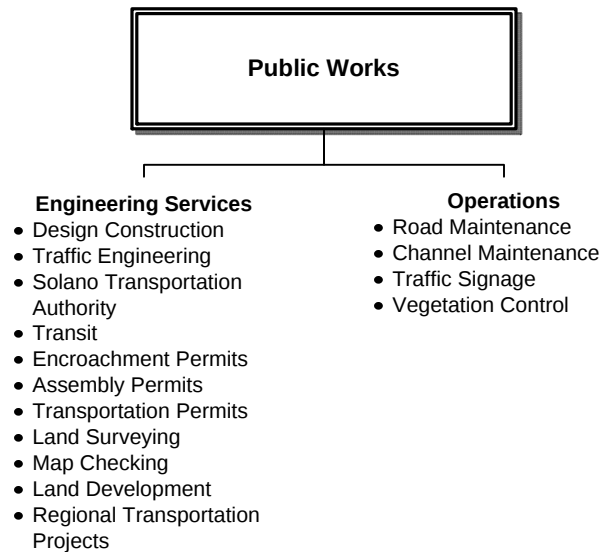




DEPARTMENTAL PURPOSE

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:

FY2011/12 Third Quarter Projection:	23,647,971
FY2012/13 Recommended:	22,769,687
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	60.5

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 585 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 552 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

- A continuing 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.
- Constructed improvements in Old Town Cordelia, including a new pedestrian path along Cordelia Road, landscaping, historical signage, traffic calming features, drainage improvements and pavement improvements to Cordelia Road.
- Completed the construction of Jahn Road Improvement Project, which repaired the base section, widened the road, replaced culverts, and signed and striped the entire road.
- Completed the Robinson Road Bridge Replacement Project, which demolished the old bridge, constructed the new bridge, improved the drainage and rip-rapped the channel.
- Constructed the Phase 4 Peaceful Glen Road Improvements, which realigned the creek channel, repaired the existing slopes, constructed ultra-block retaining walls and repaved the road.

WORKLOAD INDICATORS

- Overlaid 9.1 miles of County roads at nine locations with asphalt concrete to extend the life of the paved surfaces.
- Chip-sealed (oiled fine gravel) 40.7 miles of County roads at 31 locations to extend the life of the paved surfaces.
- Replaced 2,900 feet of damaged metal guard railing at 19 locations on various County roads.

Functional Area Summary

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

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
ROADS STATE MATCH PROGRAM	100,000	100,000	100,000	-	- %
FEDERAL ROADS & BRIDGE PROJECTS	3,227,802	6,142,000	9,862,000	3,720,000	61 %
ENGINEERING SERVICES	1,146,953	856,540	828,660	(27,880)	(3) %
OPERATION ROAD SERVICES	1,123,278	869,500	1,139,500	270,000	31 %
ADMINISTRATIVE SERVICES	10,049,163	10,124,440	9,908,536	(215,904)	(2) %
TOTAL REVENUES	15,647,196	18,092,480	21,838,696	3,746,216	21 %
APPROPRIATIONS					
FEDERAL ROADS & BRIDGE PROJECTS	1,524,123	8,103,000	9,836,000	1,733,000	21 %
ENGINEERING SERVICES	4,629,926	5,351,231	3,349,571	(2,001,660)	(37) %
OPERATION ROAD SERVICES	6,665,373	7,248,108	7,392,504	144,396	2 %
ADMINISTRATIVE SERVICES	1,988,005	2,076,292	2,051,612	(24,680)	(1) %
TOTAL APPROPRIATIONS	14,807,427	22,778,631	22,629,687	(148,944)	(1) %
CHANGE IN FUND BALANCE					
ROADS STATE MATCH PROGRAM	(100,000)	(100,000)	(100,000)	-	- %
FEDERAL ROADS & BRIDGE PROJECTS	(1,703,679)	1,961,000	(26,000)	(1,987,000)	(101) %
ENGINEERING SERVICES	3,482,973	4,494,691	2,520,911	(1,973,780)	(44) %
OPERATION ROAD SERVICES	5,542,095	6,378,608	6,253,004	(125,604)	(2) %
ADMINISTRATIVE SERVICES	(8,061,158)	(8,048,148)	(7,856,924)	191,224	(2) %
NET CHANGE	(839,769)	4,686,151	790,991	(3,895,160)	(83) %
STAFFING					
ROADS STATE MATCH PROGRAM	0	0	0	0	0 %
FEDERAL ROADS & BRIDGE	0	0	0	0	0 %
ENGINEERING SERVICES	16.5	15.5	15.5	0	0 %
OPERATION ROAD SERVICES	42	41	40	(1)	(2) %
ADMINISTRATIVE SERVICES	5	5	5	0	0 %
TOTAL STAFFING	63.5	61.5	60.5	(1)	(2) %

