

Attachment 3  
PUBLIC REVIEW DRAFT  
CITY OF SANTA ROSA SERVICES AND CAPITAL COSTS ESTIMATES  
ROSELAND AREA ANNEXATION

In April 2014, the Santa Rosa City Council adopted a work plan to analyze the potential annexation of the Roseland County island. The Roseland annexation area includes five County islands surrounded by incorporated Santa Rosa and encompasses approximately 710 acres. The work plan includes two phases and nine tasks. The purpose of the following report is to focus on Tasks 3 and 4 from the work plan. *Task 3* is preparation of service plans and cost estimates for the provision of City services. *Task 4* is preparation of a cost estimate for needed capital improvements in the annexation area.

Each department has analyzed costs which would be associated with the annexation. There are two principles which have guided the approach to annexation of Roseland:

1. New residents will receive the same level of service as current residents.
2. Existing service levels to current City residents will not be reduced in order to provide services to the Roseland Area.

Staff has focused on the first principle in this analysis. It is important to note that improvements identified in the analysis will not be complete upon annexation. Capital improvements such as sidewalks and parks are long term amenities which will be developed over time.

The analysis has broken down costs into the following categories: initial ongoing and one-time costs and future ongoing costs and capital costs associated with future projects and improvements. Appendices E and F summarize these initial and future costs by City department.

Initial ongoing costs upon annexation are estimated to be about \$3.5 million annually. A memorandum prepared by Pacific Municipal Consultants, the City's fiscal consultant, estimates annual revenues at nearly \$2.8 million, a difference of about \$700,000. Initial one-time costs are estimated at \$1.3 million. Long term capital costs are estimated are \$54 million for Recreation and Parks, \$18.3 million for Transportation and Public Works, and \$4.7 million for Utilities.

Initial ongoing costs relate to new employees needed to provide levels of City service to the Roseland area consistent with other areas of Santa Rosa and to ongoing infrastructure maintenance. Twenty new employees will be needed to provide services upon annexation, with half of those in the Police Department. The Transportation and Public Works Department requires 4 new employees, focused in field services - streets maintenance. Other new employees needed include a 0.5 building inspector and 0.5 fire inspector for the neighborhood revitalization program, two customer services representatives for Utility Billing, and one fire inspector to address the hazardous materials program, fire code inspections, and soil contamination issues.

One-time costs generally include vehicles, equipment and infrastructure inspection.

Capital costs include acquisition and development of new park land, improvements to streets, curbs, gutters, sidewalks, and storm drains.

Future ongoing costs include maintenance of parks not yet acquired and developed as well as the cost of employees to manage future capital improvement projects. These costs would be added to the initial, annual costs to identify future annual costs when identified improvements are complete.

The following pages provide a cost analysis by department.

## CITY ATTORNEY'S OFFICE

The City Attorney's Office represents the City in legal proceedings, reviews decision making bodies' agendas for Brown Act compliance, advises the City Council and departments on various agreements and issues, reviews resolutions and ordinances, evaluates and recommends disposition of claims made against the City, and defends litigation filed against the City. The department includes 12.9 Full Time Equivalent employees and in 2014/15 has a \$2.2 million budget.

### Ongoing costs

The City Attorney's Office finds that as a result of the Roseland Annexation and associated legal work that it will be necessary to add an additional 0.5 Deputy City Attorney and 0.5 Senior Administrative Assistant. It is anticipated that in addition to the legal work associated with the annexation process itself, that there will be at least a proportional increase in claims, litigation, contract review, administrative hearings for the Fire Department, and employment related legal work. There is potential for a much greater impact given that the area has been subject to deferred maintenance by the County and potential of dealing with contaminated sites within the annexation area.

The cost of the positions is \$72,043 for the 0.5 Deputy City Attorney and \$36,363 for the 0.5 Senior Administrative Assistant for a total of \$216,810.

Annual City Attorney's Office costs with annexation:

0.5 Deputy City Attorney	\$72,043
0.5 Senior Administrative Assistant	\$36,363
<b>TOTAL</b>	<b>\$108,406</b>

### One-time costs

There are no one-time costs identified upon annexation of the Roseland area.

## CITY MANAGER'S OFFICE

The City Manager's Office is comprised of four programs: Administration, including franchise agreements, Violence Prevention Partnership, Community Engagement, and the City Clerk's Office. The department includes 14 Full Time Equivalent employees and in 2014/15 has a \$3.1 million budget.

It is expected for at least the first year that there will be increase of calls and correspondence in the City Manager's Office regarding information, assistance, and guidance related to the differences between City and County regulations and services (i.e. animals, garbage, bill payment, etc.). Staff anticipates the ongoing volume of inquires will level off as information is provided to residents along with use of existing processes and MySantaRosa to direct calls and correspondence. There are existing staff in the City Manager's Office able to receive and respond to calls and correspondence. Staff will route inquiries to the appropriate subject matter experts as needed.

The Violence Prevention Partnership is currently finalizing the Community Safety Scorecard, and preliminary results indicate two areas of high need for services within the areas to be annexed; these areas are inclusive of and adjacent to neighborhoods already identified by the Neighborhood Revitalization Program. Measure O resources will be directed towards these areas in a place-based approach of enhancing the quality of life for residents; this will be included as part of the discussion to revise the Measure O implementation plan. The Partnership will begin strategic planning in July 2015 for implementation in 2016. It is anticipated that the results of the Scorecard will be used for developing and implementing strategies and services within the areas to be annexed, though no specific needs are identified at this time upon annexation.

### Ongoing Costs

It is estimated that there are 2,500 registered voters in the islands comprising the Roseland area annexation. New eligible voters will increase local election costs. It is estimated to cost \$1.50 to \$2 per voter for City Council elections and an additional \$0.50 to \$1 per voter for ballot measures.

It is estimated that the increased cost upon annexation will be \$5,000 every two years for City Council elections and \$2,500 per ballot measure.

City Council elections (annualized)	\$2,500
Ballot measures (one per year)	\$2,500

<b>TOTAL</b>	<b>\$5,000</b>
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### One-time costs

There are no one-time costs identified upon annexation of the Roseland area.

## COMMUNITY DEVELOPMENT

Community Development Department functions are distributed among seven programs designed to achieve the department's mission, including: General Administration, Permit Services, Building Plan Review, Code Enforcement, Building Inspection, Planning Development Review, and Advance Planning. The department includes 34.5 Full Time Equivalent employees and in 2014/15 has a \$5 million budget.

Revised building and planning fees were adopted in January 2014 to more fully recover the costs of staff time spent reviewing and processing applications for entitlements and permits. Building fees established are anticipated to cover 90% of costs within 3 years of adoption. Fees for standard planning services are set to recover 75% of costs within 5 years of adoption.

Because of the existing fee for services structure, the cost building and planning services will generally be covered when new territory is annexed, insomuch as they are today. Based on annual per capita visits to the Community Development counter and the number of building permits issued, staff does not anticipate a large increase in demand for counter and permit services with the population anticipated through annexation.

Based on approximately 1,500 code enforcement cases annually for the City as a whole, with a population of about 171,000, it is expected that Roseland will generate about 61 additional cases annually. Additional code enforcement cases typically result in additional need for administrative support, along with planning applications, generally for Minor Use Permits and Design Review to legalize and permit cited violations. It is anticipated that existing code enforcement staff will be able to handle this increase in cases, and that the current fee structure will capture the costs of any additional planning services.

### Ongoing Costs

There are no ongoing costs identified upon annexation of the Roseland area.

### One-Time Costs

There are no one-time costs identified upon annexation of the Roseland area.

