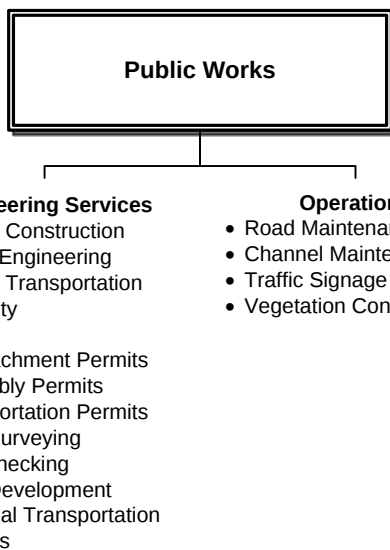




DEPARTMENTAL PURPOSE

Public Works is responsible for providing and maintaining a safe, reliable roadway network and associated infrastructure in unincorporated Solano County for the benefit of the travelling public.

Budget Summary:

FY2012/13 Third Quarter Projection:	21,228,973
FY2013/14 Recommended:	24,241,364
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	61

FUNCTION AND RESPONSIBILITIES

The Public Works Division of the Department of Resource Management consists of two organizational units – Operations, and Engineering. These units receive general direction from the Director of Resource Management, have administrative authority over the unincorporated areas of the county, and provide a variety of legally mandated and non-mandated programs and services as summarized below:

Public Works Operations

Public Works Operations' primary responsibilities are to:

- Maintain 584 miles of County roads and bridges, including pavement surfaces, roadside drainage ditches and culverts, vegetation management, signing and striping, sidewalks, curbs, gutters, and gravel roads.
- Maintain 92 bridges and 42 large drainage culverts, including the bridge/culvert structures, the roadway surfaces and the associated drainage channels within the road rights-of-way.
- Perform maintenance work on road, airport, parking lot, and drainage facilities for County departments and other agencies on a reimbursable basis.
- Maintain 45 miles of drainage channels under contract with the Solano County Water Agency.

Public Works Engineering

Public Works Engineering's primary responsibilities are to:

- Design and construct County roads and bridges, including major road and bridge rehabilitation and reconstruction projects.

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- Participate in regional transportation planning and the development of regional transportation projects as a member agency of the Solano Transportation Authority (STA).
- Provide traffic engineering services, including traffic orders and signage.
- Issue various permits, including transportation, encroachment, grading and assembly permits.
- Provide engineering, surveying and construction work on road, airport, parking lot, and drainage facilities for County departments and other agencies on a reimbursable basis.
- Contract with local public agencies to maintain Solano County's three traffic signals.
- Contract with PG&E and local contractors to maintain Solano County's 574 existing street lights and install additional lights as needed. Costs are reimbursed from the Consolidated County Service Area budget.
- Administer the County's storm water pollution prevention program.

Road State Match Program

Road State Match Program tracks approximately \$100,000 revenues received annually from the state, such as state matching funds. These state funds can be used to provide matching funds on federally funded projects.

Federal Roads & Bridge Projects

The Federal Road and Bridge Projects Program tracks all the expenditures related to federally funded projects as well as federal reimbursements. Public Works Engineering uses the federal funds to pay for the replacement and rehabilitation of deficient bridges, the paving of federally eligible roads and the construction of road improvement projects. The funds come from a variety of federal programs, and reimburse the County for project costs at a rate ranging from 80 to 100 percent, depending on the specific program.

Administrative Support

Administration supports the Division by handling incoming phone calls and inquiries; maintaining and assisting with accounting, recordkeeping, inventories, fees, imaging processing and retention schedules; and data processing information system operations.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Continued long-term decline in transportation funding will present an ongoing challenge to Solano County's ability to preserve and maintain its system of County roads.
- Awarded \$2.2 million in safety grants to improve Pleasants Valley Road, Midway Road, Sievers Road, and replace aged guardrails.
- Completed the construction of Gibson Canyon Road Curve Improvement Project, which realigned a sharp curve, widened the road, replaced culverts, and signed and striped the entire road.
- Completed the Gordon Valley Road Bridge Replacement Project, which demolished the old bridge, constructed the new bridge, improved the drainage, and rip-rapped the channel.
- Constructed the Vacaville-Dixon Bike Route Phase 5 Improvements, which widened 2 miles of Hawkins Road to include Class II bike lanes, added new signs and striping, and repaved the road.

