffing (FTE): 90.00

**Services to Special Districts**

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

Total Expenditures: \$269,512 Total Staffing (FTE): 1.61

**Special Districts**

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

Total Expenditures: \$25,469,884 Total Staffing (FTE): 92.86

**Waste Management Programs**

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: \$370,889 Total Staffing (FTE): 2.88

**Work for Outside Departments**

Provide water and sewer system maintenance at the San Luis Obispo County Airport and provide various other engineering services to other County departments and governmental agencies.

Total Expenditures: \$22,016 Total Staffing (FTE): 1.00

**Los Osos Wastewater System**

Provide wastewater collection, treatment, and recycling service to the community of Los Osos.

Total Expenditures: \$750,914 Total Staffing (FTE): 7.00

\* Staffing for the activities of Fund Center 430 – Los Osos Wastewater System, Fund Center 201 –Special Services, Fund Center 245 – Roads, and Fund Center 130 – Waste Management are reflected in Fund Center 405.

**DEPARTMENT COMMENTS**

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

Following are notable accomplishments for FY 2014-2015 and some specific objectives for FY 2015-2016.

**FY 2014-15 Accomplishments**

- Achieved accreditation from the American Public Works Association, indicating that departmental policies and procedures go above and beyond nationally established management practice requirements. The department is only the 4th California county and 96th agency nationwide to receive this honor.
- Initiated efforts to form a separate Paso Robles Groundwater Basin Water Management District. This included an application to the Local Area Formation Commission (LAFCO) along with a plan for services, proposed boundary, and recommended funding plan.
- Created a new water resources division within the department to provide focused planning related to County water resources.
- Continued construction of the Los Osos Water Recycling Facility and completed construction of the collection system pump stations.
- Delivered over \$35 million in Public Works infrastructure projects.

**FY 2015-16 Objectives**

- Complete the Paso Robles Groundwater Basin Water Management District formation process.
- Continue to coordinate work efforts to meet the requirements of the newly passed Sustainable Groundwater Management Act.
- Begin startup and commissioning period for the Los Osos Wastewater System.
- Continue to meet regularly with advisory committees, the public, the Board of Supervisors, and numerous Federal and State agencies to understand customer needs and be a valued partner enhancing the quality of life for our fellow county residents.

**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 – Special Services, Fund Center 130 – Waste Management, Fund Center 430 – Los Osos Wastewater System, 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 most of the other County department 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 2015-16 recommended estimated numbers to FY 2014-15 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 2015-16 budget of \$34,265,943 is an increase of \$614,093 or 1.8% compared to FY 2014-15 estimated amounts. Salaries and benefits are increasing by \$1,518,104 or 7% when compared to FY 2014-15 partially due to negotiated salary and benefit increases as well as routine promotion and step increases. The majority of this increase (\$847,262), is from the recommended addition of 9.00 FTE positions. Of these, 6.00 FTE positions are recommended to be added to operate the Los Osos Wastewater System when it comes on-line in the latter half of FY 2015-16. This includes 4.00 FTE Wastewater Systems Workers, 1.00 FTE Assistant Wastewater Systems Superintendent, and 1.00 FTE Administrative Assistant. The first two types of positions will be new classifications, and as of the writing of this narrative, the job specifications for these positions are being developed for hearing and consideration by the Civil Service Commission, anticipated around June of 2015. The new classifications are needed in order to recruit and retain employees with skills, qualifications, and certifications specific to wastewater operations. For the purposes of the FY 2015-16 budget, the salary cost for the Wastewater Systems Workers is based on the Water Systems Workers classification, and the Assistant Wastewater Systems Superintendent cost is based on the Assistant Water Systems Superintendent classification. As noted, the Los Osos Wastewater System is scheduled to be operational in the latter half of FY 2015-16. These positions, along with the Chief Wastewater Treatment Plant Operator that was approved in FY 2014-15 budget, will be funded through the Special Districts budget and no General Fund dollars will be used.

In addition to the positions for the Los Osos Wastewater System, the recommended budget also includes funding for 2.00 FTE Public Works Workers and 1.00 FTE Engineer. The department will be offsetting the cost of the Engineer position in the next fiscal year by postponing some equipment replacements.

The increases and decreases in this budget vary from year to year depending on the multi-year projects being carried out by the fund centers within the ISF. Services and supplies are decreasing by \$1,047,099 or almost 10%, compared to FY 2014-15 estimates.

The Public Works ISF includes budgeted amounts for Special Districts, including 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. The majority of the ISF’s operating revenue and expense (\$25,304,000 or 74%) is comprised of charges to Special Districts, which is a decline of 4% when compared to FY 2014-15 estimated amounts. Although the total expense and revenue for Special Districts is included in the Public Works ISF’s Schedule 10, each district has its own budget that is separate from the overall County budget. These budgets are contained in the Special Districts budget document prepared by Public Works and approved by the Board of Supervisors during the County’s annual budget hearings in June. The other four functional areas in the ISF (Roads, Special Services, Waste Management, and the Los Osos Wastewater System) account for the balance of the ISF operating revenues and expenditures. Specific details about these budgets can be found in the individual fund center budget pages. When compared to the FY 2014-15 estimated amounts, Roads is increasing by \$840,485 or 14%, Special Services is increasing by \$48,651 or 5%, and Waste Management is increasing by \$7,467 or 2%.

**Public Works – Internal Service Fund  
Fiscal Year 2015-16 Final Budget**

**Fund Center 405**

Fixed assets are recommended in the amount of \$1,473,000, which is a decrease of \$108,000 or 7%, from FY 2014-15 budgeted levels. Public Works has a program that ranks the replacement of equipment on several criteria such as useful life, maintenance cost, usage, overall condition, importance to the department, and funding available. No General Fund support will be required in the purchase of this equipment, as the majority will come from the ISF equipment replacement program as well as contributions from the Road Fund and the Los Osos Wastewater Project. The majority of fixed assets being requested are replacing vehicles and/or equipment that are at the end of their useful life. For a complete listing of the ISF’s requested fixed assets, please refer to the Fixed Asset pages in this budget book.

Below is a listing of the major projects to be carried out by the Public Works ISF, as required by the State Budget Act. The major projects include those for roads (including new construction, reconstruction, repair, pavement management, and traffic light replacements), drainage improvement projects, and bridge upgrades, as well as other Special Districts projects. A listing of roads projects can be found in Fund Center 245 – Roads, while a listing of projects carried out on behalf of Special Districts can be found in the Special Districts budget book printed under separate cover.

Project No.	Project Description	Phase Completion at 6/30/16	Funding Requirements for 15/16	Previous Years Balance to be Encumbered	New Funding to be Appropriated 15/16
<b>County Operations Center</b>					
320072	County Operations Center - Kansas and Oklahoma Avenue waterline improvements	Final Plans, Specs, Est	764,396	764,396	0
Total County Operations Center			764,396	764,396	0
<b>Development Services</b>					
300451	Oak Shores Track 2162 - Phase 1 Bond Claim Work	30% Construction	288,635	288,635	0
Total Development Services			288,635	288,635	0
<b>Los Osos Wastewater Project</b>					
300448	Los Osos Wastewater Project	Construction Complete	34,833,461	34,833,461	0
Total Los Osos Wastewater Project			34,833,461	34,833,461	0
<b>Waste Management</b>					
320071	Los Osos Landfill - Groundwater Contamination Corrective Action, Pump and Treat Remediation Project	30% Plans, Specs, Est	408,977	108,977	300,000
Total Waste Management			408,977	108,977	300,000
<b>TOTAL</b>			<b>36,295,469</b>	<b>35,995,469</b>	<b>300,000</b>

**BOARD ADOPTED CHANGES**

As part of the Supplemental Budget document, the Board adopted a number of changes for this fund center. The first request was a technical item for retroactive approval to delete 1.00 FTE Chief Wastewater Treatment Plant Operator (classification code 09996), which was established as a place-holder classification in the FY 2014-15 budget until the new job specification was approved by the Civil Service Commission. This deletion had been made previously without the necessary Board authorization. The second request added 1.00 FTE Division Manager to the new Water Resources Division, which had been approved by the Board on April 14, 2015. This addition created a net expenditure increase of \$187,900. The third and fourth requests are additions to the Fixed Asset List for one replacement service crane (\$16,200) and a \$16,000 increase in cost for a replacement 1-ton truck with a crane, for a total cost of \$58,000. These funding increases were inadvertently omitted from the department’s budget request. There are no General Fund impacts related to any of these changes.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

<b>Amount</b>	<b>Description</b>	<b>Results</b>
Gross amount: \$446,936 General Fund: \$0	Add 4.00 FTE Wastewater Systems Worker Trainee, I, II, III *	Adequately operate the new Los Osos Wastewater System (Fund Center 430), in accordance with the State Water Resources Control Board regulations and permits.
Gross amount: \$52,586 General Fund: \$0	Add 1.00 FTE Administrative Assistant	Adequately staff and provide administrative support for the new Los Osos Wastewater System (Fund Center 430), in accordance with State-mandated training and reporting requirements.
Gross amount: \$122,495 General Fund: \$0	Add 1.00 FTE Assistant Wastewater Systems Superintendent	Adequately operate and provide supervisory and technically skilled expertise for the new Los Osos Wastewater System (Fund Center 430), in accordance with the State Water Resources Control Board regulations and permits.
Gross amount: \$126,382 General Fund: \$0	Add 2.00 FTE Public Works Worker I, II, III	Reduce backlog of maintenance work orders from 8 to 12 weeks down to 6 to 8 weeks and ensure more timely response to service requests.
Gross amount: \$98,863 General Fund: \$0	Add 1.00 FTE Engineer I, II, III	Fulfill new Federal and State mandates related to monitoring vehicle miles travelled (per Senate Bill 743) and implement a roadway sign reflectivity monitoring program which will help ensure adequate level of night-time visibility of the County’s 30,000 roadway signs.