## ECONOMIC DEVELOPMENT AND HOUSING

The Economic Development and Housing Department (EDH) work to build community and improve quality of life in Santa Rosa to help residents flourish and businesses thrive. EDH administers a variety of programs to strengthen the local economy, deliver exceptional parking services, help people with rental assistance, create quality affordable housing, and revitalize neighborhoods. The department's key program areas are: economic development, parking, rental assistance, the Santa Rosa Housing Trust, neighborhood revitalization, and mobile home rent control. The department includes 65 Full Time Equivalent employees and in 2014/15 has an \$8.8 million budget.

The Neighborhood Revitalization Program (NRP) is a coordinated inter-departmental task force which works in focused, entry level Santa Rosa neighborhoods where residents may have language and cultural barriers that prevent them from accessing community services. NRP works to ensure decent, safe, and sanitary housing conditions, organize residents and share information on community activities, public health, safety, and gang intervention strategies, and provide property owners with management standards, house rules, and uniform tenant screening practices. EDH leads the task force with a Program Manager, Program Specialist, Community Outreach Specialist, Building Inspector, and Fire Inspector, along with support from the City Attorney's Office and Police Department.

### Ongoing Costs

Annexation of Roseland will place additional demands on the NRP program due to the service needs of several neighborhoods that will be included in the City's jurisdiction. Because of the extra service demands required to revitalize these additional neighborhoods, coupled with the need to sustain efforts in existing areas, it will require restoring the program to a full time effort by increasing half time fire and building inspectors to full time, restoring the half time program specialist, and an additional 0.15 of program management time.

Annual Economic Development and Housing costs with annexation:

.5 Building inspector	\$58,812
.5 Fire inspector	\$91,147
.5 Program Specialist	\$70,552
.15 EDH Manager	\$29,489
<b>TOTAL</b>	<b>\$250,000</b>

### One-time costs

There are no one-time costs identified upon annexation of the Roseland area.

## FINANCE

The Finance Department is responsible for providing a variety of financial and support services to the City organization, the local business community, and the general public. The department includes: Administration, Accounting Services, Payroll and Benefits, Purchasing, and Revenue. The department includes 62.35 Full Time Equivalent employees and in 2014/15 has a \$9.1 million budget.

### Ongoing Costs

Additional staff would be required for initial set up of utility accounts and for ongoing account maintenance. A Customer Service Representative (CSR) position would need to be added at a yearly cost of \$79,081.60. The sewer-only accounts are problematic and the City's existing sewer-only accounts require a significantly greater amount of time to administer. This annexation would add an additional 900 sewer-only accounts. An additional CSR would need to be added for a total of two ongoing CSR positions at \$158,163.20 per year.

### One-time Costs

There are approximately 2,500 accounts that will need to be revised or added to the City's Utility Billing. If the accounts are set up manually by an Administrative Technician, it would take about 5 minutes each to add sewer billing to existing water accounts and 25 minutes per account to set up new accounts for the sewer-only customers that would be assimilated for a total of about 56.5 nine-hour days. Staff time would be just under \$54,000 for a one-time cost.

Annexation of Roseland will cause the need for more than 20 new employees. The payroll system will need to be modified to accommodate the additional employees. This will include some outside contracted assistance to perform data entry to set up new employees and their associated time cards.

Annual Finance Department Costs with annexation:

2 Customer Service Representatives	\$158,163
<b>TOTAL</b>	<b>\$158,163</b>

### One-time costs

Cost to set up utility accounts	\$54,000
Cost of modifying payroll system	\$15,000
<b>TOTAL</b>	<b>\$69,000</b>

## FIRE DEPARTMENT

The Santa Rosa Fire Department has four major programs: Administration, Prevention, Operations, and Measure O. The department has 148.75 Full time Equivalent employees and in 2014/15 has a budget of \$33.4 million.

### Ongoing Costs

The following evaluates the needs of the Fire Department with focus on the Fire Prevention Bureau. Annexation will create additional workload in the programs outlined below that are not supported by current staffing levels.

Certified Unified Program Agency (CUPA) – Sonoma County Fire Services currently conduct hazardous materials inspections within the unincorporated Roseland area. With annexation, the Santa Rosa Fire Department will become responsible for these inspections. Through conversations with County Fire Services, it is estimated that there are 58 businesses that will require a hazardous material inspection. Comparing the list of current County CUPA facilities and observing business areas in Roseland, Santa Rosa Fire Department staff finds that there are additional businesses that are not currently in the County system which will require hazardous materials inspections.

Following annexation, an audit of the area will be required to identify these additional businesses which require CUPA inspections. It is expected that an audit will occur within the first year following annexation, and once it is complete, additional business facilities will be added to the list of necessary ongoing CUPA compliance which the City will oversee.

Sonoma County currently generates revenue of approximately \$70,000 annually from the CUPA program. With additional businesses included in the CUPA program, that figure is expected to increase over time.

The Santa Rosa Fire Department conducts CUPA inspections and oversight at 629 businesses in the City of Santa Rosa as a whole and has spent 3,685 hours on CUPA compliance for these sites, an average of about 6 hours per facility. Adding 58 initial facilities in Roseland will require about 350 additional staff hours. Using about 1,400 hours of work time annually for a full time employee, the addition of new facilities will require 25% of a full time employee. CUPA inspections are conducted triennially, but after all 58 CUPA inspections and associated office follow up are done in the first year, the audit is conducted, and businesses are added to the CUPA program, the need for the position remains.

Fire Code Inspections/ Fire Hazard Complaints – The Fire Department currently performs annual Fire Code Permit inspections in the Roseland area. As with the hazardous materials inspections, an area audit would need to be conducted to ensure all needed inspections are identified. The 2014 ESRI Business Analyst Online Tapestry report used for the Roseland area revenues memo estimates 420 businesses exist in the Roseland area islands, and these businesses would be the focus of the audit.

While the Santa Rosa Fire Department does currently provide Fire Code Permit oversight in Roseland, this work is based solely on information provided by the County. Based on a comparison of the County-provided list of inspections to observation of businesses in the field, it is anticipated that there will be additional needed annual Fire Code Inspections upon annexation. As an example, in a recent small field survey, several occupancies which were on the County CUPA database were not reported to Santa Rosa



Fire for issuance of necessary Fire Code Permits. At an average of 1.5 hours per site visit to make contact with the business, explain the annexation process, evaluate needed permits and inspections, complete paperwork and data entry, this would take about 630 hours, or about 45% of a position.

In addition, the Fire Department works closely with other City departments following up on citizen complaints that involve multiple enforcement disciplines and education, and staff time would need to be available for this response in Roseland.

Development – Within the Roseland area, construction related projects are typically handled by the County Permit Resource Management Division (PRMD) and Sonoma County Fire Services, with some local oversight on projects for Fire Department features. With annexation, there is potential for an increase in plan review and field inspection time. It is anticipated that with City oversight of code enforcement and the expansion of the Neighborhood Revitalization Program into this area that permits such as tenant improvements and fire alarms will also increase, requiring staff time.

The Fire Department also acts as the lead agency for the City of Santa Rosa Pond #2 Soil Management Plan on behalf of the North Coast Regional Water Quality Control Board. With annexation, it is expected that Capital Improvement Projects will take place to upgrade water and sewer services. Due to the subsurface contamination in and around Roseland, Fire Department staff will be required to review soil data for all projects to determine if Santa Rosa City’s Pond #2 would be suitable to dispose of trench spoils on a case by case basis. The Fire Department also oversees Phase 1 and 2 Environmental Site Assessments for development and any soil remediation required.