WORKLOAD INDICATORS

- Overlaid 8.3 miles of County roads at eight locations with asphalt concrete to extend the life of the paved surfaces.
- Chip-sealed (oiled fine gravel) 40 miles of County roads at 31 locations to extend the life of the paved surfaces.
- Continued engineering work on five different bridges at various stages of project development.

Functional Area Summary

3010 – Fund 101-Public Works Bill Emlen, Director of Resource Management Public Ways

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2011/12 ACTUAL	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
ROADS STATE MATCH PROGRAM	100,000	100,000	100,000	-	- %
FEDERAL ROADS & BRIDGE PROJECTS	4,636,270	9,862,000	10,573,000	711,000	7.2 %
ENGINEERING SERVICES	1,693,459	828,660	1,264,634	435,974	52.6 %
OPERATION ROAD SERVICES	963,830	1,140,540	826,500	(314,040)	(27.5) %
ADMINISTRATIVE SERVICES	10,325,120	9,908,536	9,997,600	89,064	0.9 %
TOTAL REVENUES	17,718,679	21,839,736	22,761,734	921,998	4.2 %
APPROPRIATIONS					
FEDERAL ROADS & BRIDGE PROJECTS	4,181,844	9,836,000	11,064,400	1,228,400	12.5 %
ENGINEERING SERVICES	5,493,512	3,363,513	3,478,209	114,696	3.4 %
OPERATION ROAD SERVICES	6,393,203	7,418,203	7,569,654	151,451	2.0 %
ADMINISTRATIVE SERVICES	1,991,522	2,067,911	2,129,101	61,190	3.0 %
TOTAL APPROPRIATIONS	18,060,081	22,685,627	24,241,364	1,555,737	6.9 %
CHANGE IN FUND BALANCE					
ROADS STATE MATCH PROGRAM	(100,000)	(100,000)	(100,000)	-	- %
FEDERAL ROADS & BRIDGE PROJECTS	(454,425)	(26,000)	491,400	517,400	(1,990) %
ENGINEERING SERVICES	3,800,053	2,534,853	2,213,575	(321,278)	(13) %
OPERATION ROAD SERVICES	5,429,373	6,277,663	6,743,154	465,491	7 %
ADMINISTRATIVE SERVICES	(8,333,598)	(7,840,625)	(7,868,499)	(27,874)	0 %
NET CHANGE IN FUND BALANCE	341,403	845,891	1,479,630	633,739	75 %
STAFFING					
ROADS STATE MATCH PROGRAM	0	0	0	0	0.0 %
FEDERAL ROADS & BRIDGE	0	0	0	0	0.0 %
ENGINEERING SERVICES	15.5	16	16	0	0.0 %
OPERATION ROAD SERVICES	41	40	40	0	0.0 %
ADMINISTRATIVE SERVICES	5	5	5	0	0.0 %
TOTAL STAFFING	61.5	61	61	0	0.0 %

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$24,241,364 represents an overall increase of \$921,998, or 4.2%, in revenues, largely as a result of about a \$931,000 increase in federal funding for bridge improvements, and \$1,555,737, or 6.9%, increase in appropriations primarily due to a \$1.16 million increase in construction projects.

The primary funding source for Public Works is the Highway Users Tax Assessment (HUTA), commonly referred to as the gas tax. There are two components of the HUTA, often referred to as old HUTA and new HUTA.

Old HUTA consists of Solano County's portion of 18 cents per gallon gas tax which was established in 1995. There has been no adjustment for inflation since then, so the buying power of the funding has decreased substantially with time.

New HUTA represents Solano County's portion of a 17.3 cents per gallon gas tax established in 2010, which includes an inflation index. This funding was originally approved through Proposition 42 in 2002 as a sales tax on gasoline, later under the 2010 Transportation Tax Swap, whereby the State eliminated the sales tax on gasoline and replaced it with an equivalent amount of new gasoline excise tax which is adjusted annually to reflect what the sales tax would have otherwise generated in a

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given year. Legislation passed as part of the state budget process confirmed the validity of the tax swap, thereby securing the new HUTA funding for Solano County.