\*Note: This new classification was approved by the Board of Supervisors on August 8, 2015.

**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).

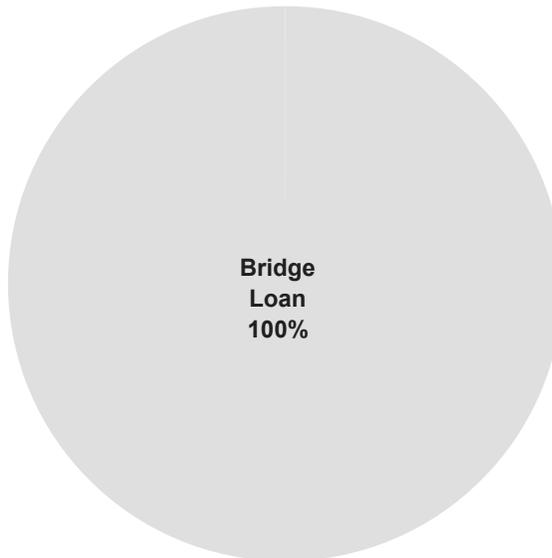
<b>Department Goal:</b> Deliver Capital Projects on time and on budget.							
<b>Communitywide Result Link:</b> <input checked="" type="checkbox"/> Safe <input type="checkbox"/> Healthy <input type="checkbox"/> Livable <input type="checkbox"/> Prosperous <input checked="" type="checkbox"/> Well-Governed Community							
<b>1. Performance Measure: Percentage of capital projects that are completed on time.</b>							
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target	
78%	78%	84%	80%	90%	71%	85%	
<p><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.</p> <p><b>Why:</b> To determine the timeliness of capital project completion which enhances public health and safety by providing infrastructure defined in the need for each project.</p> <p><b>How are we doing?</b> The department ended 2014-15 with a result of 71% for this performance measure. During this fiscal year, Public Works delivered approximately \$52 million in infrastructure improvements. Delivery rate decline is due to a combination of redirecting staff to respond to Water Resources issues and in additional resource agency requirements for permits on projects. In order to improve milestone delivery, staff have been working with a refined project milestone list that was implemented this year. Overall, 41 of 58 approved milestones were completed on schedule. There were seventeen projects that were delayed for the following reasons:</p> <ul style="list-style-type: none"> <li>• Five projects required additional design time</li> <li>• Five projects had a change in scope</li> <li>• Three projects were delayed by regulatory agencies</li> <li>• Two project were reassigned a lower priority</li> <li>• One project was delayed due to actual construction phase being rescheduled</li> <li>• One project had bid irregularities that led to rebidding</li> </ul> <p>Due to regulatory requirements for the department's current set of projects, the 15-16 target has been revised from 90% as it was included in the proposed budget to 85%. There is no standardized comparable data available.</p>							
<b>2. Performance Measure: Percentage of capital projects that are completed at or under budget.</b>							
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target	
89%	87%	91%	93%	90%	90%	90%	
<p><b>What:</b> 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.</p> <p><b>Why:</b> To determine how accurately project costs are estimated so that funds are allocated and projects are prioritized properly.</p> <p><b>How are we doing?</b> The department ended the year on target with 90%. Of the 41 project milestones that were completed on schedule, 37 were completed within the allocated budget. Four projects exceeded their allocated budget for the following reasons:</p> <ul style="list-style-type: none"> <li>• One project had a design cost error</li> <li>• One project did not have funding allocated for mitigation</li> <li>• One project had a regulatory agency delay which resulted in additional staff and consultant costs</li> <li>• One project had a funding delay which required in a mid-year budget adjustment</li> </ul> <p>There is no standardized comparable data available.</p>							

**MISSION STATEMENT**

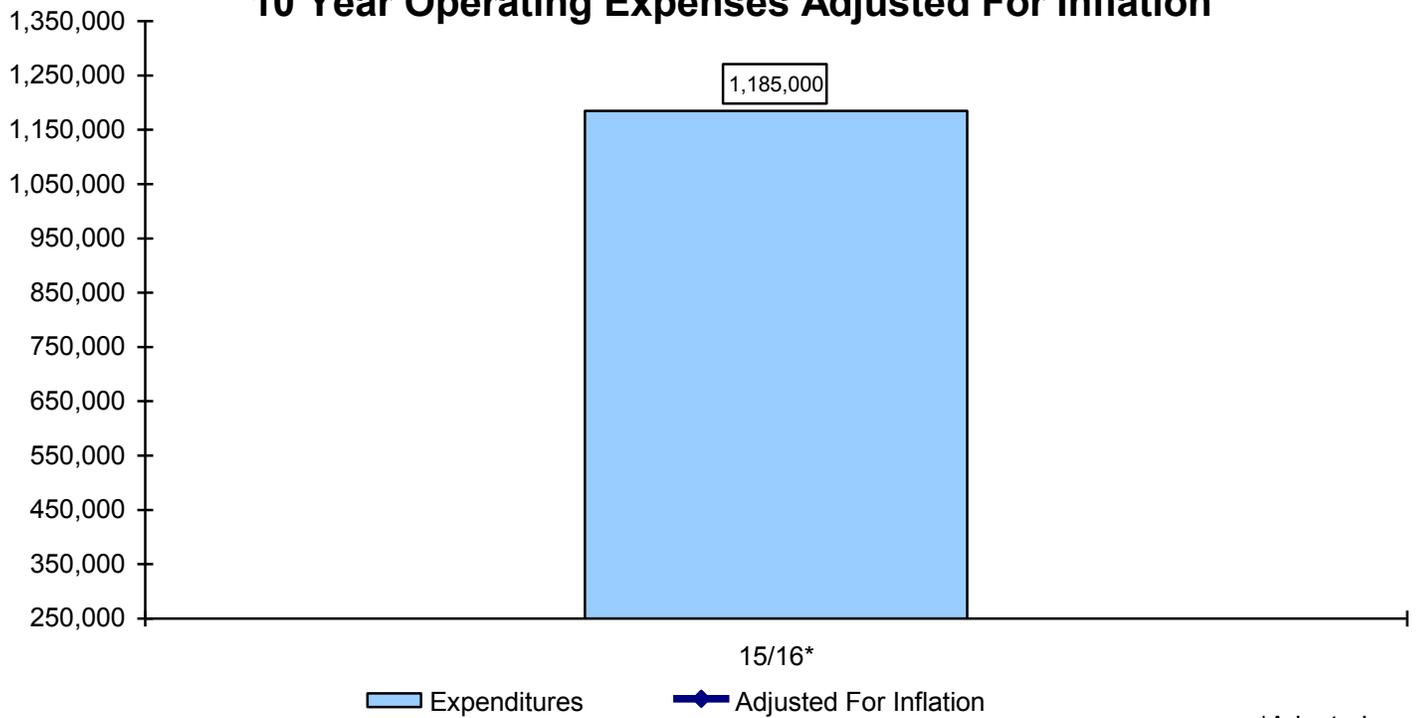
Provide the community of Los Osos the highest level of health and safety, water quality and environmental protection through effective administration and operation of wastewater and recycled water services.

OPERATING DETAIL (1)	2013-14 ACTUAL (2)	2014-15 ACTUAL (3)	2015-16 RECOMMENDED (4)	2015-16 ADOPTED BY THE BOS (5)
<b>OPERATING REVENUES</b>				
Charges for Current Services	0	0	0	0
Other Revenue	<u>2,665</u>	<u>1,459,049</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUES	2,665	1,459,049	0	0
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	743	697	0	0
Services and Supplies	<u>232,760</u>	<u>233,031</u>	<u>1,185,000</u>	<u>1,185,000</u>
TOTAL OPERATING EXPENSES	<u>233,503</u>	<u>233,728</u>	<u>1,185,000</u>	<u>1,185,000</u>
OPERATING INCOME (LOSS)	(230,838)	1,225,321	(1,185,000)	(1,185,000)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest Income	<u>10,200</u>	<u>12,830</u>	<u>0</u>	<u>0</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>10,200</u>	<u>12,830</u>	<u>0</u>	<u>0</u>
INCOME BEF. CAPITAL CONTRBS. & TRANSFERS	(220,638)	1,238,151	(1,185,000)	(1,185,000)
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Capital Contributions	57,506,961	24,913,648	51,000,000	51,000,000
Transfers In	638,679	2,966,203	1,185,000	0
Transfers Out	(3,447)	(382)	0	0
Bond Issue Costs	<u>(251,784)</u>	<u>0</u>	<u>0</u>	<u>0</u>
CHANGE IN NET ASSETS	57,669,771	29,117,620	51,000,000	49,815,000
<b>NET ASSETS</b>				
Net Assets-Beginning	46,986,452	104,656,221	134,483,837	133,773,843
Net Assets-Ending	104,656,223	133,773,843	185,483,837	183,588,843
<b>FIXED ASSET EXPENDITURES</b>				
Capital Projects	<u>55,175,963</u>	<u>39,357,783</u>	<u>51,000,000</u>	<u>51,000,000</u>
TOTAL FIXED ASSET EXPENDITURES	<u>55,175,963</u>	<u>39,357,783</u>	<u>51,000,000</u>	<u>51,000,000</u>

### Source of Funds



### 10 Year Operating Expenses Adjusted For Inflation



\*Adopted

**SERVICE PROGRAMS**

The Los Osos Wastewater System functions under the Department of Public Works. It has a total operating expenditure level of \$1,185,000 to provide the following services.

