FY 2018 Proposed Operating Budget
May 2nd Recap
Finance Committee
May 4, 2017

Accomplishments & Initiatives
Accomplishments
- Palo Alto Named a Leading Digital City 4th Year in a Row
- Cloud-based Communication and Productivity Suite Implementation complete (Office 365)
- Interactive Voice Response (IVR) System Implementation complete
- Security Information Event Management (SIEM) solution deployed

Initiatives
- Next Generation Enterprise Resource Planning (ERP) System Selection
- Geographic Information System (GIS) Implementation
- SharePoint Academy Design, Development and Implementation

Current Status

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Significant Budget Proposals

Staffing Requests
- Net Zero Realignment: Public Safety Technical Staffing (1.0 FTE)

Operating Requests
- Geographic Information System (GIS) Replacement ($500,000 one-time)
- SharePoint Academy ($50,000, one-time)
- Security Incident and Event Management ($27,050 ongoing net costs)
- Right of Way Notification Application ($19,063 ongoing costs)
Accomplishments & Initiatives

Accomplishments
• BikePALS: grant funded outreach
• Visited all PAUSD Kindergartens: library cards
• New: Kono (online magazines in Chinese and Japanese), 3-D Printers, Seed Lending, Storyplay* (online children’s illustrated books in French and English)

Initiatives
• Student Success Cards: PAUSD partnership
• New Total Business Solution for public copy system, scanning, PC management, and printing
• Complete eBranch implementation to enhance library users’ on-line and mobile experience, making collections and services more accessible in web searches

Electronic Library Material Databases
(ongoing net savings: $58,800)

Administration Division Staffing Reorganization (Cost Neutral)
• 2.00 Positions adjusted to better align with roles/responsibilities

Significant Budget Proposals

Operating Requests
• Permit System (Accela) Technical Support (ongoing net costs: $130,000)
• Technology Surcharge - establishes a two percent technology surcharge to all of DSD fees (ongoing revenues: $250,000)

Accomplishments & Initiatives

Accomplishments
• Created Water Efficiency Landscape Ordinance
• Received three awards (Trendsetting, Energy Efficiency, Inspection Education)
• Updated all building codes and ordinances to comply with the triennial building code change cycle
• Completed phase I of a II phase fee study
• Completed an electrification study related to fuel switching

Initiatives
• Launch the Citizen Right of Way Notification
• Complete phase II of the fee study
• Launch the automated expired permit notification
• Begin the development process for electronic plan review

FY 2018 Proposed Operating Budget Development Services Department
Operating Budget pp. 213-228
Finance Committee
May 4, 2017

FY 2018 Proposed Budget Public Works Department
Operating Budget pp. 343-402
Finance Committee
May 4, 2017
Accomplishments & Initiatives

Accomplishments
• Increased Pavement Condition Index (PCI) Score to 83 at the end of Calendar Year 2016
• Continued Implementation of the Council Infrastructure Plan
• Completed Byxbee Hills Park Upgrades
• Developed/Implemented New Dewatering Requirements

Initiatives
• Complete Matadero Creek Pump Station CIP
• Continue Implementing the Urban Forest Master Plan
• Design Advanced Water Purification Facility
• Continue Implementing Organizational Efficiencies as Outlined in the Facility Master Plan Study

Staffing Requests
• Staffing Realignment of +0.59 FTE from Capital Improvement Fund (+$36,063 exp)
• Add/Drop 1.0 FTE Coordinator Public Works Projects for 1.0 FTE Building Servicesperson Lead (+$16,164 exp)

Operating Requests
• Urban Forestry Mitigation Fee to Plant 200 Trees Annually (cost neutral)
• Municipal Fee Revenue Increase (ongoing: +$160,235 rev)
• Tree Trimming Services Reduction (ongoing: -$338,220 exp)
• Facilities and Street Ops Reduction and Realignment (ongoing: -$124,000 exp)
• Shift Downtown Street Tree Lighting to University Ave. Parking District (ongoing: -$76,201 exp)

Significant Budget Proposals

Operating Requests
• Zero Waste Planning & Outreach (one-time: +$525,000 exp; ongoing: +$25,000 exp)
• Landfill Pipe Replacement & Groundwater Studies (one-time: +$305,000 exp)
• Rate increase of 5% for residential, final year of three year plan

No Capital Improvement Projects in FY2018-FY2022
Accomplishments & Initiatives

Accomplishments
• Complete Construction Channing/Lincoln CIP
• Awarded Construction Contract Matadero CIP
• Storm Water Management Ballot Measure
• Developed Green Infrastructure Framework

Initiatives
• Begin Implementing Programs and Projects per Ballot Measure
• Develop Green Infrastructure Plan
• Continue Efforts With San Francisquito Creek Joint Powers Authority