Public Works anticipates receiving \$9 million of HUTA funding in FY2013/14, which is the same level of funding assumed in the FY2012/13 Adopted Budget. The breakdown of funding for new and old HUTA is not available at this time. Public Works also receives substantial federal funding on a project specific reimbursement basis. In FY2013/14, \$10.52 million in federal funding is anticipated, which is a \$931,000 increase when compared to the FY2012/13 Adopted Budget.

Non-federal public works contracts included in the FY2013/14 Recommended Budget are:

- \$150,000 for design services for the Rule 20A Utility Undergrounding Project;
- \$600,000 to operate Para-transit services; and
- \$296,000 for construction of the Slurry Seal Project 2013.

The cost of fixed assets reflects a net increase of \$1,162,500 primarily due to the following:

- \$1,076,000 increase in Construction in Progress primarily due to new projects such as the STP Overlay, Travis AFB Access Improvements – South Gate, Winters Road Bridge and Midway-Sievers Road HR3 Projects;
- \$130,000 increase in Construction Equipment to cover the costs of purchasing one aerial truck, one chip truck, one dump truck and a motor grader; all were included in the FY2013/14 Adopted Public Works Capital Improvement Plan; and
- \$9,500 increase in Computer Equipment to purchase a Sign and Design machine.

Federal road improvement contracts included in the FY2013/14 Recommended Budget are:

- \$884,000 for design and environmental work on eleven projects, including \$300,000 for the Stevenson Road Bridge Project, \$237,000 for the Pleasants Valley Road Bridge Project and \$100,000 for the Farm to Market Project;
- \$500,000 for right of way acquisition work on the Stevenson Road Bridge and Travis AFB Access Improvements - South Gate Projects;
- \$9,461,000 for the construction of seven projects, including five major projects: \$1,500,000, for the Travis AFB Access Improvements – South Gate, \$1,245,000 for the Vacaville-Dixon Bike Route Phase-5 (Hawkins Road) Project, \$957,000 for the Midway-Sievers Road HR3 Project, and \$4,850,000 for the Winters Road Bridge Project.

DEPARTMENT COMMENTS

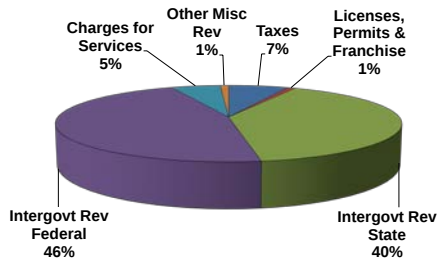
As a result of the receipt of one-time transportation improvement funds in the amount of \$14.4 million, including Proposition 1B funds and federal stimulus funds over the last several years, the condition of the County road system has been maintained. However, almost all such one-time funds have now been received. Public Works design and construction activity is expected to remain heavy through FY2013/14 as the last of the Proposition 1B funds, as well as federal funds for several large construction projects, are spent down.

The Road Fund continues to face a long-term structural funding shortfall, as statewide funding for transportation purposes continues to decline. To help address this structural funding shortfall in the Road Fund, Public Works has reduced staffing by 23 percent during the last three years. This has challenged Public Works' ability to maintain the County road system. In the long term, if no steps are taken on a statewide basis to provide additional funding for transportation purposes, the number of transportation improvement and maintenance projects constructed by Public Works will be reduced, resulting in the deterioration of the County road system.