**Los Osos Wastewater System**

Provide wastewater collection, treatment, and recycling service to the community of Los Osos.

Total Expenditures: \$1,185,000 Total Staffing (FTE): \*

\*Staffing is reflected in Fund Center 405 – Department of Public Works

**DEPARTMENT COMMENTS**

The Los Osos Wastewater System, once completed, will be comprised of 49 miles of pipeline, 21 pump stations, and a water recycling facility to provide 100% wastewater reuse for the community of Los Osos. Revenues will be generated from the users of the system to cover the operations and maintenance costs. The system is expected to begin operations during the latter half of FY 2015-16.

Following are some specific objectives for FY 2015-16. (There are no previous year's accomplishments, as this fund center is included for the first time in this year's budget.)

**FY 2014-15 Accomplishments**

- None – Fund Center 430 is new for the FY 2015-16 budget.

**FY 2015-16 Objectives**

- Secure bridge funding to cover operations for approximately six months to a year until sufficient operating revenues are available from system users.
- Hire and train staff to operate and maintain the system.
- Transition from the construction phase to the startup phase of operations.
- Begin the process of connecting the approximately 4,700 customers according to the phased connection plan.
- Identify financial grant assistance available to low income households for connecting to the system.
- Develop a low income rate assistance program for ongoing user charges.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The Los Osos Wastewater System is operated as an Enterprise Fund. Enterprise funds charge user fees for services. The State Controller's Office requires enterprise funds to be reported using an Operation of Enterprise Fund Schedule 11. The format of the Schedule 11, and some of the data it contains, is different from how most other County department budgets are reported. For consistency purposes, the data provided in the narrative, service programs, and 10-year expenditure chart are derived from the Schedule 11.

The system's ongoing operations are expected to begin in the latter part of FY 2015-16, using a bridge loan to cover initial operating expenses. Staffing is expected to begin in summer of 2015, with ongoing facility operations coming on-line in the summer of 2016. It is important to note that the project activities and associated costs prior to ongoing facility operations are borne by the project costs, as reflected above in the capital contributions line of the Schedule 11. As project costs wind down, this budget will account for the ongoing operations and maintenance costs once the system is operational and generating revenue. In general, the staff time and equipment used to bring the system up to an operational capacity are reflected in project costs.

Operating expenses are budgeted at \$1,185,000 for FY 2015-16. All expenses are budgeted for in services and supplies, since all services are "bought" from Fund Center 405, the Public Works Internal Service Fund. Of this amount, labor is budgeted at approximately 51% of expenses, professional services at 26%, and departmental overhead at 15%.

As referred to above under FY 2015-16 Objectives, the department will need to secure bridge loan funding to cover cash flow needs until the system is fully operational, which could take from six to twelve months. The funds that are budgeted as a "transfer in" would cover six months of expenses until the end of FY 2015-16. Therefore, bridge loan funding may also be necessary for FY 2016-17. At the time of this writing, the department is preparing an item on this matter for consideration by the Debt Advisory Committee.

**BOARD ADOPTED CHANGES**

As part of the Supplemental Budget document, the Board approved a request to amend the Schedule 11 for this fund center in order to remove the bridge loan amount (\$1,185,000) listed as a "transfer in." This change of a technical nature was made to ensure that the Schedule 11 meets the standards of the General Accepted Accounting Principles (GAAP). The bridge loan amount will consist of an "operating transfer in" for budgeting purposes and is reflected at the Form A account level detail.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

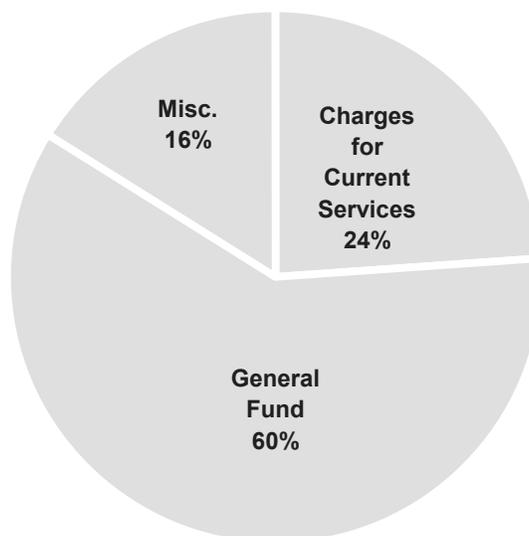
The budget augmentation requests related to this fund center are included in Fund Center 405 – Public Works Internal Service Fund.

**MISSION STATEMENT**

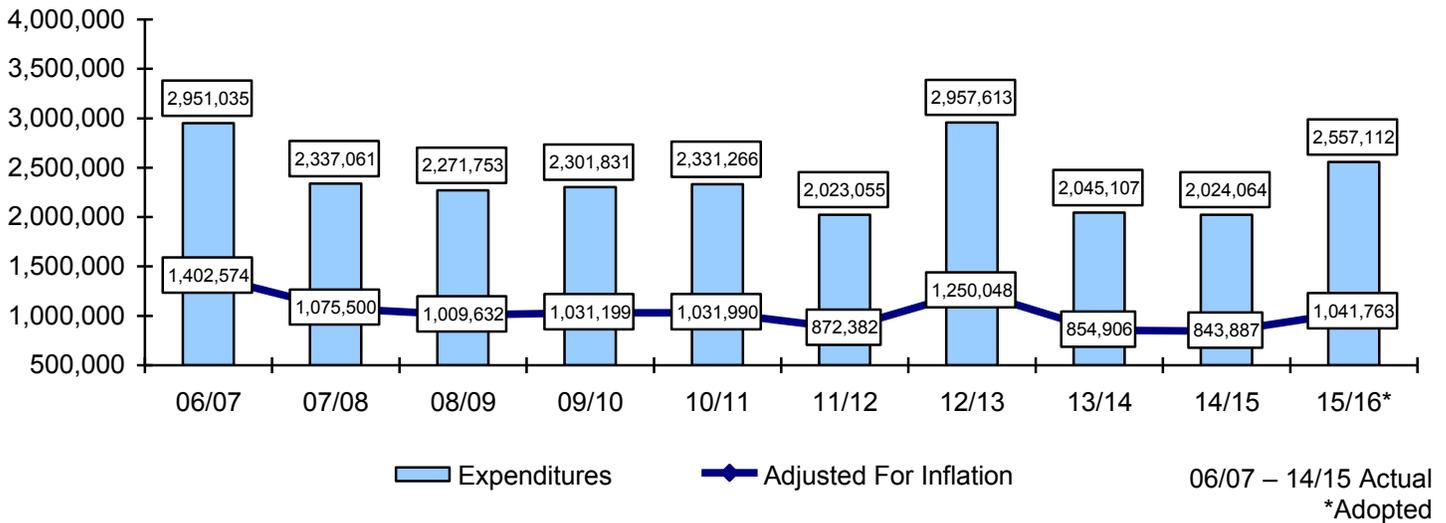
Provide public services related to engineering and surveying review of proposed land development; provide public facilities and services that ensure health and safety in the administration and operation of water and waste water service at the County Operations Center; engineering support to special districts; and franchise administration for the unincorporated areas in a manner which promotes excellence in delivery of government services to the public.

	2013-14	2014-15	2015-16	2015-16	2015-16
<u>Financial Summary</u>	<u>Actual</u>	<u>Actual</u>	<u>Requested</u>	<u>Recommended</u>	<u>Adopted</u>
Licenses and Permits	\$ 94,003	\$ 75,938	\$ 73,556	\$ 73,556	\$ 73,556
Intergovernmental Revenue	25,573	24,073	11,984	11,984	11,984
Charges for Current Services	509,109	611,521	616,952	616,952	616,952
Other Revenues	110,751	19,958	1,907	1,907	1,907
Other Financing Sources	0	0	250,000	250,000	250,000
Interfund	36,827	46,871	56,290	56,290	56,290
<b>**Total Revenue</b>	<b>\$ 776,263</b>	<b>\$ 778,361</b>	<b>\$ 1,010,689</b>	<b>\$ 1,010,689</b>	<b>\$ 1,010,689</b>
Services and Supplies	2,045,041	2,024,064	2,557,112	2,557,112	2,557,112
Fixed Assets	66	0	0	0	0
<b>**Gross Expenditures</b>	<b>\$ 2,045,107</b>	<b>\$ 2,024,064</b>	<b>\$ 2,557,112</b>	<b>\$ 2,557,112</b>	<b>\$ 2,557,112</b>
General Fund Support (G.F.S.)	<u>\$ 1,268,844</u>	<u>\$ 1,245,703</u>	<u>\$ 1,546,423</u>	<u>\$ 1,546,423</u>	<u>\$ 1,546,423</u>

**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

Special Services functions under the Department of Public Works. Special Services has a total expenditure level of \$2,557,112 to provide the following services:

**Development Services**

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

Total Expenditures: \$932,095 Total Staffing (FTE): \*

**Operations Center - Water and Sewer**

Provide water and sewer service to County departments and other agencies in and around the Kansas Avenue area off Highway 1 in San Luis Obispo.