One fire inspector will be needed to address hazardous materials and fire code inspections, review development projects, and address soil contamination issues in the area. The fire inspector will require a vehicle, and service and supply items such as a computer and phone. As noted above, there will be offsetting revenues from the CUPA program to partially support this additional staffing.

Annual Fire Department Costs with annexation:

Fire inspector	\$180,000
Service and Supplies	\$ 5,000
Ongoing cost for fuel, maintenance, and vehicle replacement	\$ 5,550
<b>TOTAL</b>	<b>\$190,550</b>

**Note:** An additional 0.5 fire inspector position for the Neighborhood Revitalization Program is funded through the Economic Development and Housing Department, so the position is reflected in that department’s ongoing costs (see page 5). This additional 0.5 position is a Fire Department position, but is budgeted in the NRP program. While technically in the Fire Department, the position is included in the EDH cost estimates since that’s where the cost will be incurred.

One-time costs

Vehicle	\$28,000
<b>TOTAL</b>	<b>\$28,000</b>

## HUMAN RESOURCES

The Human Resources Department includes Human Resources and Risk Management. Human Resources monitors and advises departmental managers and supervisors on the full array of human resource issues. Risk management reviews activities of the City and develops programs to minimize the City's exposure to risk. The department includes 20 Full Time Equivalent employees and in 2014/15 has a \$30.8 million budget.

### Ongoing Costs

The addition of nearly 20 new City employees will cause an increase in Human Resources Department recruiting and testing services as well as risk management services due to an expectation of additional claims payouts. It is anticipated that provision of additional services will be absorbed by existing staff.

There are no ongoing costs identified upon annexation of the Roseland area.

### One-time Costs

There are no one-time costs identified upon annexation of the Roseland area.

## POLICE DEPARTMENT

The Police Department is responsible for the safeguard of lives and property, preservation of constitutional rights, and the maintenance of quality of life in order to promote safe and secure neighborhoods for the citizens of Santa Rosa. The Department responds to a wide range of calls for service and provides a number of community support and outreach programs to promote police/community partnerships.

The Department is currently divided into four areas – Field Services, Special Services, Technical Services, and Administration. The Department has two primary funding sources - the General Fund and Measure O Funds. The revenue for these funds includes property tax, sales tax, utility use tax, fees or charges for services, transfers from other funds, grants, and interest on investments.

Adding Roseland to the incorporated area of Santa Rosa served by the Department will require additional staff and equipment. The total cost estimates for one time and ongoing needs are described for each division below, totals are shown in Additional Needs Methodology/Calculations - Appendix A.

Several factors were taken into consideration when analyzing the need for service in the Roseland Area:

- A service level baseline for the City of Santa Rosa was identified to ensure that the addition of Roseland does not decrease the level of service being provided throughout the City.
- Data was obtained from the Sonoma County Sheriff's Office based on its Computer Aided Dispatch (CAD) calls for service. The Sheriff's Office relies on the California Highway Patrol for traffic related enforcement and abandoned vehicle abatement; complete statistical data for the area was not available.
- Staffing Matrix:
  - In order to gauge the full impact of annexing Roseland, the City retained a national public safety consultant, Etico Solutions, Inc., to conduct a staffing study and to evaluate the anticipated impacts of the Roseland annexation. Due to incomplete statistical data for Roseland, three comparable areas within the City of Santa Rosa were identified to develop estimates for Roseland based on areas with similar demographics. Comparable areas were selected based on recommendations from investigation supervisors and then vetted with socioeconomic, demographic, and census information from the U.S. Census Bureau. The census data:
    - Population;
    - Median age;
    - Median family income %;
    - Percentage below poverty level;
    - Number of housing units;
    - Number of vacant units; and
    - Number of rental units.

The census data for Roseland was verified to ensure it was similar to the three comparable areas (with the exception of "number of rental units"). Then, using the known workload from the CAD data along

with the census data for each comparable area, a series of normalizing multipliers was identified that could be applied to the Roseland Census data to estimate potential workload.

### **Field Services Division**

#### ***Description:***

The Department's Field Services Division (FSD) is responsible for the patrol function of the department comprised of 8 teams that patrol 365 days a year, 24 hours a day. FSD also includes the Traffic Bureau comprised of Motorcycle Officers and Accident Investigators, Community Policing Team, School Resource Officers, Field and Evidence Technicians, SWAT team, Hostage Negotiation Team, Canine Unit, Downtown Enforcement Team, and Community Service Officers.

#### ***Current Budget:***

FSD operates on a \$27,664,861 annual budget, funded by both the General Fund and Measure O. The Traffic Division receives \$2,564,746 of the FSD budget for annual operations.

#### ***Current Staffing:***

FSD is comprised of 143 FTEs: one Captain, five Lieutenants, fifteen Sergeants, one hundred eleven Police Officers, five Field and Evidence Technicians, six Community Services Officers, and three Senior Administrative Assistants.

The Traffic Division is staffed with 1 Sergeant and 10 Police Officers assigned to motorcycles or accident investigations.

#### ***Effect of Annexing Roseland/Needed Improvements:***

With the annexation of Roseland, FSD will require additional staff time to provide patrol activities throughout the City. The additional Police Officers and Field and Evidence Technician will be incorporated into the department's patrol teams following the annexation.

#### ***Additional Needs (staff and equipment) Methodology/Calculations (see Appendix A):***

Based on an analysis of the calls for service in the proposed annexation area, 5 new employees will be needed: 1 Sergeant, 3 Police Officers, and 1 Field and Evidence Technician at \$342,944 in one-time costs and \$1,360,729 in on-going expenses to increase the Police Department's patrol services to include Roseland at a level comparable to the rest of the City.

### **Investigative Services Division**

#### ***Description:***

The Investigative Services Division is comprised of the following detective units: Domestic Violence and Sexual Assault, Narcotics, Property Crimes and Graffiti Abatement, Violent Crimes, and Gangs. The Investigative Services Unit is supported by the Field and Evidence Technicians that is responsible for the intake, tracking and disposition of all evidence related to investigations.

***Current Budget:***

This division operates on a \$7,721,351 annual budget funded by the General Fund.

***Current Staffing:***

The Special Services Division is comprised of 40 FTE: 1 Captain, 2 Lieutenants, 5 Sergeants, 30 Police Officers, and 2 Senior Administrative Assistants.

***Additional Needs (staff and equipment) Methodology/Calculations (see Appendix A):***

The staffing study supports the addition of one Detective at a one-time cost of \$46,007 (uniform, equipment, vehicle, and training) and ongoing expenses of \$235,286.

***Significant and/or unresolved issues or assumptions:***

The number of crime reports that will be elevated to the detective unit for investigative follow-up can only be estimated.

**Technical Services Division**

***Description:***

The Technical Services Division provides the following services: Communications 9-1-1 Center, Records, Property and Evidence, Discovery, Crime Analysis and Information Technology.

***Current Budget:***

Communications currently has a \$2,892,211 annual budget.

Records currently has a \$1,753,700 annual budget.

***Current Staffing:***

Under and including one Technical Services Division Manager, the division is comprised of 51.75 FTEs. Staffing will be impacted as follows:

Staffing in Communications consists of 25 FTEs: three Communication Supervisors and 22 Communication Dispatchers; and

Staffing in Records consists of 18.75 FTEs: three Records Supervisors and 15.75 Police Technicians.

***Effect of Annexing Roseland/Needed Improvements:***

The Communications Center receives approximately 230,000 phone calls a year. Using the comparable areas to estimate the number of calls for service and data provided by the Sheriff's Office, calls for service following the annexation of Roseland are expected to rise by about 5%, with approximately 12,000 additional annual calls for service. Department statistics show that there are typically two phone calls for each call for service.

