



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/22/2016

Agenda Placement: 60

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Roads Department

REPORT BY: Rick Marshall, Deputy Director of Public Works - Engr - (707) 259-8381

SUBJECT: Approval of Budget Transfer and Proposed Roads Projects

RECOMMENDATION

Director of Public Works requests the following:

1. Approval of the projects proposed from the \$1 million contribution from the General Fund (Excess ERAF) to the Roads Budget (occurred as part of the ending FY 2015-16 budget process); and
2. Approval of Budget Transfer No. DPW013 for the following (4/5 vote required):
 - a. Increase appropriations by \$1,250,000 in the Roads Operations budget, \$1,000,000 for new projects and \$250,000 for contingencies, offset by the use of Roads Fund fund balance;
 - b. Increase revenue and appropriations by \$200,000 in Roads CIP Program 17011 (Petrified Forest Road Overlay) with offsetting revenue from the Roads Operations budget; and
 - c. Increase revenue and appropriations by \$190,000 in Roads CIP Program 17012 (Guardrail) with offsetting revenue from the Roads Operations budget.

EXECUTIVE SUMMARY

During the April 2016 Budget Study Session the Board expressed the desire, when appropriate one-time resources become available, to "pull forward" projects prior to receiving Measure T funding, which would not occur until FY 2018-19, and to address decreases occurring in Highway User Tax Account (HUTA) revenue. The benefit of such actions is that the cost curve related to roads repair significantly increases over time as road quality decays and the cost of addressing projects sooner rather than later saves on the overall cost of repairs.

As part of the ending FY 2015-16 budget process staff identified additional Excess ERAF funding that was available due to the release of Excess ERAF hold back from prior fiscal years. This additional funding allowed the County Executive Office to recommend \$1,000,000 in additional funding be provided to the Roads Fund. The Board approved this action on August 9, 2016 as part of the Auditor-Controller's ending FY 2015-16 budget item.

Public Works is now recommending the following projects to spend the above-mentioned \$1,000,000:

Pavement preservation -- asphalt overlays on Petrified Forest Road, Tower Road and a group of roads in the Berryessa Highlands neighborhood. In addition, significant pavement repair work is proposed for Silverado Trail, Lovall Valley, Dry Creek Road, Redwood Road, Mount Veeder Road, North Kelly Road and Milton Road.

Safety -- major guardrail repair and upgrade on Silverado Trail and Petrified Forest Road. In addition, funds are designated for removal of large trees along County roads to reduce the safety hazard they pose.

In addition, staff is requesting an additional \$250,000 be appropriated as contingencies in the Roads Operations budget. These additional funds will be offset by the use of Roads Fund fund balance. A complete list of recommended projects, and a map showing their location, is attached to this agenda item.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	As part of the ending FY 2015-16 budget process staff identified additional Excess ERAF funding that was available due to the release of Excess ERAF hold back from prior fiscal years. This additional funding allowed the County Executive Office to recommend \$1,000,000 in additional funding be provided to the Roads Fund. The Board approved this action on August 9, 2016 as part of the Auditor-Controller's ending FY 2015-16 budget item.
	In addition, staff is requesting an additional \$250,000 to be appropriated as contingencies in the Roads Operations budget. This increase in appropriations in offset by the use of Roads Fund fund balance.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Implementation of the proposed list of projects will protect the County's substantial investment in the infrastructure of the County-maintained road system.
Is the general fund affected?	Yes
Future fiscal impact:	Improvement of the recommended roads will reduce the need for greater expenditure in future years, by preserving the recommended streets and roads and avoiding further deterioration.
Consequences if not approved:	The streets and roads recommended for treatment will further deteriorate.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: **Consideration and possible adoption of a Categorical Exemption Class 1:** It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 ("Existing Facilities") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County's Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

BACKGROUND AND DISCUSSION

During the April 2016 Budget Study Session the Board expressed the desire, when appropriate one-time resources become available, to "pull forward" projects prior to receiving Measure T funding, which would not occur until FY 2018-19, and to address decreases occurring in Highway User Tax Account (HUTA) revenue. The benefit of such actions is that the cost curve related to roads repair significantly increases over time as road quality decays and the cost of addressing projects sooner rather than later saves on the overall cost of repairs.

As part of the ending FY 2015-16 budget process staff identified additional Excess ERAF funding that was available due to the release of Excess ERAF hold back from prior fiscal years. This additional funding allowed the County Executive Office to recommend \$1,000,000 in additional funding be provided to the Roads Fund. The Board approved this action on August 9, 2016 as part of the Auditor-Controller's ending FY 2015-16 budget item.

Public Works staff have developed a list of recommended projects for use of these funds, shown in attached Exhibit A. Attached Exhibits B and C show the locations of the recommended projects. In development of the list, staff determined that it would also be appropriate to use \$250,000 of current fund balance as an informal "reserve" to be available in the event additional useful work is identified in the course of doing these projects, and to respond to emergencies or other unforeseen but urgent expenditures (such as just a few months ago when a large eucalyptus tree in County right-of-way fell across the Vine Trail construction site and had to be removed at a cost of roughly \$20,000).

Highlights of the recommendations for use of the General Fund (Excess ERAF transfer) contribution include:

Pavement preservation -- asphalt overlays are recommended for Petrified Forest Road, Tower Road, and a group of roads in the Berryessa Highlands neighborhood. In addition, significant pavement repair work is proposed for Silverado Trail, Lovall Valley, Dry Creek Road, Redwood Road, Mount Veeder Road, North Kelly Road and Milton Road. These projects were identified as the most urgent and cost efficient by the computer program analysis which receives information regarding Pavement Condition Index (PCI). Based on the magnitude of the work, the project on Petrified Forest Road will be handled as a Capital Improvement Project and put out to bid. The other listed sites will be handled by County forces through the Roads Operations budget.

Safety -- recent activities have identified the need to plan for guardrail repairs and upgrades as a regularly-funded ongoing program within the Roads Budget. These have included recent contracts to install new guardrails with grant funding, as well as to repair damaged guardrail with insurance revenue recovered from those who caused the damage in collisions. Unfortunately, grant funding and damage recovery are not sufficient to fully address the backlog of needed repairs and upgrades to this vitally important element of the roadway safety system. Two major projects are included in the recommendations for the use of the funding which is the subject of today's action, and these will be combined into a single Capital Improvement Project put out to bid for construction. In addition, staff will continue to include a "guardrail program" in budget recommendations going forward.

SUPPORTING DOCUMENTS

- A . Exhibit A: BOS funding
- B . Location Map Northerly
- C . Location Map - South County

CEO Recommendation: Approve

Reviewed By: Bret Prebula