Total Expenditures: \$1,025,364 Total Staffing (FTE): \*

**Services to Special Districts**

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 FC 405 – Public Works Internal Service Fund financing methods; to provide administration of the County's cooperative road improvement program, cable TV regulation and access activities, and franchise administration.

Total Expenditures: \$599,653 Total Staffing (FTE): \*

\* Staffing is reflected in Fund Center 405 – Department of Public Works

**DEPARTMENT COMMENTS**

As a Public Works fund center, the primary programs of Special Services are Development Services, County Operations Center, and Services to Special Districts. Development Services provides engineering and surveying review of land development. The County Operations Center provides water and wastewater service to agencies around the Kansas Avenue area of San Luis Obispo. Services to Special Districts provide a wide variety of support services to special districts as directed by the Board of Supervisors.

Following are notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16.

**FY 2014-15 Accomplishments**

- Successfully obtained \$2 million in State and Federal grants to construct an emergency water intertie with Atascadero Mutual Water Company to serve Garden Farms and Santa Margarita.
- Achieved an average 1.3 week turnaround time for permit processing and map checking services, which is well under the statutory 4 week limit.
- Achieved an overall Development Services customer satisfaction rating of 4.75 out of 5 which is in the "very good" category.
- Developed a new County Code Section for State cable franchise regulations.
- Transferred the Charter cable franchise to a State franchise and added a second education channel.
- Continued to meet all water quality regulations for the Operations Center system.

**FY 2015-16 Objectives**

- Complete water and sewer master plan updates for the County Operations Center.
- Design of a water line loop to provide necessary fire flow to the Juvenile Hall expansion and new Sheriff Dispatch Center.
- Complete infrastructure improvements required for the Oak Shores (Lake Nacimiento) development including road repair.
- Complete the franchise renewal with Phillips 66 Petroleum.
- Work to renew or transfer the San Simeon cable franchises to a State franchise.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The Public Works Special Services fund center functions under the umbrella of the Public Works Internal Service Fund (ISF). All staffing and necessary equipment needed to carry out the programs in this fund center are provided by the ISF and charged back as services are performed.

The recommended FY 2015-16 General Fund support, at \$1,546,423, is increasing by \$115,029 or 8% when compared to FY 2014-15 adopted amounts. Revenue for fee based services, such as parcel or tract map review, is projected based on any fee changes approved by the Board of Supervisors during the County's annual fee schedule review as well as annualized current year actuals. Overall, revenue is estimated to increase by \$319,301, or 46%. The bulk of the increase is from an influx of funds from the prior sale of PG&E allocations for utility undergrounding projects. These allocations can either be used or sold to other jurisdictions. Sales of these allocations in 2013 produced \$250,000, which was then set aside to help cover future undergrounding projects. These revenues are budgeted so that funds are readily available for continued efforts on the four projects in progress, and if any additional undergrounding projects are approved by PG&E. The increase in revenues would be 10% without this item. Other significant changes in revenue are due to an increase in development fees (\$61,045) and a decrease in water charges from water conservation (\$7,706).

Overall, expenses are increasing by \$434,330, or 20% compared to FY 2014-15. Over half this increase is from the \$250,000 for utility undergrounding projects, discussed above. The increase in expenses would be 8.7% without this item.

Labor charges are allocated for water, sewer, water quality, hydraulic operations, and planning efforts for the upcoming year. To accommodate this, the ISF redistributes job classifications to match the skills and expertise needed. The result, in conjunction with prevailing wage adjustments approved in FY 2014-15, is an increase of \$256,151 in labor charges from the ISF. However, the majority of this includes approximately \$176,000 in division overhead that is being separated out from department overhead and included with labor.

Other significant variances include an increase in State water costs (\$23,884) and an increase in countywide overhead (\$46,691). There are no significant service level changes.

**BOARD ADOPTED CHANGES**

None.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

None requested.

**GOALS AND PERFORMANCE MEASURES**

**Department Goal:** Administer, operate and maintain the water distribution and wastewater collection systems at the County Operations Center efficiently and effectively to deliver a reliable supply of safe and regulatory compliant drinking water, maintain and provide a reliable reserve for irrigation and firefighting, and provide for collection, conveyance and monitoring of the wastewater system to protect the public, ensure safety and environmental health, and maintain regulatory compliance. Customers of the County Operations Center are other County departments, Woods Humane Society, and one private property.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**1. Performance Measure: Percentage of days per year that the water system meets mandated water quality standards.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
100%	100%	100%	100%	100%	100%	100%

**What:** This measures the percentage of time during the year that the water distribution system meets State and Federal water quality standards.

**Why:** Provision of regulatory compliant safe and quality drinking water is mandatory to ensure constituent's health and safety

**How are we doing?** Public Works continues to meet this performance measure. Our State certified water quality laboratory located at the Operations Center performs water quality testing of the system's water. Our State Certified Water Systems Workers (Operators) perform scheduled maintenance and periodically operate system components to assure they are in working order. We coordinate with the California Mens Colony as they provide water through their system to the Operations center. This facilitates ongoing system observation before water quality or reliability is impacted. Public Works Utility Division staff engineers evaluate and model segments of the system as requested by the funding agency to assure adequate capacity and flows are met for all Federal, State and local safe drinking water requirements and State fire flow requirements.

Public Works continues to refine drought condition impact in conjunction with the General Services Department to establish contingency plans for provision of adequate potable water plans. Public Works is planning for a possible future reduction of State Water deliveries to the Operations Center. This includes State funds for drought projects for intertie pipelines in the Chorro Valley. We continue to communicate and partner with the California Men's Colony and City of San Luis Obispo's water treatment plant to supply Chorro Valley Agencies which rely solely on State Water.

<b>2. Performance Measure: Number of wastewater collection system and water system failures per year.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
0	0	0	0	0	1	0

**What:** Occurrences of all unscheduled wastewater service failures, i.e. blockages, spills and water system failure/interruptions during the year.

**Why:** The number of failures per year is a reflection of a water or wastewater system's integrity, maintenance and/or operational condition. Closely monitoring the location and frequency of failures can help to identify areas where additional resources may need to be provided for in order to assure continued system integrity and to protect the environment.

**How are we doing?** We had one unplanned water system shutdown for about 2 hours during FY 14-15, due to a closed CMC water valve that we were not aware of when we closed a valve to perform water line service. No other water line or sewer line failures, blockages, spills or interruptions were experienced. We are increasing and enhancing our frequency of communications with the CMC operators to ensure that no repeat interruptions occur. Sewer line upgrades at the Operation Center system have improved the system's reliability and reduced maintenance efforts. Routinely scheduled pipeline jetting plays a significant role in avoiding and preventing sewer system blockages and spills.

<b>3. Performance Measure: Annual number of improvement plan reviews per Full Time Equivalent (FTE) employee.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
90	84	88	78	95	87	95

**What:** Total number of Improvement Plan reviews by the Plan Check Unit divided by the number of Full Time Equivalent (FTE) employees.

**Why:** Measures the efficiency of the Plan Check Unit in reviewing improvement plans.

**How are we doing?** The current amount of activity and staff assigned is expected to remain fairly constant for FY 15-16. Because one of the two plan check staff is in training we did not meet our 14-15 goal.

<b>4. Performance Measure: Number of weeks to review improvement plans.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
1.1 weeks 1st submittals	1.3 weeks 1st submittals	3.7 weeks 1st submittals	5.4 weeks 1st submittals	3.0 weeks 1st submittals	2.3 weeks	3.0 weeks
1.0 weeks re-submittals	1.1 weeks re-submittals	2.1 weeks re-submittals	3.2 weeks re-submittals	2.0 weeks re-submittals		

**What:** Average time it takes to review public improvement construction plans associated with development after receipt from engineers.

**Why:** State law requires that improvement plans be acted upon within sixty working days (approximately 12 weeks) of submittal. This measures accomplishment of our goal of timely service.

**How are we doing?** As the new staff assigned to the division in the third quarter of 14-15 becomes more comfortable with their assignments we are seeing a continued decrease in the number of weeks to review improvement plans. (Note: The procedures used for the 14-15 actual results and 15-16 target have been changed to treat new submittals and resubmittals in the same manner.)

<b>5. Performance Measure: Annual number of survey map reviews per Full Time Equivalent (FTE) employee.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
1,178	1,212	1,086	1,298	1,200	1,780	1,200

**What:** Total number of survey maps (i.e. any land surveying map that falls under the Professional Land Surveyor's Act such as Records of Survey, Subdivision Maps and Corner Records) reviews performed by the Surveying Unit divided by the number of Full Time Equivalent (FTE) employees.

**Why:** Measures the efficiency of the Surveying Unit in reviewing survey maps.

**How are we doing?** The county surveyor's office processed over 334 records of surveys and 339 corner records during 14-15, compared to the more difficult 48 subdivision map checks processed. The large number of easier map check applications contributed to the excellent efficiency results in 14-15 (1,780).

**6. Performance Measure: Number of weeks to review survey maps.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
1.3 weeks	1.3 weeks	1.1 weeks	1.4 weeks	1.5 weeks	1.2 weeks	1.4 weeks

**What:** Average time from receipt of maps (i.e. any land surveying map that falls under the Professional Land Surveyor's Act such as Records of Survey, subdivision maps and Corner Records) from surveyors and engineers until examination (map-check) by County Surveyor staff is completed and returned.