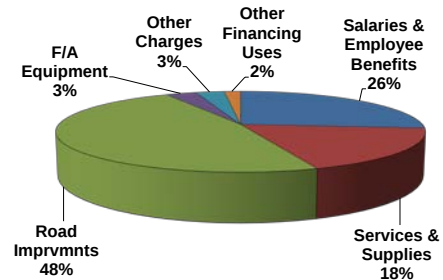
Functional Area Summary

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SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	1,242,571	1,240,230	1,497,750	257,520	20.8%
Licenses, Permits & Franchise	174,640	177,700	192,500	14,800	8.3%
Revenue From Use of Money/Prop	106,247	101,000	109,000	8,000	7.9%
Intergovernmental Rev State	9,492,931	9,108,000	9,108,604	604	0.0%
Intergovernmental Rev Federal	4,423,303	9,845,000	10,526,000	681,000	6.9%
Intergovernmental Rev Other	270,070	155,000	47,000	(108,000)	(69.7%)
Charges For Services	1,848,589	1,123,466	1,230,265	106,799	9.5%
Misc Revenue	10,805	700	615	(85)	(12.1%)
Other Financing Sources	149,522	88,640	50,000	(38,640)	(43.6%)
TOTAL REVENUES	17,718,679	21,839,736	22,761,734	921,998	4.2%
APPROPRIATIONS					
Salaries and Employee Benefits	6,097,388	6,242,097	6,410,724	168,627	2.7%
Services and Supplies	5,061,357	4,199,605	4,333,439	133,834	3.2%
Other Charges	697,270	633,217	723,039	89,822	14.2%
F/A Land	38,608	113,000	105,000	(8,000)	(7.1%)
F/A Bldgs and Imprmts	5,306,589	10,413,000	11,489,000	1,076,000	10.3%
F/A Equipment	442,758	640,000	769,500	129,500	20.2%
F/A - INTANGIBLES	2,000	35,000	0	(35,000)	(100.0%)
Other Financing Uses	414,112	409,708	410,662	954	0.2%
TOTAL APPROPRIATIONS	18,060,081	22,685,627	24,241,364	1,555,737	6.9%
NET CHANGE	341,403	845,891	1,479,630	633,739	74.9%

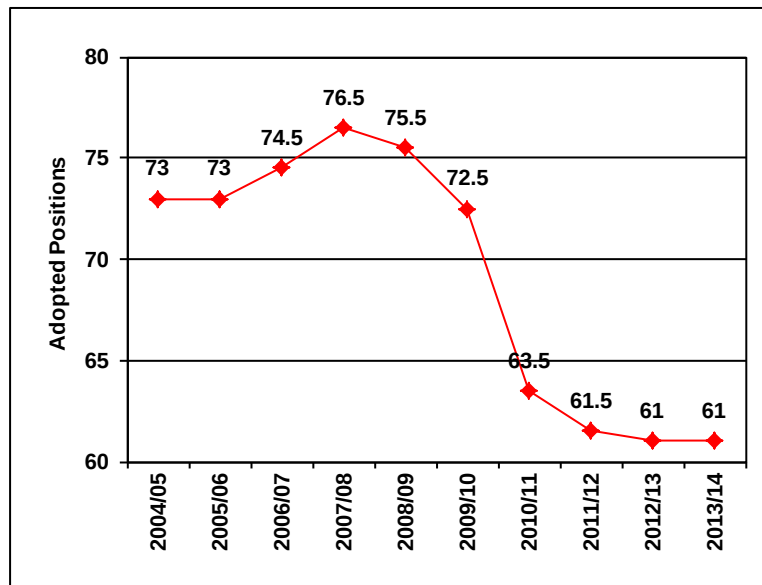
SUMMARY OF SIGNIFICANT ADJUSTMENTS

Significant increases in revenues and expenditures are largely due to five major federally funded projects in FY2013/14 (STP Overlay 2014, Travis AFB Access Improvements –South Gate, Midway-Sievers Road HR3 project, Vacaville-Dixon Bike Route Phase-5 and Winters Road Bridge).

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The key issue facing Public Works is the continuing statewide underfunding of transportation. This is a long-term trend that has been masked in recent years by the use of one-time sources of funding, such as Proposition 1B and federal stimulus funds. The number of local roads in California that are in failed condition is expected to nearly quadruple by 2020, from six percent to 22 percent. This means that nearly a quarter of all local roads in California will have failed within ten years unless additional sources of transportation funding are developed. Solano County's roads will be similarly impacted.

