



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: April 26, 2016

TO: Finance Committee

FROM: Transportation Division, Public Works Department

SUBJECT: Review Of Streets Fund Operating Programs

RECOMMENDATION:

That the Finance Committee hear a presentation on the major activities of the operating programs funded with Streets Fund revenues.

BACKGROUND:

At the City Council meeting on February 2, 2016, Council directed staff to work with the Finance Committee to develop options for increasing the amount of funding available for streets, sidewalks, storm drains, street lights, traffic signals, and other related infrastructure.

On March 1, 2016, the Finance Committee heard staff presentations related to the Streets Fund revenue projections and related expenditures. In Fiscal Year 2016, Utility Users Tax (UUT) and Gas Tax revenues are expected to be below budget by approximately \$308,159. In Fiscal Year 2017, those same revenues are estimated to be approximately \$399,427 less than originally proposed. Measure A revenue has seen modest growth.

On March 15, 2016, the Finance Committee heard a staff presentation related to the LA Consulting Report, dated August 2016. The report highlighted current Streets Section activities and the potential to achieve monetary savings through the implementation of improved field-level maintenance planning activities.

On April 12, 2016, the Finance Committee heard a staff presentation related to the City's Capital Improvement Program's Streets Fund-related projects. There are currently over 30 Capital projects in various stages of completion. The vast majority are funded primarily, and in some cases entirely, through grants. The amount of Capital funds available falls far short of the amount of funding necessary to maintain our street infrastructure, and grants are not available for basic maintenance needs, including pavement and sidewalk maintenance.

This presents a difficult choice between leveraging the limited City funds for grants and allocating these funds for maintenance without leveraging grant funds.

DISCUSSION:

Staff's presentation will review the costs and major work efforts of the operating programs funded with Streets Fund revenues.

BUDGET/FINANCIAL INFORMATION:

Streets infrastructure is funded almost entirely from special purpose or restricted funds. Funds for streets infrastructure are flat or declining, while costs continue to rise. Deferral of street maintenance in particular, accelerates the rate of deterioration.

SUSTAINABILITY IMPACT:

Well-maintained infrastructure supports a healthy environment by minimizing damage to vehicles. Well-functioning storm drains effectively convey water to creeks and the ocean, while decreasing the amount of transported debris, sediment, and litter.

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