The Records Bureau is responsible for processing all police reports and responding to Discovery requests. It is anticipated that the volume of reports and Discovery will increase following annexation. The increase is relative to the additional officers that will be hired to staff the annexed areas.

***Additional Needs (staff and equipment) Methodology/Calculations (see Appendix A):***

An annual cost of \$354,335 is estimated for 2 Communications Dispatchers and 1 Police Technician.

**Administration**

***Description:***

The general administration of the department includes the Chief of Police and the administrative services functions responsible for the budget, contracts, department supplies and facilities.

***Current Budget:***

The Department's Administration currently operates with an annual budget of \$3,474,132.

***Current Staffing:***

Administration is comprised of 6 FTEs: one Chief of Police, one Administrative Services Officer, one Administrative Analyst, one Research and Program Coordinator, one Stores Specialist, and one Administrative Secretary.

***Effect of Annexing Roseland/Needed Improvements:***

Department administration is not anticipating a significant increase in workload due to the annexation of Roseland and no additional staff is being proposed in Department wide support units and positions, including Information Technology and Crime Analyst.

One of the existing issues the Department is currently addressing and will continue to work on following the annexation of Roseland is the staffing and budgetary impacts of over hiring Police Officers and Communications Dispatchers to address attrition. The time period required to hire and train for these positions is approximately one year for Police Officer and two years for Communications Dispatcher. In 2013, the Department began hiring Police Officer Trainees who are then put through the Santa Rosa Junior College Police Academy at the Department's expense. This has proven to be an effective strategy to increase diversity among the applicant pool and develop employees. This hiring practice is expected to continue to address the ongoing staffing needs.

Another consideration is to include a Police sub-station in the Roseland area. There are a three substations located throughout the City, strategically located to provide a visual police presence. The cost of the facility is not included in the estimates provided by the Department.

## APPENDIX A

	One -Time	Annual/On-going
<u>Field Services Division</u>		
1 Sergeant	\$0	\$245,462
3 Police Officers	\$0	\$604,317
1 FET/CSO	\$0	\$116,270
Uniforms and Equipment	\$34,489	\$8,054
Vehicles	\$250,000	\$149,400
Training	\$16,537	\$17,020
Traffic Bureau		
1 Motor Officer	\$0	\$201,695
Uniforms and Equipment	\$2,783	\$1,400
Vehicles	\$35,000	\$12,856
Training	\$4,134	\$4,255
<i>Division Total</i>	<b>\$342,944</b>	<b>\$1,360,729</b>
 <u>Investigative Services</u>		
1 Detective	\$0	\$211,930
Uniforms and Equipment	\$6,873	\$1,801
Vehicles	\$35,000	\$17,300
Training	\$4,134	\$4,255
<i>Division Total:</i>	<b>\$46,007</b>	<b>\$235,286</b>
 <u>Technical Services</u>		
Communications		
2 Dispatchers	\$0	\$256,097
Training	\$256	
Records		
1 Police Technician	\$0	\$98,238
Uniforms and Equipment	\$0	\$550
<i>Division Total:</i>	<b>\$256</b>	<b>\$354,885</b>
 DEPARTMENT TOTAL	 <b>\$389,207</b>	 <b>\$1,950,900</b>



## RECREATION AND PARKS

The Recreation and Parks Department includes the following programs: Administration, Aquatics, Howarth Park and Camps, Sports, Bennett Valley Golf Course, Neighborhood Services, Gang Prevention/Intervention (Measure O), Community Centers, Parks and Ground Maintenance, Park/Facility Planning and Development, In-House Construction Crew, and Facilities Maintenance. The department includes 85.15 Full Time Equivalent employees and has a 2014/15 budget of \$19 million.

### Ongoing Costs

South Davis is the only park in Roseland currently in the city limits and therefore included in the City's annual appropriations. All other park sites have not been improved, not been acquired, or both, and therefore operating expenses have not been budgeted for these sites to date. Bayer Park is presently in unincorporated Roseland and is under design and will likely be constructed in calendar years 2015 and 2016, with operating expenses needed for fiscal year 2017 (July 2016–June 2017). The estimated annual cost of maintaining South Davis and Bayer parks is \$105,000. These costs are not attributable to the Roseland annexation since maintenance costs will be incurred prior to annexation.

### One-time costs

There are no one-time costs identified that will occur upon annexation of the Roseland area.

### Capital Costs

Capital costs include the cost to acquire and improve land for parks. The estimated cost to acquire and improve proposed park acreage is based on the cost of acquiring, designing, mitigating, and constructing the Bayer site, which is equivalent to \$2 million per acre. Even though much of Roseland is unincorporated, the City began acquiring park land to serve Roseland residents. Bayer Park and 17 acres of the Roseland Community Park site have been acquired, and 1 acre will be dedicated by the Paseo Vista project, which is an approved County subdivision on Dutton Avenue. It is anticipated that the County will improve the plaza site on Sebastopol Road as envisioned by the Sebastopol Road Urban Vision Plan. The estimated cost for pending acquisitions and improvements that will occur after annexation is \$54 million, and could increase.

### Future Ongoing Costs

Future parks (as indicated by City planning documents) will be added over time. The spreadsheet attached as Appendix B indicates ongoing costs for maintenance of future new parks in Roseland, which is generally \$12,000 per acre annually, but applied at a premium rate for parks with more intense use. The ongoing cost will increase as new parks are acquired and developed, over a period of many years. Future park maintenance costs, not including current costs, is estimated at \$488,000.

Additional ongoing costs include 1.5 additional staff members in the future to maintain the park land planned in the area. Two vehicles will be needed for these staff members, as noted below. Annual fuel, maintenance, and vehicle replacement costs of \$16,200 is an additional ongoing cost.

Future One-Time Costs

Two trucks are assumed for the staff members anticipated as park land is added in the area. Cost of two vehicles will be about \$70,000.

Other Considerations

It is presumed that the County will retain responsibility for the ongoing cost of operating and maintaining the Joe Rodota Trail.

The County did not identify any existing landscaped medians, frontages, or urban street trees that are owned and maintained by the County. Any future landscape improvements to the rights of way are presumed to be the maintenance responsibility of the adjacent property owner, and therefore no cost has been estimated.

Capital Costs

Park acquisition and construction **\$54,000,000**

Future one-time costs

Two maintenance vehicles **\$70,000**

Future ongoing costs

1.5 maintenance employees \$150,000  
Maintenance of new parks \$488,000  
Fuel, maintenance, vehicle replacement \$ 16,200

**TOTAL \$654,200**

## APPENDIX B

### RECREATION AND PARKS DEPARTMENT

#### ONGOING COSTS

<u>Future new parks</u>	<u>Acres</u>	<u>Maintenance Cost</u>
<u>Sebastopol Rd UVP</u>		
Neigh park	4	\$48,000
Neigh park	1	\$12,000
Neigh park	1	\$12,000
Neigh park	1	\$12,000
Plaza	1	\$56,000
<u>Downtown Plan</u>		
Neigh park	1	\$12,000
<u>General Plan</u>		
Roseland Creek CP	20	\$240,000
Barham Area	4	\$48,000
Dutton Area	4	\$48,000
<b>TOTAL</b>	<b>37</b>	<b>\$488,000</b>

#### Future staff and ongoing vehicle costs

1.5 staff members	\$150,000
Fuel, maintenance, replacement	\$16,200
<b>TOTAL</b>	<b>\$166,200</b>