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$22,629,687 represents an overall increase of \$3,746,216, or 20.7%, in Revenues, largely as a result of a \$3.6 million increase in federal funding for bridge improvements, and \$148,944, or 0.7%, decrease in Appropriations when compared to its FY2011/12 Adopted Budget. As a result, the Public Works' Fund Balance will decrease by \$3,895,160.

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 cent 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 annual to reflect what the sales tax would have otherwise generated in a given year. Proposition 26 passed in 2010 and invalidated this tax swap, unless specifically approved by the legislature by a two-thirds vote.

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

Though the State's 2012-13 proposed budget reports a 0.6% decrease in gasoline consumption in FY2011/12, the State anticipates a 1.9% increase in consumption in 2012-13 and projects a 2% decrease in the new excise tax rate for FY2012/13.

Public Works anticipates receiving \$9 million of HUTA funding in FY2012/13, a slight decrease from the \$9.2 million budgeted in FY2011/12. At this time the breakdown of funding for new and old HUTA is not available. Public Works also receives substantial federal funding on a project specific reimbursement basis. In FY2012/13, \$9.05 million in federal funding is anticipated, a \$3.6 million increase from FY2011/12.

Non-federal public works contracts included in the FY2012/13 budget are:

- \$100,000 for design services for the Rule 20A Utility Undergrounding Project;
- \$310,000 to operate Paratransit services;
- \$240,000 for construction of Vaca Valley Road Curve Improvement Project; and
- \$348,000 for construction of the Slurry Seal Project 2011.

The cost of fixed assets shows a net increase of \$251,000 mainly due to an increase in construction in progress. Specifically:

- Land costs increased by \$28,000 due to land purchases for road purposes;
- Construction in progress increased by \$178,000 due to the net effect of the addition of several new projects included in the FY2012/13 Public Works Capital Improvement Plan, completion of road projects and continuation of some other federal and nonfederal projects;
- Construction equipment increased by \$90,000 to cover the costs of purchasing two back hoes to replace equipment purchased in 1992 and one motor grader to replace a 1994 model, as included in the Public Works Capital Improvement Plan; and
- Non-depreciable intangibles, which is used for the purchase of road rights of way, decreased by \$85,000.

Federal road improvement contracts included in the FY2012/13 budget are:

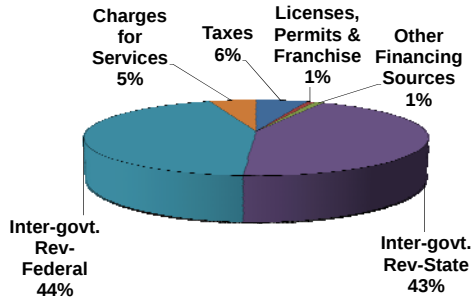
- \$742,000 for design and environmental work on ten projects, including \$200,000 for the Redwood Parkway – Fairgrounds Drive Improvement Project and \$240,000 for the Winters Road Bridge Project;
- \$83,000 for right of way acquisition work on Winters Road Bridge Project;
- \$8,154,000 for the construction of seven projects, including four major projects: \$1,170,000 for the Gordon Valley Road Bridge Project, \$867,000 for the Vacaville-Dixon Bike Route phase-5 project, \$2,544,000 for the Suisun Valley Road Bridge Project including the rental of a temporary detour bridge, and \$4,000,000 for the Winters Road Bridge Project; and
- \$280,000 for construction engineering services on four projects.