Accomplishments & Initiatives

Accomplishments
• Completed Advanced Water Purification Feasibility Study
• Initiated Recycled Water Strategic Plan
• Completed Design of, Awarded Construction Contract & Secured Funding for Sludge Dewatering & Truck Loadout Facility

Initiatives
• Construct Sludge Dewatering & Truck Loadout Facility
• Plan & Design FF Reactor, Primary Sed Tank Rehab and Lab/Env Svc Building
• Design Advanced Water Purification Facility
• Determine Feasibility Indirect Potable Reuse & Recycled Water Expansion

Significant Budget Proposals

Staffing Requests
• Shift 2.21 FTE from Wastewater Treatment Fund (ongoing: +$346,648 exp)
• Add 1.0 Associate Engineer FTE (ongoing: +$148,000 exp)

Operating Requests
• Storm Water Management Fee increase of 4.8% & Municipal Fees Increases (ongoing: +$342,888 rev)
• Regulatory Requirements; Municipal Regional Permit & Green Infrastructure (ongoing: +$341,000 exp)
• Fiber Connection for Pump Stations & Creek Monitors (ongoing: +$72,828 exp)

Significant Budget Proposals

New Capital Improvement Projects FY2018-2022*
• Matadero Creek Storm Water Pump Station and Trunk Line Improvements – New Funding; Existing Project (FY2019; +$2,2M exp)
• Storm Drainage Pump Stations to Adobe Creek (FY2020; +$2.5M exp)
• Storm Drainage System Upgrades - East Bayshore Road & East Meadow Drive (FY2022; +$1.3M exp)

*This 5 Year CIP implements 4 of the 13 new projects included in the Storm Water Management Fee Ballot Measure

Significant Budget Proposals

Staffing Requests
• Pay scale adjustment Sr. Industrial Waste Investigator (ongoing: +$9,000 exp)
• Shift 2.21 FTE to Storm Drainage Fund (ongoing: -+$46,648 exp)

Operating Requests
• Partner and Waste Hauler Revenue Adjustments (ongoing: +$591,887 rev)

New Capital Improvement Projects FY2018-FY2022
• Outfall Line Construction (FY2019; +$7.0M exp)

Major Changes to Capital Improvement Projects FY2018-FY2022
• Headworks Facility Replacement (FY2021; -$36.1M exp)
• New Anaerobic Digesters to Replace Incinerators (Project eliminated; -$3.4M exp)
Accomplishments & Initiatives

Accomplishments
- Developed and Implemented Fixed-Base Operator (FBO) Transition
- Completed Design & Construction Perimeter Fence CIP; Received Grant Reimbursements
- Completed Design & IFB Phase I Apron CIP

Initiatives
- Update & Adopt Rules and Regulations, Minimum Standards, and Guiding Documents
- Begin Developing Airport Business Plan
- Continue Seeking Grant Funding Opportunities

Significant Budget Proposals

Staffing Requests
- Convert 0.96 FTE Hourly to one 1.0 FTE and one 0.5 FTE Facilities Technician positions (ongoing: +$78,754 exp)

Operating Requests
- Rental/Lease and Tie-Down Income, adjust leases to market rates (ongoing: +$1,011,509 rev)
- General Fund Loan (ongoing: +$200,000 rev) to date $2.9M
- Facilities Maintenance and Legal Fees (ongoing: +$125,000 exp)

Major New Capital Improvement Projects FY2018-FY2022 (FAA 90% Funding)
- Apron Reconstruction – Existing Project; New Funding (+$17.3M exp; +$15.4M rev)
- Airfield Electrical Improvements (FY2019; +$1.5M exp; +$1.35M rev)
- Airport Layout Plan (FY2021; +$330,000 exp; +$297,000 rev)

No Operating Requests for FY 2018

New Capital Improvement Projects FY2018-FY2022
- FY 2022 Scheduled Vehicle & Equipment Replacement (+$2.9M exp)
End of Presentation

Information Technology – ERP Milestones

- **August 2016 – May 2017**: Requirement gathering for ERP & CIS
- **July 2017**: ERP RFP for solution selection issued
- **By End of 2017**: Solutions Selected for ERP & CIS
- **First Half of 2018**: Contract Preparation and Awards for ERP & CIS
- **July 2018 to September 2018**: RFP for Design & Implementation
- **October 2018 – June 2019**: Design for ERP & CIS
- **July 2019 – June 30 2022**: Implementation for ERP & CIS

Zero Waste Program Costs FY 2018 Estimate $30.6 Million

ERP Strategic Roadmap

PW – Zero Waste Rate Comparison and Breakdown

- **2017 Refuse Monthly Rate Comparison**: Mission - 20 gallon cart

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