



City of San Antonio

Agenda Memorandum

File Number:20-4889

Agenda Item Number: 1.

Agenda Date: 8/25/2020

In Control: City Council Special Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Scott Huizenga

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT: City Council Worksession on the FY 2021 Proposed Budget

SUMMARY:

Staff presentation on the FY 2021 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Public Works, Transportation, and Capital Budget
- B. Debt Management Plan

BACKGROUND INFORMATION:

The FY 2021 Proposed Budget was presented to City Council on August 6, 2020. The budget is balanced as required by law and reflects the City's continued commitment to long-term recovery and resilience from the COVID-19 pandemic and to address the community's priorities including health and human services, workforce development, affordable housing, infrastructure, and violence prevention while also maintaining the City in a strong financial position.

The Proposed FY 2021 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$2.9 billion. The General Fund budget is \$1.28 billion; restricted funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$999 million; and the Capital Budget totals \$641 million.

Following the presentation of the Proposed Budget a series of City Council Budget Worksessions are scheduled from August 11 to September 16. At these sessions, City staff will review the budget proposals with the Mayor and City Council in detail. The budget is scheduled to be adopted on September 17 for the City's fiscal year that begins on October 1.

ISSUE:

A budget worksession is scheduled for Tuesday, August 25th from 2:00 P.M. to 5:00 PM. At this session, the City Council will be presented with a briefing on the Public Works Department, Capital Budget, and the Debt

Public Works

The Public Works Department is responsible for developing and maintaining an advanced infrastructure system to meet the needs of our growing community.

The Proposed Budget for Public Works is funded by the General Fund and multiple Restricted Funds. Below is a summary of the funding and position counts included within the FY 2021 Proposed Budget.

FUND	FY 2021 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund ¹	\$98,868,072	338
Advanced Transportation District Fund ²	5,392,313	32
Capital Management Services Fund	19,619,047	166
Right of Way Management Fund ³	3,731,945	40
Storm Water Operating Fund ⁴	47,525,915	277
Storm Water Regional Facilities Fund ⁵	1,911,010	14
Grants	4,828,391	0
Capital Projects	484,722,698	0
Total	\$666,599,391	867

Note:

1. The total General Fund FY 2021 Proposed Budget is \$99,868,072, of which \$1,000,000 for School Pedestrian Safety projects is transferred to the Capital Budget.
2. The total Advanced Transportation District's FY 2021 Proposed Budget is \$15,607,313, of which \$10,215,000 is for capital projects such as sidewalks, traffic signal network upgrades and street maintenance.
3. The total Right of Way Management's FY 2021 Proposed Budget is \$3,961,945, of which \$230,000 is used for capital projects including non-service alley maintenance.
4. The total Storm Water Operating Fund's FY 2021 Proposed Budget is \$48,569,214 of which \$1,043,299 is for Drainage Capital Projects.
5. The total Storm Water Regional Facilities Fund's FY 2021 Proposed Budget is \$3,985,413 of which \$2,074,403 is for Drainage Capital Projects.

Street Maintenance

The FY 2021 Proposed Budget funds the Street Maintenance Program at \$102 million. The FY 2021 Street Maintenance Program includes \$43 million in projects that were deferred from FY 2020 and \$59 million of new projects that will continue the equity-based funding strategy that began in San Antonio in FY 2018 that allocates 50% on the size of each district's network and the remaining 50% based on the condition of each district's network.

General Fund

The Transportation & Capital Improvements General Fund FY 2021 Proposed Budget is \$99,868,072. This budget funds maintenance of the City's major infrastructure including streets, traffic signals, street signs, and pothole repair. The General Fund Budget includes:

- Continuation of the Neighborhood Traffic Calming Program funded at \$1 million for localized traffic

calming projects that reduce vehicular speed through our neighborhoods.

- \$1 million for the School Pedestrian Safety program. FY 2021 is the seventh year of the program. Similar to prior years, funding includes maintenance for 205 existing flashers, 8 new flashing beacon installations, 210 school zone sign upgrades, and 800 school zone markings for crosswalks.

Advanced Transportation District Fund

The FY 2021 Proposed Budget includes \$17,200,736 to fund the Advanced Transportation District (ATD) program which is jointly administered by Public Works and the recently re-organized Transportation Department. This fund is supported by a ¼-cent sales tax that was approved by voters in November 2004. Revenues generated by this tax are restricted to programs and projects that increase mobility, reduce traffic congestion, improve neighborhood connectivity, and provide coordinating planning. Of the \$17.2 million budget, \$15,607,313 is allocated to the Public Works Department and \$1,593,423 is allocated to the Transportation Department.

The FY 2021 Proposed Budget for Public Works includes \$10,215,000 for transportation-related capital projects including:

- \$4.5 million for Sidewalks
- \$4.3 million for Street Maintenance
- \$375 thousand for Intersection Improvements
- \$170 thousand for Pedestrian Improvements such as Audible Pedestrian Signal Installations
- \$870 thousand for Traffic Signal Network Upgrades.