DEPARTMENT COMMENTS

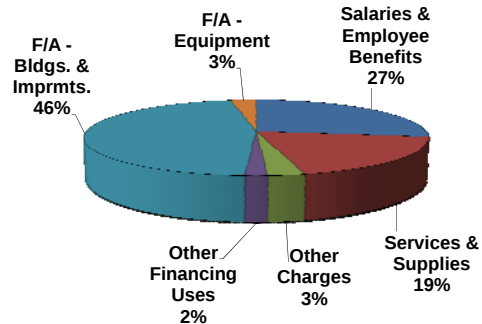
As a result of the receipt of one-time transportation improvement funds in the amount of \$14.4 million, including Proposition 1B funds and federal stimulus funds over the last several years, the condition of the County road system has improved. Public Works design and construction activity is expected to remain heavy through FY2012/13 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 over the last two 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.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	1,521,667	1,215,453	1,240,230	24,777	2%
Licenses, Permits & Franchise	227,164	127,500	177,700	50,200	39%
Revenue From Use of Money/Prop	142,936	114,000	101,000	(13,000)	(11%)
Intergovernmental Rev State	9,944,049	9,294,892	9,108,000	(186,892)	(2%)
Intergovernmental Rev Federal	2,038,042	5,995,000	9,845,000	3,850,000	64%
Intergovernmental Rev Other	227,277	77,000	155,000	78,000	101%
Charges For Services	1,266,083	1,148,135	1,123,466	(24,669)	(2%)
Misc Revenue	2,811	500	700	200	40%
Other Financing Sources	277,167	120,000	87,600	(32,400)	(27%)
TOTAL REVENUES	15,647,196	18,092,480	21,838,696	3,746,216	21%
APPROPRIATIONS					
Salaries and Employee Benefits	6,042,404	6,647,488	6,200,253	(447,235)	(7%)
Services and Supplies	3,321,549	4,041,202	4,185,509	144,307	4%
Other Charges	788,098	695,286	633,217	(62,069)	(9%)
F/A Land	13,342	85,000	113,000	28,000	33%
F/A Bldgs and Imprmts	3,158,536	10,235,000	10,413,000	178,000	2%
F/A Equipment	1,050,330	530,000	640,000	110,000	21%
F/A - INTANGIBLES	0	100,000	35,000	(65,000)	(65%)
Other Financing Uses	433,167	444,655	409,708	(34,947)	(8%)
TOTAL APPROPRIATIONS	14,807,427	22,778,631	22,629,687	(148,944)	(1%)
NET CHANGE	(839,770)	4,686,151	790,991	(3,895,160)	(83%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Public Works' Revenues are projected to increase by \$3.7 million in FY2012/13. This is a result of a \$3.6 million increase in federal funding, largely for construction of four major projects: Gordon Valley Road Bridge, Suisun Valley Road Bridge, Vacaville-Dixon Bike Route and Winters Road Bridge.

Public Works' Appropriations are projected to decrease by \$148,944 in FY2012/13. This is a net result of:

- \$482,182 decrease in labor costs mainly due to: (a) lower costs of employee benefits following labor cost changes, and (b) a decrease in the appropriations for Accrued Leave Payoffs; the FY2012/13 does not including any amount for these Payoffs.
- \$144,307 increase in services and supplies, which is primarily the net of increases in other professional services of \$424,000, materials for road maintenance of \$122,000, and liability insurance of \$81,530, partially offset by a \$460,000

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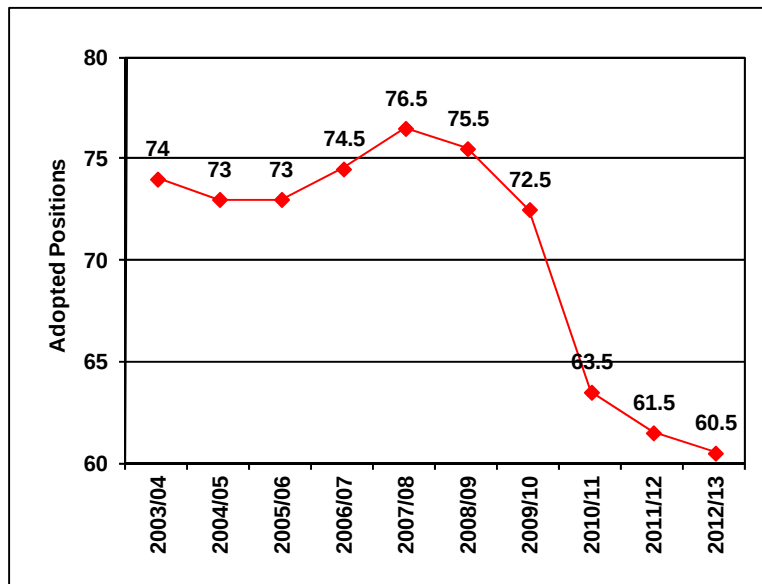
decrease in consulting services related to the initial costs of two major federal projects – Suisun Valley Road Bridge and the Winters Road Bridge – that were completed in FY2011/12.