**TOTAL ONGOING COSTS** **\$654,200**

#### CAPITAL COSTS

<u>Future new parks</u>	<u>Acres to be Acquired</u>	<u>Acquired/Ded Acres</u>	<u>Cost</u>
<u>Sebastopol Rd UVP</u>			
Neigh park	4		\$8,000,000
Neigh park	1		\$2,000,000
Neigh park	1		\$2,000,000
Neigh park	1		\$2,000,000
<u>Downtown Plan</u>			
Neigh park	1		\$2,000,000
<u>General Plan</u>			
Roseland Creek CP	3	17	\$23,000,000
Barham Area	4		\$8,000,000
Dutton Area (4)	3	1	\$7,000,000
<b>TOTAL CAPITAL COSTS</b>	<b>18</b>	<b>18</b>	<b>\$54,000,000</b>

#### ONE TIME COSTS

2 vehicles needed for future staff (2 utility bed trucks w dump inserts, \$35,000 ea)	<b>\$70,000</b>
--	-----------------

**TOTAL ONE TIME COSTS** **\$70,000**

Notes:

- 1) Ongoing annual maintenance is estimated at \$12,000 per acre; premium rate applied to intense use sites.
- 2) The Sebastopol Road Urban Vision Plan anticipates that the one acre neighborhood parks could be privately developed/maintained.  
These estimates assume Sonoma County builds plaza.
- 3) Acquisition of park land, mitigation, design & construction cost assumed at \$2 million/acre. If land already acquired, \$1 million per acre assumed for const cost.
- 4) The Paseo Vista subdivision approved in the County will dedicate 1 acre to the City of Santa Rosa for a future park. Dedication is anticipated by mid-2015.

## TRANSPORTATION AND PUBLIC WORKS

The Transportation and Public Works (TPW) Department designs, builds, operates, and maintains public infrastructure including 493 miles of existing City streets, traffic systems, storm drains, sidewalks, and street lights. It also maintains the City's fleet and equipment, provides development-related services to the community (from minor improvement projects to major subdivisions), and operates the City's transit system.

The TPW Department is currently divided into five divisions – Capital Projects Engineering, Traffic Engineering/Materials Engineering, Engineering Development Services, Field Services and Transit.

The department currently has ten different funds including the General Fund, Capital Improvement Fund (for capital projects), Storm Water Fund, Equipment Repair Fund, Equipment Replacement Fund, and several Transit Funds. The revenue sources for these funds include property tax, sales tax, utility use tax, fees or charges for services, transfers from other funds, grants, and interest on investments, among others.

The total cost estimates for one time and ongoing needs are described for each TPW division below. Dollar amount totals are shown in Appendix C.

### *Background*

Several important issues surface when analyzing the incremental need for services in the Roseland Area.

- Due to the current poor condition and/or lack of infrastructure in the proposed annexation area, the maintenance costs in Roseland will be higher than the current cost of maintaining infrastructure in other parts of the City, until the infrastructure improvements shown in the attached Appendix G spreadsheet are completed. This means that Street Maintenance workers will be focused on filling potholes and repairing failing streets since the estimated cost of improving the area to City standard is about \$18 million.
- Both City and County analysis of this area show 25% of the street segments have a Pavement Condition Index (PCI) rating of 25 or below and 15% of the street segments are below a PCI of 5. These areas will need regular attention to eliminate potholes and remove and replace failing portions of the street. This type of pavement maintenance has high material and labor costs. It is assumed a condition of annexation is to reconstruct any street with a current PCI rating of less than 25.
- Only 35% of the annexation area has curb, gutter, and sidewalk as compared with 85% in the City. In addition, at various locations, storm water has been routed through private property instead of the public right-of-way. Some of the areas appear to have storm drains in easements, but these are difficult and time consuming to maintain. As a result of these two factors, a higher-than-average amount of labor hours and special equipment will be needed for vegetation removal and hydraulic maintenance along these areas.
- Certain assets will continue to be maintained by County staff. For example, the Joe Rodota Trail, and creeks/channels are currently maintained by County Parks and the Sonoma County Water Agency respectively, and would continue to be upon annexation.

- Services which involve contracts by either or both City and County would need to be reviewed and modified. For example, street sweeping (currently performed by North Bay Corporation for both City and County) may not occur at the same frequency. Dead animal pick up and graffiti abatement is contracted out by the County, but performed in-house by the City. The additional needs described under each division below assume that contract services for the Roseland area would ultimately be provided at the same level they are currently provided to City residents.
- The City would not proactively install any additional sidewalk, pedestrian ramps, curb and gutter, storm drain pipe or fixtures, asphalt pathway, traffic signals, traffic signal interconnect, street lights (or underground street light service points) following the annexation of Roseland unless part of a scheduled Capital improvement Program or private development project.
- The Transit Division has provided Santa Rosa CityBus and the accompanying complimentary Santa Rosa Paratransit service in the areas of Roseland under County jurisdiction for many years under an agreement with Sonoma County Transit. The annexation of the Roseland area will not impact the funding coming to the City for its CityBus and Santa Rosa Paratransit services since the City already receives the funding for those services through long-standing agreements with Sonoma County Transit.

The City of Santa Rosa receives “credit” for the population of unincorporated Roseland in its share of state Transportation Development Act funds distributed on a population basis within Sonoma County and the split between Santa Rosa CityBus and Sonoma County Transit of the federal formula transit funds coming to the Santa Rosa Urbanized Area. The impact of the annexation will be to remove the need for the funding agreements with the County, but will not impact the amount of funding received.

Since the level of CityBus transit service in the Roseland is at least equal to the level of service to areas within the existing City limits, no additional service needs and related capital needs are likely.

### **Capital Projects Engineering Division**

#### ***Description:***

TPW’s Capital Projects Engineering (CPE) Division is responsible for the design and construction of projects to rehabilitate, upgrade and expand the City’s infrastructure, including the sanitary sewer collection system, water distribution system, street network, traffic signals and systems, pedestrian and bicycle facilities, bridges and other structures, creeks and drainage systems, parks, and other City facilities.

#### ***Current Budget:***

This division operates on an \$8,014,000 annual budget, which is entirely funded by the City’s CIP projects.

#### ***Current Staffing:***

Under and including one Deputy Director, Capital Projects Engineering is comprised of 55 FTEs: four Supervising Engineers, nine Associate Civil Engineers, one Assistant Engineer, one Survey Associate, eight Quality Control Associates, eighteen Civil Engineering Technicians, five Administrative Technicians, and

two Senior Administrative Assistants. This team also uses consultants for design and inspection of capital projects.

***Effect of Annexing Roseland/Needed Improvements:***

This Division would be charged with the task of improving the infrastructure in Roseland area to a level comparable to the rest of the City, if CIP funds become available.

***Additional Needs (staff, materials, equipment) Methodology/Calculations (see Appendix C):***

Based on the City's analysis of the infrastructure in the proposed annexation area, approximately \$18,292,817 would be needed to improve the infrastructure in the Roseland area to a level comparable to the rest of the City. That incremental difference - between the present condition of Roseland and the rest of the City - was factored for each type of infrastructure asset (except roads) and termed "City Equivalent" in the Task 4 spreadsheet.

In addition, an annual/on-going TPW CIP project need of \$273,500 would result from the 12.6 miles added to the City's street network (based on the FY2014-15 TPW CIP funding of \$10,715,036 for 493 existing miles). Additional needs in CPE would be based on and funded by CIP projects.

***Significant and/or unresolved issues or assumptions:***

- The extent of City CIP projects that may be funded as a result of the Roseland annexation is unknown.