Summary of Other Administered Budgets**3010 – Fund 101-Public Works
Bill Emlen, Director of Resource Management
Public Ways**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2011/12 ACTUAL	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
3020 PUBLIC WORKS IMPROVEMENT	15,391	15,500	31,400	15,900	102.6%
3030 REGIONAL TRANSPORTATION PROJECT	0	140,000	34,000	(106,000)	(75.7%)
APPROPRIATIONS					
3020 PUBLIC WORKS IMPROVEMENT	60,932	58,600	1,000	(57,600)	(98.3%)
3030 REGIONAL TRANSPORTATION PROJECT	78,669	140,000	34,000	(106,000)	(75.7%)
NET CHANGE					
3020 PUBLIC WORKS IMPROVEMENT	(45,541)	(43,100)	30,400	73,500	(170.5%)
3030 REGIONAL TRANSPORTATION PROJECT	(78,669)	0	0	0	0.0%

A summary of the budgets administered by the Public Works Department is provided on the following pages.

FUNCTION AND RESPONSIBILITIES

This Budget tracks funds for regional transportation projects. Regional transportation projects typically consist of local roads that provide major points of access to the State highway system, or provide regional connections between communities and key transportation facilities. The Public Works Engineering Division of the Department of Resource Management typically represents the County in the planning and implementation of such projects, many of which are coordinated with the Solano Transportation Authority (STA).

In FY2006/07 the Board of Supervisors approved a loan up to \$3 million from the General Fund to support regional transportation projects, with the goal of repaying the loan with future transportation impact fees. The current loan outstanding as of June 30, 2013 is \$2.4 million. Due to the current state of the economy, the establishment of transportation impact fees has not yet occurred. The County is exploring the possibility of participating in a potential Regional Transportation Impact Fee under the auspices of the Solano Transportation Authority. The County is currently performing a comprehensive review of their Public Facility Fee which will include an analysis of a transportation impact fee. This report is expected to go before the Board before summer 2013.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Other Financing Sources	0	140,000	34,000	(106,000)	(75.7%)
TOTAL REVENUES	0	140,000	34,000	(106,000)	(75.7%)
APPROPRIATIONS					
Services and Supplies	49,948	100,000	4,000	(96,000)	(96.0%)
Other Charges	28,721	40,000	30,000	(10,000)	(25.0%)
TOTAL APPROPRIATIONS	78,669	140,000	34,000	(106,000)	(75.7%)
NET CHANGE	78,669	0	0	0	0.0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget of \$34,000 reflects decreases of \$106,000 in both revenues and appropriations when compared to the FY2012/13 Adopted Budget. In FY2012/13, \$100,000 was appropriated for consulting services needed in relation to the widening of Vanden Road as part of the overall Jepson Parkway regional project. For FY2013/14, a recommended appropriation of \$4,000 will be used for the local match for the Redwood Parkway Fairgrounds project and \$30,000 is appropriated for interest on the General Fund loan. Revenues represent long-term debt proceeds.

FUNCTION AND RESPONSIBILITIES

The Public Works Improvements Fund Budget exists to fund the construction of roads and other public works improvements in certain areas of the county. Property owners who make an application to develop their property, such as a subdivision or building permit, are required in some locations to pay for road improvements. The payments are placed in this Fund as a holding account until the road improvements are made, at which time the funds are used to reimburse the actual cost of the work performed. The improvements are restricted to the area where the property development occurred. The largest sources of such payments are the English Hills Zone of Benefit and the Green Valley Zone of Benefit. The work is performed by the Public Works Division on a reimbursable basis.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2011/12 ACTUALS	2012/13 ADOPTED BUDGET	2013/14 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	1,466	1,500	1,400	(100)	(6.7%)
Misc Revenue	13,925	14,000	30,000	16,000	114.3%
TOTAL REVENUES	15,391	15,500	31,400	15,900	102.6%
APPROPRIATIONS					
Other Charges	1,000	1,000	1,000	0	0.0%
Other Financing Uses	59,932	57,600	0	(57,600)	(100.0%)
TOTAL APPROPRIATIONS	60,932	58,600	1,000	(57,600)	(98.3%)
NET CHANGE	45,541	43,100	(30,400)	(73,500)	(170.5%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget reflects an increase in revenues of \$15,900 and a decrease in appropriations of \$57,600 when compared to the FY2012/13 Adopted Budget. Revenues are projected to increase based on the continued increase in development activity in the English Hills area. The decrease in appropriations is due to the completion of the Vaca Valley Road Improvement project during FY2012/13.

See related BU 9122 - Fund 278 Contingencies (refer to Contingencies section of the Budget).

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