FY 2019 Proposed Municipal Fee Schedule
Staff Report  #9210
Finance Committee
May 16, 2018
Background & Fee Adjustment Summary

• **User Fee Cost Recovery Level Policy**
  - Low: 0.0 to 30.0%
  - Medium: 30.1 to 70.0%
  - High: 70.1 to 100.0%

• **Salary & Benefit Adjustment = 2.6%**

• **FY 2019 Proposed Muni Fee Schedule Summary**
  - 10 new fees
  - 31 deleted fees
  - 162 changed fees
New & Deleted Fees

**New Fees**

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

**Deleted Fees**

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

Fee adjusted to align with market value

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

Technical adjustments

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

Fee adjusted to reach desired cost recovery

- Third False Alarm Fee – 7.8% increase
FY 2019 Proposed Budget
Fire Department

Operating Budget pp. 237-249
Capital Budget pp. 94,240
Finance Committee
May 16, 2018
Budget Highlights

• Budget realignment by division (net zero)
• Stanford revenue ($6.5 million)
• Annualized deployment changes (net savings $1.7 million, -11.0 FTE)
• Recruitment & Retention:
  – Annual Firefighter promotional exams ($20,000, ongoing)
  – Hiring costs for 5 new Firefighters ($46,000, one-time)
FY 2019 Proposed Budget
Police Department

Operating Budget pp. 325-338
Capital Budget pp. 618-619
Finance Committee
May 16, 2018
Budget Highlights

• Moderate Salary & Benefit increase of $841,000 or 2.4%
• Transition from TrackWatch monitor contract services to a camera system (-$1.2 million)
  - Reallocate ongoing camera costs to the Office of Emergency Services ($400,000)
FY 2019 Proposed Budget
Office of Emergency Services Department

Operating Budget pp. 301-309
Finance Committee
May 16, 2018
Budget Highlights

• Reclassify 1.0 FTE Program Assistant to Program Assistant II
• Reallocate Caltrain video monitoring costs from PD to OES ($400,000 ongoing)
FY 2019 Proposed Budget
Planning & Community Environment Department

Operating Budget pp. 311-323
Capital Budget pp. 223-256
Finance Committee
May 16, 2018
Budget Highlights

- **Staffing Requests**
  - Add 1.0 FTE Associate Planner and Drop 1.0 FTE Program Assistant II
  - Net Zero Staffing Realignment: General Fund (-0.07 FTE), Capital Improvement (-1.15 FTE), and Special Revenue Funds (+1.22 FTE)

- **Operating Requests**
  - Technology support for permitting system (+$74,000; offset by fees)
  - Reduce non-salary expenses for normal business (-$100,000)
FY 2019 Proposed Budget
Special Revenue Funds
Operating Budget pp. 93 -106
Finance Committee
May 16, 2018
Significant Budget Proposals

Community Development Funds

• Capital Improvement Projects: $3.9 million

Street Improvement Funds

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

Federal and State Revenue Funds

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

Traffic Mitigation & Parking In-Lieu Funds

• Capital Improvement Projects: $6.9 million
Significant Budget Proposals

Special Districts Funds

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

Stanford University Medical Center Fund

• Capital Improvement Projects: $10.3 million
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FY 2019 Proposed Budget
Library Department

Operating Budget pp. 289-299
Finance Committee
May 16, 2018
Budget Highlights

- FY 2018 to FY 2019 expense increase of 2.9%
- Elimination of Library Specialist reducing capacity for special programming (1.0 FTE)
- Augment international collection ($15,000, one-time)
- Maintain current hours at all library locations
FY 2019-2023 Proposed Capital Budget
Capital Improvement Funds
(incl. Cubberley Property Infrastructure Fund)
Capital Budget pp. 53-283
Finance Committee
May 16, 2018
FY 2019 Capital Improvement Fund Expenses

Project Expenditures by Category ($125.7 Million)

- Buildings and Facilities: 67%
- Traffic and Transportation: 19%
- Unallocated Salaries and Benefits: 1%
- Streets and Sidewalks: 10%
- Parks and Open Space: 3%
Capital Improvement Fund Highlights/Assumptions

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

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

Facility Upgrades– 3 Projects ($1.0 M in FY 2019; $1.7 M total)
• Animal Shelter Renovation ($0.8 M in FY 2019 and total)
• City Hall Space Planning ($0.1 M in FY 2019 and total)
• Water, Gas, Wastewater Office Remodel ($0.1 M in FY 2019; $0.8 M total)

Enhanced Public Safety – 2 Projects ($0.7 in FY 2019 and total)
• Emergency Vehicle Traffic Signal Preemption System Pilot ($0.6 M in FY 2018 and total)
• Fire and Utilities Trench Training Facility ($0.1 in FY 2018 and total)
$248.8 million estimated cost

(includes full salaries & benefits estimates)

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

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

Changes for FY 2019-2023

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

General Fund:

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

Refuse Fund:
• Commercial revenue increase ($0.75 M)

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

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

Airport Fund:

• Airport Business Plan and Facility Assessment ($0.12 M, one-time)

• FAA prioritized grant funding for Airport Apron Reconstruction project
  - all 4 phases programmed in 2019-2023 CIP; total project cost $39.3 M
  - 10% matching funding from City financials

Vehicle Fund:

• Eliminate Part-time Vehicle Stock Clerk (-0.48 FTE); public private partnership with NAPA Autoparts

• Internal service fund the City contributes funding for vehicle and equipment replacement