**Traffic Engineering**

***Description:***

The Traffic Engineering Division is responsible for Traffic Signal Timing, Neighborhood Traffic Calming, Engineering and Traffic Surveys, Transportation Planning, Development Review, CIP Grant Support, Roadway Striping, and Safe Routes to School Program, and issues transportation permits. The division also oversees the City's High Pressure Sodium (HPS) to Light Emitting Diode (LED) Street Light project and would do the same for the City maintained street lights added by the annexation.

***Current Budget:***

This division operates on a \$951,000 annual budget.

***Current Staffing:***

The Traffic Engineering Division is comprised of 8 FTEs: 2 Supervising Engineers, 1 Assistant Engineer, 1 Transportation Planner, 1 Quality Control Associate and 3 Civil Engineering Technicians.

***Effect of Annexing Roseland/Needed Improvements:***

With the annexation of Roseland, the Traffic Engineering Division would require additional staff time to maintain traffic signal timing, conducting engineering and traffic surveys to set speed limits, review signing and striping, establish parking prohibitions, review traffic operations and respond to citizen service requests on traffic related items. In addition, Traffic Engineering supports both Engineering Development Services and Capital Projects Engineering on encroachments, development, and project specific issues relating to traffic.

***Additional Needs (staff, materials, equipment) Methodology/Calculations (see Appendix B):***

An annual cost of \$30,400 is estimated for 0.20 FTE Civil Engineering Technician.

This was derived using a comparison of current staffing levels with 493 miles of roadway in the City versus the additional 12.6 miles in the proposed annexation area.

***Significant and/or unresolved issues or assumptions:***

- The City would not charge the County for future undergrounding of street light service points (per City standard).
- The City would proactively upgrade existing City maintained High Pressure Sodium street lights to LED depending on the ownership issues discussed in the *Assumptions* section under the Field Services Division.

**Materials Engineering**

***Description:***

Materials Engineering is responsible for quality assurance of materials used to construct City projects. Materials Engineering works closely supporting the Engineering Development Services and Capital Projects Engineering Divisions. The division's goal is to ensure that the use, placement, and installation of aggregate, asphalt, and concrete complies with City Standards. This service involves asphalt plant inspection and sampling, laboratory and field testing of several materials, and pavement engineering. The team is also responsible for overseeing the Pavement Management Program which assesses cost-effective preventative maintenance and pavement rehabilitation for the City.

***Current Budget:***

This division operates on a \$1.1 million budget.

***Current Staffing:***

Materials Engineering is staffed with 1 Materials Engineer, 1 Quality Control Associate, and 6 Civil Engineering Technicians.

***Effect of Annexing Roseland/Needed Improvements:***

Materials Engineering would require additional staff time to evaluate and maintain the pavement management program for these additional street segments. Materials Engineering determines structural sections for CIP and private development projects, conducts compaction testing on all trenching, paving, and subgrade, and provides quality assurance/quality control for asphalt, aggregate, and concrete used within the City right-of-way. The division is also charged with conducting investigations on current pavement conditions and subgrade.

***Additional Needs (staff, materials, equipment) Methodology/Calculations (see Appendix C):***

An annual cost of \$30,400 is estimated for 0.20 FTE Civil Engineering Technician.

Service needs will increase 0.20 FTE Civil Engineering Technician with the additional road miles in the proposed annexation area. This was derived using a comparison of current staffing levels with 493 miles of roadway in the City versus the additional 12.6 miles in the proposed annexation area.

***Significant and/or unresolved issues or assumptions:***

- Materials Engineering would need to initially re-evaluate all the street segments to verify the current pavement quality.

**Engineering Development Services Division**

***Description:***

The Engineering Development Services Division (EDS) provides development review of private development projects, construction inspection services and a point of contact for the public to learn about their streets, sewer and waterline locations, and street lights. This division works with the Community Development Department in assessing development applications' compliance with City and State requirements, and it also reviews all construction drawings for neighborhoods and business centers, helps create residential and commercial lots. This division provides services to the developers and homeowners who want to build and/or construct within the City.

***Current Budget:***

EDS currently operates under a budget of \$1,673,000.

***Current Staffing:***

Under and including one Deputy Director, the Engineering Development Services Division is comprised of 13 FTEs: one Development Review Coordinator, one Associate Civil Engineer, two Assistant Engineers, three Quality Control Associates, four Civil Engineering Technicians and one Senior Administrative Assistant.

***Effect of Annexing Roseland/Needed Improvements:***

With the annexation, EDS will experience some additional demand from homeowners interested in improving their property to City Standards, along with additional encroachment permits currently issued by the County to be issued to the private utilities. Building Permits issued by the City require an Encroachment Permit if the work will cross or encroach on the public right-of-way. The Encroachment Permit is reviewed, issued, and inspected by EDS.

***Additional Needs (staff, materials, equipment) Methodology/Calculations (see Appendix C):***

Currently EDS utilizes three Encroachment Permit Officers to review, issue and inspect approximately 550 Encroachment Permits annually. As of December 2014, the County Permit and Resource Management Department had 73 active code enforcement cases. Many of these cases will require building permits, and some will require encroachment permits. It is estimated that about 20% of building permits issued in Santa Rosa related to code enforcement cases would require an encroachment permit. Based on 73 code enforcement cases, this equates to about 15 annual encroachment permits, or 1.25 per month. Given 3 Encroachment Permit Officers, it is anticipated that these additional inspections can be absorbed.



## **Field Services Division**

### ***Description:***

Transportation and Public Works' Field Services Division is made up of three sections; Fleet Maintenance, Street Maintenance, and Electrical Maintenance.

- The Fleet Maintenance Section maintains the City's fleet of 1,005 vehicles and equipment.
- The Street Maintenance Section provides daily maintenance for the 493 miles of street, 27,275 street signs, 352 miles of storm drain pipeline, and handles other infrastructure service-related duties.
- The Electrical Maintenance Section provides daily electrical maintenance for 204 traffic signals, 52 pedestrian-operated flashing devices (in and/or above-ground), 8 flashing beacons, 15,713 street lights, and 42 miles of traffic signal interconnect. It also maintains the electrical systems of the City's public buildings.

### ***Current Budget:***

- Fleet Services operates on a \$5,329,000 maintenance and repair budget. The current fiscal year vehicle and equipment replacement budget is \$3,479,000. The total budget is \$8,809,000.
- The Street Section operates on a \$4,700,000 annual operating budget and completes \$895,000 worth of Street related projects each year. The total annual budget for Streets is \$5,595,000.
- The Electrical section has a \$2,561,000 operating budget and completes \$175,000 of electrical-related projects per year for a total budget of \$2,736,000. This also includes energy costs for street lights and traffic signals, (\$904,000 in 2013/14).

### ***Current Staffing:***

- Under and including one Deputy Director, the division is comprised of 90 FTEs.
- Staffing in Fleet Services consists of 29 FTEs: one Fleet Superintendent, two Fleet Supervisors, two Equipment Service Writers, eighteen Equipment Mechanics, .5 Equipment Service Workers, one Senior Administrative Assistant, one Stores Specialist, and 1.5 Stores Clerks.
- Staffing in Streets consists of 47 FTEs: two Street Superintendents, five Street Crew Supervisors, nine Senior Maintenance Workers, and 31 Skilled MWs.
- Staffing in Electrical consists of 13 FTEs: one Supervising Traffic Signal Technician, one Supervising Electrical Technician, five Traffic Signal Technicians, one Electrical Technician, and five Electricians.

### ***Effect of Annexing Roseland/Needed Improvements:***

The Fleet Maintenance Section is an Internal Service fund and its budget is dependent upon the number of vehicles purchased and maintained. This section's budget and staffing would increase commensurate with the additional equipment needed by all departments in the City to serve the newly annexed area.