**Why:** State law requires that survey maps be acted upon within 20 working days (approximately 4 weeks) of submittal. This measures accomplishment of our goal of timely service.

**How are we doing?** The quantity of map submittals continues to gradually increase. Our experienced survey staff performed well within State requirements and better than our 14-15 adopted goal.

**7. Performance Measure: Percentage of local engineering and design firms that rate the services provided by Public Works as satisfactory or better.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
85%	89%	100%	100%	90%	81%	95%

**What:** Measures customer satisfaction with Development Services.

**Why:** Information derived from this survey has historically been used to improve customer service.

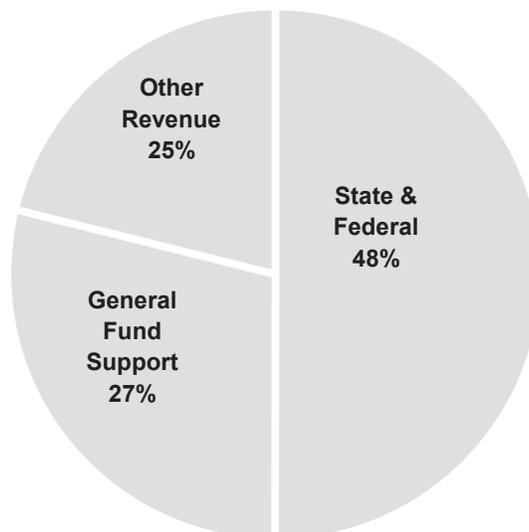
**How are we doing?** To increase feedback we used a web-based survey during the last quarter of 14-15 surveys to poll local engineering, surveying, planning and architectural firms. The polling questions include Surveying Services, Plan Check Services, Inspection Services, Permit Services and response to Public Inquiries. The web survey resulted in 18 responses, or more than double the number received in past years. Of those respondents, we achieved an 81% satisfaction rate with favorable comments on our staff's excellent customer service, map checking and permit checking services. We received average comments on our plan check and inspection services, possibly due to our less experienced staff. Over the next year we will be providing additional training of our plan check staff to improve future results.

**MISSION STATEMENT**

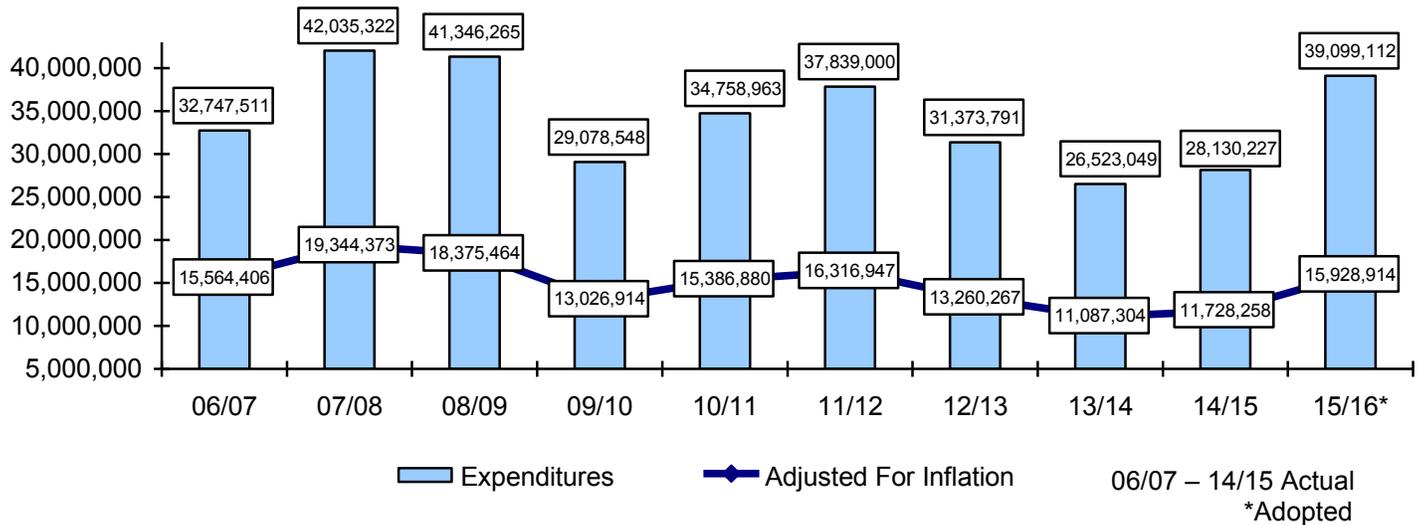
Provide public services related to the safe and efficient movement of traffic on the County maintained roadways.

<u>Financial Summary</u>	<u>2013-14 Actual</u>	<u>2014-15 Actual</u>	<u>2015-16 Requested</u>	<u>2015-16 Recommended</u>	<u>2015-16 Adopted</u>
Taxes	\$ 1,500,826	\$ 1,592,407	\$ 1,578,162	\$ 1,578,162	\$ 1,578,162
Revenue from Use of Money & Property	13,861	38,646	20,000	20,000	20,000
Intergovernmental Revenue	20,254,775	20,519,931	19,656,386	19,656,386	19,656,386
Charges for Current Services	211,597	160,195	140,500	140,500	140,500
Other Revenues	167,691	52,052	8,204	8,204	8,204
Other Financing Sources	6,472,862	8,830,840	8,032,835	11,773,390	11,773,390
Interfund	143,473	74,387	0	0	0
<b>Total Revenue</b>	<b>\$ 28,765,085</b>	<b>\$ 31,268,458</b>	<b>\$ 29,436,087</b>	<b>\$ 33,176,642</b>	<b>\$ 33,176,642</b>
Fund Balance Available	\$ 416,539	\$ 3,249,984	\$ 0	\$ 0	\$ 1,764,500
Cancelled Reserves	944,564	541,202	5,922,470	5,922,470	5,922,470
<b>Total Financing Sources</b>	<b>\$ 30,126,188</b>	<b>\$ 35,059,644</b>	<b>\$ 35,358,557</b>	<b>\$ 39,099,112</b>	<b>\$ 40,863,612</b>
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	17,170,436	19,223,877	19,500,428	19,650,428	19,650,428
Other Charges	370,461	750,474	711,414	561,414	561,414
Fixed Assets	8,982,152	8,155,876	15,146,715	18,887,270	18,887,270
<b>Gross Expenditures</b>	<b>\$ 26,523,049</b>	<b>\$ 28,130,227</b>	<b>\$ 35,358,557</b>	<b>\$ 39,099,112</b>	<b>\$ 39,099,112</b>
Contingencies	0	0	0	0	0
New Reserves	416,539	3,249,984	0	0	1,764,500
<b>Total Financing Requirements</b>	<b>\$ 26,939,588</b>	<b>\$ 31,380,211</b>	<b>\$ 35,358,557</b>	<b>\$ 39,099,112</b>	<b>\$ 40,863,612</b>

**Source of Funds**



**10 Year Expenditures Adjusted For Inflation**



**SERVICE PROGRAMS**

Roads functions under the Department of Public Works. Roads has a total expenditure level of \$39,099,112 to provide the following services.

**Roads Construction**

Construct new roads, or make major improvements to roads within the unincorporated area of the County.

Total Expenditures: \$18,887,270 Total Staffing (FTE): \*

**Roads Maintenance**

Maintain, or make minor improvements to, existing County roads within the unincorporated area of the County.

Total Expenditures: \$20,211,842 Total Staffing (FTE): \*

\* Staffing is reflected in Fund Center 405 – Department of Public Works

**DEPARTMENT COMMENTS**

The primary goals of the Public Works Road Fund, in priority order, are: 1) maintenance of existing roads and bridges; 2) safety improvements at specific locations; 3) improving road system facilities; and 4) providing transportation betterments.

Maintenance related activities include County road crew work to maintain these structures as well as administration of a pavement management program on over 1,330 miles of County roads and a bridge maintenance program on nearly 200 bridges. Construction related activities include new roads, enhancements to existing roads, road reconstruction, new lights and traffic signals, bridges, pedestrian ways and bike paths, drainage improvements, transportation planning, right of way acquisition, environmental mitigation, encroachment inspections, curb gutter and sidewalk design, and administration.

Following are some of the notable accomplishments for FY 2014-15 and some specific objectives for FY 2015-16.

**FY 2014-15 Accomplishments**

- Completed 70 miles of chip seal and surface treatments on arterial, collector, and local roads to improve pavement preservation with additional one-time funding from the General Fund.
- Completed seven miles of asphalt overlay on arterial roads to improve pavement preservation with additional one time funding from the General Fund.
- Delivered over \$10 million in capital projects to address safety, capacity and drainage concerns including:
  1. La Panza Road widening project in Creston
  2. Rehabilitation of South Higuera Street near San Luis Obispo
  3. Overlay of South Bay Boulevard in Los Osos
  4. Park and Ride lots in Nipomo and San Miguel
  5. Main Street Bridge Replacement in Cambria
- Awarded Project of the Year for the Main Street Bridge Replacement project in Cambria from the Central Coast Chapter of the American Public Works Association.
- Completed Federally funded bridge painting project on seven bridges throughout the county.

**FY 2015-16 Objectives**

- Chip seal or surface treat approximately 60 miles of roadway to improve pavement preservation.
- Asphalt overlay approximately 12 miles of high use arterial roadway to improve pavement preservation.
- Complete Los Osos road rehabilitation.
- Complete construction of San Miguel Gateway.
- Complete Price Canyon Road Widening Phase II construction.
- Complete Federally funded bridge maintenance projects on eight bridges throughout the county.