- \$70,395 decrease in Countywide Administrative Overhead (A-87) charges.
- \$251,000 decrease in fixed assets due to a decrease in construction in progress and non-depreciable intangibles.

SUMMARY OF POSITION CHANGES

No changes are anticipated to the Position Allocation List in this budget.

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 6% to 22%. This means that nearly a quarter of all local roads in California will fail within 10 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
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DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
3020 PUBLIC WORKS IMPROVEMENT	9,461	7,000	15,500	8,500	121 %
3030 REGIONAL TRANSPORTATION PROJ	0	100,000	140,000	40,000	40 %
APPROPRIATIONS					
3020 PUBLIC WORKS IMPROVEMENT	0	75,000	58,600	(16,400)	(22) %
3030 REGIONAL TRANSPORTATION PROJ	0	100,000	140,000	40,000	40 %
NET CHANGE					
3020 PUBLIC WORKS IMPROVEMENT	0	(68,000)	(43,100)	24,900	(37) %
3030 REGIONAL TRANSPORTATION PROJ	0	0	0	0	0 %

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

3030 – Fund 101-Regional Transportation Project
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Summary of Other Administered Budgets

FUNCTION AND RESPONSIBILITY

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 of \$3 million from the General Fund to support regional transportation projects, with the goal of repaying the loan with future transportation impact fees. Due to the continued downturn in the economy and reduced new construction activities, the establishment of transportation impact fees has not yet occurred. The County and STA continue exploring the possibility of participating in a potential Regional Transportation Impact Fee.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Other Financing Sources	0	100,000	140,000	40,000	40%
TOTAL REVENUES	0	100,000	140,000	40,000	40%
APPROPRIATIONS					
Services and Supplies	56,133	60,000	100,000	40,000	67%
Other Charges	31,692	40,000	40,000	0	0%
TOTAL APPROPRIATIONS	87,825	100,000	140,000	40,000	40%
NET CHANGE	87,825	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- The Recommended Budget of \$140,000 reflects increases of \$40,000 in both, Revenues and Appropriations when compared to the FY2011/12 Adopted Budget. This budget relies on proceeds from the FY2006/07 General Fund loan for its financing. The Recommended Appropriations primarily cover anticipated consulting services needed in relation to the proposed widening of Vanden Road as part of the overall Jepson Parkway regional project being done in conjunction with the Solano Transportation Agency.

FUNCTION AND RESPONSIBILITY

The Public Works Improvement 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 system 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 Road Fund for 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 Public Works Division employees on a reimbursable basis.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	2,575	2,000	1,500	(500)	(25%)
Misc Revenue	6,886	5,000	14,000	9,000	180%
TOTAL REVENUES	9,461	7,000	15,500	8,500	121%
APPROPRIATIONS					
Other Charges	1,000	5,000	1,000	(4,000)	(80%)
Other Financing Uses	121,000	70,000	57,600	(12,400)	(18%)
TOTAL APPROPRIATIONS	122,000	75,000	58,600	(16,400)	(22%)
NET CHANGE	112,539	68,000	43,100	(24,900)	(37%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- Expenses for this budget have decreased as a result of the completion of road improvement projects in the English Hills zone of benefit area on Steiger Hills Road in FY2011/12 and in FY2012/13 the Vaca Valley Road improvement project will be completed. Revenues for this budget have also decreased substantially as a result of the continued slow pace of development activity.
- Refer to related Budget Unit 9122, Appropriations for Contingencies (included in Contingencies section of Budget).

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