The Roseland Annexation would add an additional 12.6 miles and related infrastructure to maintain. Most of the related assets are not currently built to City standards. Until they are built to City standard, the related ongoing maintenance effort and costs will increase until such time as the assets are brought up to a comparable standard with the rest of the City.

This same issue/expectation affects the Electrical Section, in addition to other complexities. Some street lights in the Roseland area are owned by the County, others by PG&E. Most are High-Pressure Sodium, but some are LED. All these factors affect the energy rate charged for electricity. Also, very few street lights have underground facilities per current City standard. Instead, the wiring is overhead. Maintenance and energy for many street lights are paid through assessment districts via property taxes. All these issues would need to be addressed as part of the annexation process.

***Additional Needs (staff, materials, equipment) Methodology/Calculations (see Appendix C):***

- Fleet: An estimated 10 new vehicles and 4 pieces of equipment (see Streets, below) for all City departments will not warrant an additional mechanic. The cost/staff for fleet will be paid for by the annual maintenance budgeted for additional vehicles and is included in each department budget where new vehicles are planned.
- Streets: The Streets Section would need 3 Skilled Maintenance workers and 1 Senior Maintenance Worker (\$320,000), \$75,000 in additional materials, \$35,000 for equipment rental, and \$72,000 in ongoing vehicle and equipment cost (fuel, maintenance, replacement), plus a one-time cost of \$486,000 to purchase equipment. This equipment includes two 1-ton flat bed trucks, a 10 wheel dump truck, and a skip loader/mower.

The additional staff, material, and equipment needs were derived using a comparison of current staffing levels with 493 miles of roadway in the City versus the additional 12.6 miles in the proposed annexation area and the increased need for maintenance in an area in poor condition that lacks needed infrastructure.

- Electrical:

*Staffing:* The Electrical Section will utilize existing staff to maintain the street lights and new traffic signal infrastructure in Roseland.

*Materials:* The current budget for Electrical materials (Operational Supplies) is \$170,000. Based on the number of new street lights, a 2% increase over the current City inventory, translates to an additional \$3,400 per year for materials cost.

*Energy:* According to the invoices provided by the County, the existing monthly energy cost for street lights and traffic signals is \$3,000/month or \$36,000 annually.

***Significant and/or unresolved issues or assumptions:***

- Currently, 301 street lights in Roseland are owned by PG&E which collects maintenance and energy funds from assessment districts via property tax.
- The City currently maintains and pays energy for all 81 County-owned lights (30 have double fixtures so 51 poles) located in Roseland, and is reimbursed by the County.

Appendix G specifies all the capital improvements outlined in the Transportation and Public Works section of this report.

## APPENDIX C

### CIP ADDITIONAL NEEDS (see Task 4 spreadsheet)

- \* Annexing 12.6 center line miles of street and related infrastructure
- \* Reconstruct all streets with a current PCI of 25 or below.
- \* Install/reconstruct infrastructure to achieve an equivalent standard to existing City

	One -Time	Annual/On-going
<b><u>Capital Projects Engineering</u></b>		
<b>CIP Total:</b>	<b>\$18,292,817</b>	<b>\$273,000</b>

### O&M ADDITIONAL NEEDS

	One -Time	Annual/On-going
<b><u>Traffic Engineering</u></b>		
Staffing	\$0	\$30,400
<b><u>Materials Engineering</u></b>		
Staffing	\$0	\$30,400
<b>Division Total:</b>	<b>\$0</b>	<b>\$60,800</b>
<b><u>Field Services Division</u></b>		
<b>Streets</b>		
Staffing	\$0	\$320,000
Equipment	\$486,000	\$107,000
Materials	\$0	\$75,000
<b>Electrical</b>		
Materials	\$0	\$3,400
Energy	\$0	\$36,000
<b>Division Total:</b>	<b>\$486,000</b>	<b>\$541,400</b>
<b><u>O&amp;M Total:</u></b>	<b><u>\$486,000</u></b>	<b><u>\$602,200</u></b>

## UTILITIES DEPARTMENT

The Utilities Department operates and maintains public water supply, wastewater collection, wastewater treatment, and recycled water infrastructure including 620 miles of water mains, 24 reservoirs, and 20 pump stations; 589 miles of sewer mains, and 17 lift stations; and a \$300 million Reclamation Facility. The Utilities Department is also home to the City's Stormwater and Creeks Section which implements the City's Stormwater Management Program and Citywide Creek Master Plan.

The Department currently has quite a few different funds that finance operations. There are three separate enterprise funds that finance water, wastewater and recycled water operations – Water Enterprise Fund, Wastewater Enterprise Fund and Subregional Enterprise Fund. The revenue sources for these funds include utility user fees and charges, grants, and interest on investments. The Storm Water and Creeks Section is funded by the Stormwater Enterprise Fund and the general fund. Both sections also receive funds from Demand Fees paid by development.

The Utilities Department is currently divided into five divisions – Water & Engineering Resources, Environmental Services, Local Utilities Operations, Utilities Operations and Administration. The Utilities Department currently provides water service and wastewater treatment for the area to be annexed. In addition, the Utilities Department is under contract to provide routine maintenance of the wastewater collection system in the area to be annexed. Therefore, there are only three divisions in the Utilities Department that will be affected by the annexation – Local Utilities Operations, Administration and Environmental Services.

### **One Time and Ongoing Costs - Service Plans and Cost Estimates for Provision of City Services**

#### **Local Utilities Operation Division**

##### ***Description:***

Local Utilities Operation operates and maintains the public water system and the wastewater collection system.

##### ***Effect of Annexing Roseland/Needed Improvements:***

The City currently owns, operates and maintains the water infrastructure within the area to be annexed. Therefore, there will be no increased cost or impact to the City relating to potable water.

The South Park County Sanitation District (District) owns the majority (91%) of the sewer within the Annexed areas and is responsible for major (Capital Improvement Project level) repair and maintenance of the system. The District contracts with the City to provide routine maintenance of the system. For Fiscal Year 2014-2015, the District paid the City \$467,000 for maintenance of the entirety of South Park. The District handles the billing of sewer users within the District boundaries.

There is just under a mile of sewer main in the area being annexed that is not within the District. This makes up about 9% of the sewer main within the annexation boundaries. The City currently owns, operates and maintains the sewer infrastructure that is not within the District. The City also handles the billing of those sewer customers. Therefore there will be no increased operations and maintenance cost or impact to the City relating to this portion of the annexed sewer infrastructure.

***Additional Needs:***

Annexing Roseland will cost just under \$250,000 per year to maintain the sewer system. That amount is derived from the \$467,000 maintenance fee paid for FY 2014-15 multiplied by the amount of sewer main within the District that lies within the annexation boundaries and divided by the total amount of sewer mains within the entire District. This will not require additional staffing as the City is currently maintaining the system. The financial impact will be at least partially offset by the ratepayer fees collected by the City instead of the District.

***Significant and/or unresolved issues or assumptions:***

- South Park County Sanitation District: The District would remain and continue to serve customers that are within the District boundaries, but outside of the annexation area.

**Environmental Services Division**

***Description:***

The Division encompasses four Sections: Water Quality, Environmental Compliance, Laboratory Analysis and Storm Water & Creeks. As noted above, the City currently provides all water and most wastewater services to the annexed area, which uses the services of the Water Quality, Environmental Compliance, and Laboratory Analysis Sections. Therefore, the only team in this Division that will be impacted is the Storm Water & Creek Section as they do not currently provide service to the annexed area.