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The Road Fund budget functions under the umbrella of the Public Works Department Internal Service Fund (ISF). All staffing and necessary equipment needed to carry out the programs in this fund center are provided by the ISF and charged back as services are performed.

The recommended FY 2015-16 budget for Roads provides for General Fund support in the amount of \$11,146,107 or 32% increase when compared to FY 2014-15 adopted amounts. The FY 2014-15 adopted budget included a one-time \$2,000,000 allocation for the pavement management program. The FY 2015-16 recommended budget includes a one-time allocation to the pavement management program in the amount of \$3,000,000. The program will also benefit from an ongoing increase of \$740,555 or 10% in General Fund support, added to the department's initial budget request. The total additional General Fund amount of \$3,740,555 for FY 2015-16 will go toward improving countywide road conditions and will not be used for overhead, new positions, equipment, etc. This additional amount will be added to the portion of General Fund support already allocated to the pavement management program of \$4,012,610, for a total of \$7,753,165 in General Fund support going to the program. This is in addition to other funds the department will be directing toward the program including \$3,500,000 in Road Fund reserves, for a grand total of pavement management program funding in the amount of \$11,253,165.

The department uses a pavement condition index (PCI) as a measure to gauge the overall condition of the County's paved roads. As discussed in the goals and performance measures section of this Fund Center, the Board of Supervisors' goal is to maintain a PCI of 65 or better. With the recommended pavement management

program funding in FY 2015-16 of \$11,253,165 (of which \$7,753,165 is supported by the General Fund, as mentioned above), the department estimates that the current PCI score of 61 will increase to 63 by the end of FY 2015-16. Assuming that neither the one-time \$3,000,000 General Fund contribution nor the \$3,500,000 from Road Fund reserves is repeated, the PCI would dip from 63 at the end of FY 2015-16 to 59 in five years. In order for the PCI to achieve a score of 65, the program would require a total of \$10.8 million each year for ten years.

The overall Roads budget (both financing sources and financing requirements) is recommended to decrease by \$3,120,969, or 7%. This includes an influx of \$3,500,000 in cancelled reserves and the increase in General Fund support, discussed above. The majority of the revenue in the Roads budget is derived from State or Federal funding sources; this causes revenues to fluctuate from year to year depending on the multi-year projects being carried out. Accordingly, intergovernmental revenue (State and Federal) is decreasing by \$7,995,499 or 28%, compared to FY 2014-15 levels. In the previous fiscal year, a few large capital projects were budgeted (Price Canyon Road widening, Tar Springs Creek bridge replacement, etc.); therefore, planned capital project expense will be less for FY 2015-16. Also part of the decline in intergovernmental revenue is a decrease (\$1,300,000) in the Highway Users Tax (HUTA), also known as the fuel tax. Each year, the State Board of Equalization (BOE) adjusts the excise tax on fuel, based on demand forecasts and sales tax estimates. In the past couple of years, demand for fuel has declined, and this has affected the amount of tax revenue brought in from the State's excise tax. All other revenue (primarily General Fund support, property taxes, and road impact fees) is projected to increase by \$2,743,246 or 25% compared to FY 2014-15 adopted levels.

Services and supplies accounts are increasing by \$2,381,133 or 13% compared to FY 2014-15 adopted levels. Several factors contribute to this increase:

- Increase in construction contract payments for major maintenance projects by \$973,784, including microsurfacing and bridge work;
- Increase in labor and equipment ordered from the Internal Service Fund (Fund Center 405) for general labor by \$302,001, and labor billed to specific work orders by \$900,790;
- Increase in countywide overhead by \$592,248. (All the fund centers within the ISF are charged countywide overhead through the Board of Supervisors' approved cost plan as well as a portion of the ISF's countywide overhead);
- Increase in insurance charges by \$181,921.

The Road Fund has budgeted \$557,400 for the purchase and replacement of equipment and vehicles in FY 2015-16. This requested funding represents a \$20,600 or 3% decrease from FY 2014-15. A list of the specific equipment and vehicles to be replaced can be found in the Fixed Asset section of this budget book.

The work program statement and listing of major projects being carried out by the Road Fund, below, is required by the State Budget Act.

### **BOARD ADOPTED CHANGES**

At year end, the final fund balance available was \$1,764,500. These funds were allocated to Roads' Future Road Project designation as part of the Board's final budget action on September 15, 2015.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

The budget requests related to this fund center are included in Fund Center 405 – Public Works Internal Service Fund.

<b>FY 2015-16 - Road Fund Work Program Statement</b>		
1	Administration	\$ 3,979,987
2	Construction	\$ 18,887,270
3	Maintenance	\$ 15,674,455
4	Aid to Other Governmental Agencies	\$ -
5	Acquisition of Equipment	\$ 557,400
6	Plant Acquisition	\$ -
7	Reimbursable Work	\$ -
8	Cost Transfers and Reimbursements	\$ -
	<b>Total</b>	<b>\$ 39,099,112</b>

<b>Road Fund Major Projects</b>					
<b>Project No.</b>	<b>Project Description</b>	<b>Phase Completion at 6/30/16</b>	<b>Funding Requirements for FY 2015-16</b>	<b>Previous Years Balance to be Encumbered</b>	<b>New Funding to be Appropriated FY 2015-16</b>
<b>New Road Construction</b>					
300129.09.04	Thompson Avenue near Rancho Road - Oak Habitat Mitigation (Willow Road Project)	2nd Yr Mitigation Complete	(27,484)	(27,484)	0
300140	South Oakglen Operations Study - Operational Improvements	Project Footprint Defined	67,590	67,590	0
300142	Willow Road Interchange - Operational Improvements	2nd Yr Mitigation Complete	2,102,157	1,800,170	301,987
300348	Nacimiento Lake Drive at Adelaida Road - Left Turn Lanes	Ready to Advertise	455,406	430,406	25,000
300372	Halcyon Road at Route 1, Phase 1 - Intersection Realignment	Field Studies Complete	75,000	75,000	0
300520	El Camino Real at Santa Clara Road - Left Turn Lane	Construction Complete	695,972	495,972	200,000
<b>Total New Road Construction</b>			<b>3,368,641</b>	<b>2,841,654</b>	<b>526,987</b>
<b>Road Reconstruction</b>					
300147	Tefft Street and US 101 - Ramp Relocation	Project Footprint Defined	54,770	39,770	15,000
300150	Main Street Interchange, Templeton - Operational Improvements	Project Execution Plan Complete	483,514	483,514	0

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**Fund Center 245**

<b>Road Fund Major Projects</b>					
<b>Project No.</b>	<b>Project Description</b>	<b>Phase Completion at 6/30/16</b>	<b>Funding Requirements for FY 2015-16</b>	<b>Previous Years Balance to be Encumbered</b>	<b>New Funding to be Appropriated FY 2015-16</b>
300273	Small Safety Betterments	N/A	150,000	0	150,000
300321	Los Berros/Thompson Avenue Interchange - Operational Improvements	Project Footprint Defined	242,365	242,365	0
300364	San Luis Bay Drive Interchange - Operational Improvements	Scope Defined	84,414	49,414	35,000
300384	Los Berros Road at Dale Avenue - Left Turn Lane	Final Env Doc	37,822	(2,178)	40,000
300386	Templeton Road from Highway 41 to South El Pomar Road - Road Widening	2nd Yr Mitigation Complete	0	0	0
300397	La Panza Road south of Ryan Road - Road Widening	1st Yr Mitigation Complete	0	0	0
300464	Price Canyon Road Phase II - Road Widening	30% Construction	5,745,071	5,745,071	0
300489	River Road from Magdalena to Mission Lane - Road Widening	30% Construction	1,075,492	1,075,492	0
300490	Buckley Road from Thread Lane to Buttonwood - Two Way Left Turn Lane	30% Construction	969,468	607,468	362,000
300506	Avila Beach Drive Interchange - Operational Improvements	Project Execution Plan Complete	328,098	328,098	0
300508	Countywide Centerline Rumble Strips - Safety Improvements	30% Construction	1,521,479	1,521,479	0
300521	Nacimiento Lake Drive at Chimney Rock Road - Intersection Realignment	Scope Defined	20,000	20,000	0
300522	K Street Park-n-Ride Expansion, San Miguel - Facility Expansion	Construction Complete	17,112	17,112	0
300523	Ontario Road Park-n-Ride Expansion, San Luis Obispo - Facility Expansion	On Hold	116,600	116,600	0
300551	Various Road Reconstruction, Los Osos - Operational Improvements	Construction Complete	891,000	0	891,000
300552	Santa Rosa Creek slope stabilization - Slope Failure	Project Footprint Defined	175,000	0	175,000
300553	See Canyon Road slipout #2 - Slope Failure	90% Plans, Specs, Est	300,000	0	300,000
Total Road Reconstruction			12,212,205	10,244,205	1,968,000