Right of Way Management Fund

The FY 2021 Proposed Budget for the Right of Way Fund is \$3,961,945 for enforcement and protection of the right-of-way portions of San Antonio roadways. This fund is supported by the Right of Way Fees, which are paid by right-of-way users (those who cut through City streets to access underground utilities) including, but not limited to, SAWS and CPS.

Storm Water Operating Fund

The FY 2021 Proposed Budget for the Storm Water Operating Fund is \$48,569,214. Revenues for this fund are generated through the Storm Water Utility Fee, which was established in FY 1993 to provide funding for storm water operations services. The fee is assessed to residential, commercial, and industrial properties that discharge storm water into the City's drainage system.

The Proposed Budget includes \$47.5 million for operational services including street sweeping, vegetation management, localized flood control measures, and compliance with the EPA's Municipal Separate Storm Sewer System (MS4) permit requirements administered by the Texas Commission on Environmental Quality.

In addition to funding for storm water operations, one drainage project for \$1 million is included in the FY 2021 Proposed Budget.

Storm Water Regional Facilities

The Storm Water Regional Facilities Fund provides for development plan review and overall regional drainage detention planning. The fund earns revenue through a Fee In-Lieu-of (FILO) payment system for developers who can demonstrate that their development will not have an adverse impact downstream. With these funds, the City manages and constructs regional projects to ensure the protection and quality of the regional water supply in development areas. The FY 2021 Proposed Budget is \$3,985,413, of which \$2,074,403 is recommended to

fund three capital drainage projects.

Capital Management Services Fund

The Capital Management Services Fund FY 2021 Proposed Budget of \$19,619,047 provides resources to manage the capital project design and construction associated with the 2017 Bond Programs and Aviation Projects. The personnel managing the construction projects associated with the Capital Program are paid from the capital projects budget.

A full list of program changes for the Public Works Department is included as Attachment 1.

Transportation

The FY 2021 Proposed Budget includes the reorganization of the Transportation and Capital Improvements Department into the Transportation Department and the Public Works Department. The Transportation Department is responsible for transportation planning and emerging transportation systems to meet the needs of our growing community.

The Proposed Budget for Transportation is funded by the General Fund and multiple Restricted Funds. Below is a summary of the funding and position counts included within the FY 2021 Proposed Budget.

FUND	FY 2021 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund ¹	\$973,539	6
Advanced Transportation District Fund ²	992,105	4
Capital Management Services Fund	165,022	2
Parking Maintenance and Operations Fund	909,896	1
Grants	1,120,000	0
Capital Projects	1,601,318	0
Total	\$5,761,880	13

Note:

1. The total General Fund FY 2021 Proposed Budget is \$1,973,539, of which \$1,000,000 for Vision Zero project is transferred to the Capital Budget.
2. The total Advanced Transportation District's FY 2021 Proposed Budget is \$1,593,423, of which \$1,000,000 is for bike facilities.

General Fund

The Transportation & Capital Improvements General Fund FY 2021 Proposed Budget is \$1,973,539. This budget funds 6 positions for transportation planning and management. The General Fund Budget includes:

- \$1 million for the Vision Zero San Antonio initiative, which will support a minimum of five engineering evaluations and resulting construction projects.

Advanced Transportation District Fund

The FY 2021 Proposed Budget includes \$1,593,423 to fund the Advanced Transportation District (ATD) program. This fund is supported by a ¼-cent sales tax that was approved by voters in November 2004. The FY 2021 Proposed Budget includes \$1,000,000 for Bike Facilities.

Parking Operating Enterprise Fund

The FY 2021 Proposed Budget includes funding for a cash match for a portion of the Congestions and Mitigation Air Quality (CMAQ) grant from the Alamo Area Metropolitan Organization (AAMPO). CMAQ is a federally reimbursable funding program that supports transportation projects that reduce emissions. The projects include a comprehensive sustainability and health public outreach initiative, a citywide traffic optimization project, and increased bus services frequency. These initiatives focus on ozone attainment and improving regional air quality.

The portion of the CMAQ grant match funded through the Parking Fund will support improving two VIA Metropolitan Transit bus routes with time frequency and capacity improvements along two corridors with the goal of reducing congestion on city streets and encouraging multimodal transportation usage.

Capital Budget and Debt Plan

The FY 2021-2026 Six-year Capital Improvements Plan totals \$1.62 Billion and 383 projects. The capital spending plan for FY 2021 is \$641 million. Other projects included in the FY 2021 Capital Budget including Airport improvements and the Edwards Aquifer Protection and Greenway Trails System Program.

ALTERNATIVES:

This item is a scheduled worksession for the FY 2021 Proposed Budget.

FISCAL IMPACT:

This presentation provides a briefing on the Public Works Department, Capital Budget, and the Debt Management Plan. The FY 2021 Budget is scheduled to be adopted by City Council on September 17, 2020.

RECOMMENDATION:

This item is a worksession for discussion of the FY 2021 Proposed Budget and is for briefing purposes only.