The primary focus of the Storm Water and Creeks Section is to enhance and improve the health and water quality of Santa Rosa's creeks. The Section's team of engineers, technicians, biologists and support staff work with a wide variety of internal and external partners to ensure environmental regulatory compliance, minimize flooding within the public drainage system, and maximize the ecological and social values provided by the City's over 100 miles of creeks.

The team leads City compliance efforts with NPDES storm water permit requirements and other environmental regulations that require biological assessment or environmental permitting support for City projects. We engage the public through outreach events, direct the Creek Stewardship Program, and support implementation of the Citywide Creek Master Plan. We also provide technical assistance to resolve public drainage system maintenance issues and alleviate flooding concerns.

***Additional Needs:***

- Spill Response (\$9,830) – ongoing cost  
The Storm Water and Creeks Team provides spill response for incidents that occur within the City. This response is a required element of the City's NPDES MS4 Storm Water Permit. The addition of the annexation area would increase the area which would need to be responded to by 2.68%.
- Clean and Close Circuit TV inspect all existing storm drain lines (\$323,876) – one-time cost  
The current condition of the storm drainage system would need to be assessed in order to identify the level of maintenance needed and any repairs that may be necessary.

## **Capital Costs - Estimate of Needed Capital Improvements**

### **Local Utilities Operation Division**

#### ***Effect of Annexing Roseland/Needed Improvements:***

As noted above in Task 3, the water infrastructure for the entire area to be annexed is currently owned, operated, and maintained by the City, including the billing of those customers. The annexation would not require an alteration in any aspect of the system and would therefore not have an impact to City operations.

Also as noted in Task 3, the City currently maintains the sewer infrastructure. This maintenance includes work orders for cleaning and inspection, but does not include any major repairs or replacement. Using the City's Computerized Maintenance Management System, an overall pipe score was developed for the entire City and for the area proposed for annexation. This score is developed based upon pipe condition (obtained from closed circuit television video), maintenance frequency and type (from work orders), pipe material, hydraulic capacity, and pipe age. There was additional analysis separately comparing the City's average pipe age, pipe material and pipe diameter to the District's.

The District scored slightly lower (lower equates to a better system) on all 4 metrics. This is due in part to the completion of several projects within the annexation boundaries. Because of this, no Capital Improvement costs will be needed to bring the annexed area up to the same level as the City for sewer system infrastructure.

There are five pipe sections that scored an 8 or above, which indicates a strong need for repair or replacement. If the area is annexed, these pipe segments would be analyzed every year during the Capital Improvement Project development and added as the scores exceed other projects in the City.

### **Environmental Services Division**

#### ***Effect of Annexing Roseland/Needed Improvements:***

Capital improvements and special project needs:

A number of improvements to the existing storm drainage system are needed in order for the City to be able to effectively maintain the system and ensure adequate flood protection.

- McMinn Ave Storm Drain Improvements (\$1,200,000). This one-time cost includes necessary environmental work, permitting, and mitigation.
- Roseland Creek Restoration Plan (\$1,946,919). This one-time cost includes necessary environmental work, permitting, and mitigation.
- Repair Cast In Place Pipe and Installation of Man Holes in Easements (\$434,189)  
Approximately 5,590 linear feet of existing storm drain pipe resides in easements across private property. Much of this pipe is likely Cast in Place Pipe (CIPP) which is still allowed in the County, but the City has found does hold up over time. This pipe would likely need to be repaired. Blind connections that currently occur in the storm drain system, especially those that occur outside of the roadway in easements across private property, would need to be replaced with man holes.

Additional man holes would need to be installed where long runs of pipe occur in order to allow for maintenance. This one-time cost includes necessary environmental work, permitting, and mitigation.

With sidewalk, curb, and gutter improvements in the proposed annexation area, permitting and survey work would need to be completed for the required work. Mitigation of the California Tiger Salamander (CTS) will be included in the unit cost for sidewalk construction.

- Environmental Surveys and Permitting for sidewalk improvements (\$125,000).
- Mitigation for California Tiger Salamander (CTS), wetlands, and rare plants (\$482,123). This cost would mitigate for impacts and allow maintenance to occur within existing ditches.

***Significant and/or unresolved issues or assumptions:***

- Colgan Creek Channel Improvements - Corby Avenue to the railroad tracks (\$778,000) – Funds to study alternatives and help implement projects. Could potentially require additional funds to implement projects.
- Upper Roseland Creek Channel Improvements (\$Unknown) – Identified as a Zone 1A project and flooding issues confirmed in the 2009 Santa Rosa Flood Insurance Study for Colgan, Roseland, and Naval Creeks. The study confirmed as flood issues at West Avenue, McMinn Avenue, and Burbank Avenue.

Appendix D on the next page summarizes Utilities Department costs. Appendix H specifies Utilities related capital improvements costs.

## APPENDIX D

### UTILITIES DEPARTMENT

#### ONGOING COSTS

<u>Need</u>	<u>Annual Cost</u>
Sewer system maintenance	\$250,000
Spill response	\$9,830
<b>TOTAL</b>	<b>\$259,830</b>

#### ONE-TIME COSTS

<u>Need</u>	<u>Cost</u>
Cleaning & CCTV storm drains	\$323,876
<b>TOTAL</b>	<b>\$323,876</b>

#### FUTURE CAPITAL COSTS

	<u>Cost</u>
Storm drain projects	\$3,706,108
Storm drain imp.	\$476,480
Mitigation	\$482,123
<b>TOTAL</b>	<b>\$4,664,711</b>



## APPENDIX E

### DEPARTMENT SERVICE AND CAPITAL COSTS ESTIMATES - ROSELAND AREA ANNEXATION INITIAL COSTS UPON ANNEXATION

DEPARTMENT	ONGOING COSTS	POSITIONS	ONE-TIME COSTS	TOTAL COST
City Attorney's Office	\$109,000	1		
City Manager's Office	\$5,000			
Community Development				
Economic Devel. & Housing*	\$250,000	1.65		
Finance	\$159,000	2	\$69,000	
Fire	\$191,000	1	\$28,000	
Human Resources				
Police	\$1,951,000	10	\$390,000	
Recreation & Parks				
Transport. & Public Works	\$603,000	4.4	\$486,000	
Utilities	\$260,000		\$324,000	
<b>TOTAL</b>	<b>\$3,528,000</b>	<b>20.05</b>	<b>\$1,297,000</b>	<b>\$4,825,000</b>

Notes: 1. \*Costs for 0.5 fire inspector and 0.5 building inspector are budgeted in EDH, though those positions reside in the Fire and Community Development Depts.

2. Figures are rounded.

TOTAL REVENUE ESTIMATE - PMC OCTOBER 21, 2014 MEMO

**\$2,794,700**

## APPENDIX F

### DEPARTMENT SERVICE AND CAPITAL COSTS ESTIMATES - ROSELAND AREA ANNEXATION FUTURE, LONG TERM COSTS

DEPARTMENT	FUTURE ONGOING COSTS	FUTURE POSITIONS	FUTURE ONE-TIME COSTS	FUTURE CAPITAL COSTS
City Attorney's Office				
City Manager's Office				
Community Development				
Economic Devel. & Housing*				
Finance				
Fire				
Human Resources				
Police				
Recreation & Parks	\$654,200	1.5	\$70,000	\$54,000,000
Transport. & Public Works	\$273,000			\$18,293,000
Utilities				\$4,664,700
<b>TOTAL</b>	<b>\$927,200</b>	<b>1.5</b>	<b>\$70,000</b>	<b>\$76,957,700</b>

Note: Figures are rounded