**Public Works - Roads  
Fiscal Year 2015-16 Final Budget**

**Fund Center 245**

<b>Road Fund Major Projects</b>					
<b>Project No.</b>	<b>Project Description</b>	<b>Phase Completion at 6/30/16</b>	<b>Funding Requirements for FY 2015-16</b>	<b>Previous Years Balance to be Encumbered</b>	<b>New Funding to be Appropriated FY 2015-16</b>
<b>New Road Lights, Traffic Signals</b>					
300510	Willow Road Intersection at Pomeroy Road - Traffic Signal	60% Construction	365,075	355,075	10,000
300524	Thompson Avenue Intersection at Titan Way - Traffic Signal	60% Construction	390,661	(26,339)	417,000
300554	Avila Beach Drive at San Miguel Street - Traffic Signal	Project Execution Plan Complete	60,000	0	60,000
Total New Road Lights, Traffic Signals			815,736	328,736	487,000
<b>Drainage Improvements</b>					
300393	Main Street North of 1st Street, Templeton - Drainage Improvements	Construction Complete	125,011	75,011	50,000
300465	Highway 1 and 13th Street, Oceano - Drainage Improvements	Ready to Advertise	2,044,289	1,144,289	900,000
Total Drainage Improvements			2,169,300	1,219,300	950,000
<b>Pedestrian Ways &amp; Bike Paths</b>					
300470	Mission Street, San Miguel Gateway and Pedestrian Improvements - Community Enhancement	Construction Complete	312,977	312,977	0
300485	San Juan Creek Pedestrian Bridge, East Centre Street east of 5th Street - Pedestrian Improvements	Acquisitions Complete	1,656,264	6,264	1,650,000
300525	ADA Ramp Construction 2014-15	Construction Complete	131,730	131,730	0
300526	Front Street between 4th and 19th, Oceano - Community Enhancement/Safety Improvement	Draft Env Document	200,749	200,749	0
300527	Eton Road, Cambria - Pedestrian Improvements	Construction Complete	77,281	47,281	30,000
300555	ADA Ramp Construction 2015-16	Construction Complete	60,000	0	60,000
Total Pedestrian Ways & Bike Paths			2,439,001	699,001	1,740,000
<b>Pavement Management System</b>					
300519	Los Osos - Asphalt Concrete Overlay 2014-15	Construction Complete	3,283,204	3,283,204	0
300550	Nipomo - Asphalt Concrete Overlay 2015-16	Construction Complete	9,350,983	0	9,350,983
Total Pavement Management System			12,634,187	3,283,204	9,350,983

**Land Based**

**C-55**

**Public Works - Roads  
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**Fund Center 245**

<b>Road Fund Major Projects</b>					
<b>Project No.</b>	<b>Project Description</b>	<b>Phase Completion at 6/30/16</b>	<b>Funding Requirements for FY 2015-16</b>	<b>Previous Years Balance to be Encumbered</b>	<b>New Funding to be Appropriated FY 2015-16</b>
<b>Bridges</b>					
300180	Main Street Bridge at Santa Rosa Creek - Bridge Replacement	1st Yr Mitigation Complete	591,221	591,221	0
300382	River Grover Drive at Estrella River - Bridge Rehabilitation	30% Plans, Specs, Est	515,605	515,605	0
300385	Tar Spring Creek Bridge on Branch Mill Road - Bridge Replacement	Construction Complete	2,672,884	2,672,884	0
300387	Geneseo Road at Huerhuero Creek - Bridge Replacement	90% Plans, Specs, Est	548,820	548,820	0
300430	Air Park Drive at Oceano Lagoon - Bridge Replacement	60% Plans, Specs, Est	439,755	439,755	0
300432	Klau Creek Bridge on Cypress Mountain Drive - Bridge Replacement	Contract Award	1,799,880	121,580	1,678,300
300434	Huasna Road at Huasna River - Bridge Replacement	Scope Defined	(329)	(329)	0
300439	El Camino Real at Santa Margarita Creek - Bridge Replacement	60% Plans, Specs, Est	466,975	466,975	0
300452	Lopez Drive Bridge No. 2 at Lake Lopez - Bridge Seismic Retrofit	30% Plans, Specs, Est	1,003,466	303,466	700,000
300455	South Bay Boulevard Bridge over Los Osos Creek - Bridge Replacement	30% Plans, Specs, Est	536,340	536,340	0
300456	Avila Beach Drive at San Luis Obispo Creek - Bridge Seismic Retrofit	60% Plans, Specs, Est	548,347	548,347	0
300514	Jack Creek Road Bridge on Dover Canyon Road - Bridge Replacement	30% Plans, Specs, Est	659,285	659,285	0
300556	Jack Creek Road at Paso Robles Creek - Bridge Replacement	Project Execution Plan Complete	1,000,000	0	1,000,000
300557	Toro Creek Road at Toro Creek - Bridge Replacement	Project Execution Plan Complete	486,000	0	486,000
Total Bridges			11,268,249	7,403,949	3,864,300
<b>Total Road Fund Major Projects</b>			<b>44,907,319</b>	<b>26,020,049</b>	<b>18,887,270</b>

**GOALS AND PERFORMANCE MEASURES**

**Department Goal:** Maintain a good quality county-road system.

**Communitywide Result Link:**  Safe  Healthy  Livable  Prosperous  Well-Governed Community

**1. Performance Measure: Pavement Condition Index (PCI) for ALL county roads.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
60	58	60	61	62	61	63

**What:** Pavement Condition Index, (PCI, also called Pavement Condition Rating) is a numerical index between 0 and 100 which is used to indicate the general condition of a pavement system. A PCI of 80-100 represents a Best road; 61-80 a Good road; 41-60 a Fair road; 21-40 a Poor road and below 21 a Bad road.

**Why:** To better budget the maintenance requirements of the County's road system. The Board of Supervisors has established the goal of maintaining an overall PCI of 65 or better, with no one road category (arterial, collector, local) falling below a PCI of 60.

**How are we doing?** In 2012 the Public Works Department implemented a new pavement maintenance strategy focused on a variety of surface treatments. In past years emphasis was on more expensive major pavement rehabilitation on primary roads resulting in fewer maintained miles. The new strategy utilizes a variety of surface treatments that target roads for different treatment depending on the current condition resulting in a more effective use of available funds. This strategy includes micro surfacing; chip sealing; and thin pavement overlay treatments which may cost one-tenth of a typical pavement overlay. Although these treatments will not repair the most deteriorated roads they will arrest deterioration and help prolong the life of roads in Good to Best conditions.

For FY 2014-15 completed pavement management work includes two overlay projects, at various locations in Los Osos, totaling 6.75 miles and chip or micro surface treatments to numerous local and collector roads in Los Osos and other countywide locations, totaling 67 miles. At fiscal year end, the average PCI for 2014-15 per road category shows our Arterials at 72, Collectors at 61, and Locals at 58. The result is a system wide PCI average of 61.

Based on the expected level of annual pavement management funding budget of about \$4.7 million, we can expect to complete surface treatment on about 60 miles and overlay about five miles of road each year using the strategy described in our Pavement Management Report. This level of effort would yield an overall system at a PCI level of 59. For FY 2015-16 pavement management efforts will be directed to the communities of Nipomo, Oceano, San Miguel and several rural collector roads in the North County, with work scheduled at various times throughout the year. This effort reflects a one-time investment of over \$11 million which is expected to result in a PCI of 63. Because of funding limits a PCI level of 63 will remain our target for future fiscal years although it remains short of the Board adopted goal of having at least a PCI level of 65.

There has been no significant change in the paved County maintained road mileage of 1,092 miles. The paved roads consist of 84 miles of arterial roads, 414 miles of major and minor collector roads, and 594 miles of local roads. There are 244 miles of unpaved County maintained roads.

**2. Performance Measure: Collisions per 100 million entering vehicles at non-signalized intersection.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
26	27	22	22	24	20	24

**What:** Five year average of the number of collisions per 100 million vehicles entering a non-signalized intersection.

**Why:** To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations and determine which improvements are warranted.

**How are we doing?** The collision rate at non-signalized intersections decreased in FY 14-15 over previous years and continues to be below the statewide average of 29 per 100 million vehicles entering the intersection. Public Works monitors over a 100 intersections and continues to improve intersection geometrics, capacity, signage and markings at locations identified. The non-signalized intersection collision rate is expected to continue to decrease or remain constant.

Near term funded non-signalized intersection improvement projects include the El Camino Real Left Turn Lane at Santa Clara Road near the community of Santa Margarita and the Nacimiento Lake Drive Left Turn Lane at Adelaida Road west of the City of Paso Robles. Public Works is also working through Caltrans on the Avila Beach Drive Interchange near the community of Avila and the Main Street Interchange in Templeton to address operational improvements at the ramp intersections. These projects await funding.

**3. Performance Measure: Collisions per 100 million entering vehicles at signalized intersections.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
25	27	28	31	27	34	27

**What:** Five year average of the number of collisions per 100 million vehicles entering a signalized intersection.

**Why:** To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations.

**How are we doing?** The collision rate at signalized intersections increased in FY 2014-15 over previous years. During FY 2015-16, Public Works will be updating the signal timing at signalized intersections for compliance with current standards. In addition, time of day plans will be implemented where beneficial. With timing changes, the collision rate is expected to decrease to previous levels. Although the rate has been increasing, the rate continues to remain well below the statewide average of 53 per 100 million vehicles entering the intersection. Staff projects that we will return to previous year's collision rates in FY 2015-16 by implementing the aforementioned timing revisions and with implementation of work identified in the Road Improvement Fee programs. Statistically intersections and roadways experience higher collision rates as they reach their design capacity limits.

Near term funded signalized intersection improvement projects include Willow Road at Pomeroy Road; and Thompson Road at Titan Way (Nipomo High School). Both projects are located in the community of Nipomo. The Public Works Department also continues to work in conjunction with Caltrans to collaboratively optimize traffic signal progression through the Tefft Street corridor in the community of Nipomo.

**4. Performance Measure: Collisions per 100 million miles on rural roads.**

10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
172	164	148	145	145	104	140

**What:** Five year average of the number of rural road collisions per 100 million miles traveled within the unincorporated area of the county.

**Why:** To determine if this component of the road system is maintaining its expected safety level. To identify possible safety problem areas if the measure exceeds expectations. These are arterial, collector, or local roadways that are located outside the urban reserve lines of the communities.

**How are we doing?** The county's rural road collision rate methodology was updated during FY 2014-15 to use a weighted average versus normal average of the various road segments. The revised methodology had been previously applied to suburban roads starting in FY 2012-13; however, rural roads are more complex and the methodology will continue to evolve. The collision rate continues to be below the statewide average of 200 per 100 million vehicle miles traveled. Nonetheless, we have seen an upswing in the number of fatalities on County roadways after several years of a decline in fatal collisions.

As rural roads are identified as areas of concern, the Public Works Department develops interim low cost solutions to address locations immediately while looking for means to program funding for future capital improvement projects at targeted locations. With improvements to the department's collision database coupled with our continually improving Geographic Information System (GIS) abilities, it is now possible to more rapidly identify collision patterns throughout the rural areas of the County.

Near term funded rural road improvement projects include constructing centerline rumble strips on various inter-regional rural roadways to minimize crossover collisions involving head on or run off road accidents; widening of River Road to install shoulders near the community of San Miguel; widening of Buckley Road to install a continuous center left turn lane south of the City of San Luis Obispo; and widening of Price Canyon Road northeast of the community of Pismo Beach.

<b>5. Performance Measure: Collisions per 100 million miles on suburban roads.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
289	263	172	159	200	156	170

**What:** Five year average of the number of suburban road collisions per 100 million miles traveled. Roads that fall within the urban designation line are considered urban roads and all others are rural.

**Why:** To determine if this component of the road system is maintaining its expected safety level. To identify possible safety problems in urbanized areas if the measure exceeds expectations.

**How are we doing?** The collision rate on suburban roads decreased in FY 2014-15 over previous years and continues to be below the statewide average of 272 per 100 million vehicle miles traveled. The Public Works Department will continue to focus attention on those individual roadways with a higher collision concentration and evaluate design and funding opportunities for improvements. Low cost solutions such as signage and striping are continuously implemented; specifically along Safe Routes to School. Many of the County's suburban roads are included in Road Improvement Fee program and operational and safety improvements are incorporated into those individual projects. Keeping level of service in acceptable ranges limits conflicts between motorists and decreases aggressive driving behavior.

<b>6. Performance Measure: Bridge sufficiency rating.</b>						
10-11 Actual Results	11-12 Actual Results	12-13 Actual Results	13-14 Actual Results	14-15 Adopted	14-15 Actual Results	15-16 Target
90%	92%	93%	93%	93%	95%	93%

**What:** Percentage of bridges with State assigned sufficiency rating (SR) over 50.0 (bridges below 50 are eligible for Federal grant replacement funding)

**Why:** To review maintenance and funding needs in order to keep the structures in a good state of repair.

**How are we doing?** San Luis Obispo County is one of the top counties in the State for maintaining bridge conditions at a high level. This has been the result of an on-going program for maintenance, bridge rehabilitation, and replacement. Construction on the Main Street Bridge at Santa Rosa Creek in Cambria and a project to paint seven bridges were both completed in FY 2014-15. Construction of the Branch Mill Road at Tar Springs Creek Bridge, near Arroyo Grande, will be to be completed in 2015. New bridge project construction is scheduled to begin in 2016 on Cypress Mountain Road at Klau Creek near Adelaida along with improvements on several existing weight restricted bridges on low volume rural roads.

Future bridge construction projects include: Air Park Drive at Ocean Beach Lagoon (2017); Geneseo Road low water crossing (2017); El Camino Real at Santa Margarita Creek (2018); River Grove Drive at Estrella River (2018); ; South Bay Boulevard over Los Osos Creek (2020). In addition, seismic retrofit design is underway on two bridges, Lopez Drive over Lopez Lake and Avila Beach Drive over San Luis Obispo Creek. Funding is primarily through the Federal Highway Bridge Program and Regional State Highway Funds directed to the County.

**PURPOSE STATEMENT**

Collection of road improvement fees used to construct new roads, or make major improvements to existing roads within the Road Improvement Areas of the County which are funded by the fees collected in each area.

<u>Financial Summary</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Requested</u>	2015-16 <u>Recommended</u>	2015-16 <u>Adopted</u>
Revenue from Use of Money & Property	\$ 14,287	\$ 25,722	\$ 0	\$ 0	\$ 0
Charges for Current Services	1,309,205	1,205,879	0	0	0
Other Financing Sources	88,646	322,000	0	0	0
<b>Total Revenue</b>	<b>\$ 1,412,138</b>	<b>\$ 1,553,601</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Fund Balance Available	\$ 358,418	\$ 0	\$ 0	\$ 0	\$ 735,497
Cancelled Reserves	8,048	0	1,079,283	1,079,283	1,079,283
<b>Total Financing Sources</b>	<b>\$ 1,778,604</b>	<b>\$ 1,553,601</b>	<b>\$ 1,079,283</b>	<b>\$ 1,079,283</b>	<b>\$ 1,814,780</b>
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	0	0	0	0	0
Other Charges	1,092,674	866,362	1,079,283	1,079,283	1,079,283
Fixed Assets	0	0	0	0	0
<b>Gross Expenditures</b>	<b>\$ 1,092,674</b>	<b>\$ 866,362</b>	<b>\$ 1,079,283</b>	<b>\$ 1,079,283</b>	<b>\$ 1,079,283</b>
Contingencies	0	0	0	0	0
New Reserves	0	0	0	0	735,497
<b>Total Financing Requirements</b>	<b>\$ 1,092,674</b>	<b>\$ 866,362</b>	<b>\$ 1,079,283</b>	<b>\$ 1,079,283</b>	<b>\$ 1,814,780</b>

**Source of Funds**



**DEPARTMENT COMMENTS**

This fund center is a Special Revenue Fund. The Road Impact Fees are collected in 11 specific areas of the County to fund road projects that are needed to address the impact of new development in those areas. These fees are collected as building permits are issued. The fees are accounted for separately for each specific area.

Budgeted expenditures from this fund fluctuate from year to year reflecting the fact that most capital projects are multi-year projects completed in phases with costs varying from phase to phase. Planned new expenditures of \$1,079,283 represent 11 projects (reflected in the department's FY 2015-16 budget request for Fund Center 245 – Roads) and a debt service payment to repay debt incurred on the Vineyard Drive Project. Proposed projects and debt service payments include:

<b>Project Name</b>	<b>Amount of Fees Allocated</b>
1. Templeton Traffic Study	\$140,000
2. North Coast Traffic Study	\$15,000
3. Nacimiento Traffic Study	\$1,000
4. San Miguel Traffic Study	\$1,500
5. Los Osos Traffic Study	\$1,000
6. Willow Road Interchange	\$301,987
7. Nacimiento Lake Drive @ Adelaide Left Turn Lane	\$16,796
8. Tefft Street Hwy 101 Operational Improvements	\$15,000
9. San Luis Bay Drive Interchange Improvements	\$35,000
10. Los Berros @ Dale Left Turn Lane	\$40,000
11. Signal @ Avila Beach Drive & San Miguel	\$60,000
Debt Service Payment Due from Templeton Area for Vineyard Drive	\$452,000
<b>Total Fees Allocated</b>	<b>\$1,079,283</b>

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

The recommended budget for FY 2015-16 represents a decrease of \$62,220 or 5%, as compared to adopted FY 2014-15 levels.

This budget is funded through road impact fees and, due to the fluctuation in building permits issued, it is difficult to project actual revenues from year to year. In previous years, road impact fee revenue for this fund center was based on actual revenues received in the first six months of the current fiscal year. Starting in FY 2015-16, the department will be funding expenses by cancelling impact fee reserves. This fund center's revenue stream used to be more stable, based on a specific development agreement (the Woodlands Project), which included a fixed payment schedule. However, in FY 2014-15 the department was unable to budget expenses for a number of multi-year projects, since impact fee revenues did not meet project requirements. Therefore, in order to ensure an adequate amount and continuity of funding for multi-year projects, the department will fund traffic and capital

projects out of impact fee reserves. The result is that the department will be able to guarantee fulfillment of multi-year phased projects regardless of shortfalls in fees for a given Road Fee Area.

The debt service payment for the Vineyard Drive interchange project has been budgeted at \$452,000, the same as in FY 2014-15. As was the case last year, it is not known if road impact fees will be sufficient to pay the FY 2014-15 debt service payments. Using reserves to make this payment would not be permitted unless the monies had been collected from the Templeton fee area. Therefore, a loan from the Road Fund – Pavement Management Program may be necessary (previously authorized by the Board of Supervisors). Once the impact fee revenue from the Templeton Fee Area exceeds the debt service in a given year, the excess funds will be used to repay the loaned funds, with interest.

**BOARD ADOPTED CHANGES**

At year end, final Fund Balance Available was \$735,497. These funds were allocated to Roads Reserves as part of the Board's final budget action on September 15, 2015.

**BUDGET AUGMENTATION REQUESTS ADOPTED**

None requested.