

REPORT BACKS

FOR

FINAL BUDGET HEARINGS

NOVEMBER 12, 2008

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Report Back On Quarterly Agenda Item On Findings And Recommendations of
IHSS Task Force

Contact: Lynn Frank, Director, 875-2002

BACKGROUND

On September 3, 2008 the Board asked for a quarterly update on the findings and recommendations of the IHSS Task Force. The task force was renamed IHSS Working Group to avoid confusion with the Elder Death Review Team's request for an IHSS Blue Ribbon Task Force, which is to provide information to the State regarding issues with the program. The working group is tasked with identifying program costs and possible recommendations to contain the costs within Sacramento County.

DISCUSSION

During hearings on September 3, 2009 there was discussion around a report the Board currently receives from the IHSS Public Authority. This report contains information related to the Public Authority. The Public Authority is responsible for negotiating wages and benefits and maintaining a list of individuals who provide the services to the clients who qualify for IHSS services.

The costs to administer the IHSS program are in the Department of Health and Human Services. The salary and benefit costs for the providers, individuals who assist the clients, are in the IHSS Provider Payment budget. The Working Group is reviewing the costs that are included in the IHSS Provider Payment Budget. As of today the Working Group has met four times and discussed the various components of the program, which includes historical information related to the County's share of the cost verses the Federal and State share of the cost of the program, Realignment and other revenue sources used to offset the County cost, and the demographics of Sacramento County. The group is working diligently to compile the information and should have a report to the Board in January of 2009 that will contain the findings and recommendations.

Respectfully submitted,

LYNN FRANK, Director
Department of Health and Human Services

APPROVED:
TERRY SCHUTTEN
County Executive

By: _____
PENELOPE CLARKE, Administrator
Countywide Services Agency

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Office of Budget and Debt Management

Subject: Report Back – Securitizing Caseload Growth Realignment Revenues

Supervisory District: All

Contact: Linda Foster-Hall, County Budget Officer; 874-2453

BACKGROUND

The Board asked staff to explore the possibility of securitizing the County’s Caseload Growth Realignment Revenues funding stream, with the idea of obtaining financing for the Realignment Revenues in advance of their receipt from the State. The County receives Realignment Revenues from the State to reimburse the County for caseload growth related to various social services programs the County delivers.

Caseload growth and the associated Realignment Revenues from the State vary from year to year, and revenues are received from the State on an irregular basis, as illustrated below.

Fiscal Year	Realignment Revenues Owed to County	Reimbursement Received	Remaining Owed to County
FY 2000-01	\$7,278,323	\$7,278,323 FY 2001-02	\$0
FY 2001-02	\$6,417,892	\$2,321,755 FY 2003-04 \$4,096,137 FY 2004-05	\$0
FY 2002-03	\$16,916,065	\$5,100,540 FY 2004-05 \$11,815,425 FY 2005-06	\$0
FY 2003-04	\$11,982,318	\$4,880,242 FY 2005-06 \$7,102,076 FY 2006-07	\$0
FY 2004-05	\$749,593	\$749,593 FY 2006-07	\$0
FY 2005-06	\$0	\$0	\$0
FY 2006-07	\$4,382,141	\$820,396 FY 2007-08	\$3,561,745
FY 2007-08 (est.)	\$9,289,159	\$0	\$9,289,159

DISCUSSION

Securitization of the Realignment Revenues would be problematic, and not likely to be accepted by the financial markets, due to:

- Irregular nature of the revenues; investors would require very high interest rates and/or not be interested in purchasing due to the risky nature of the revenue stream
- County liability for scheduled debt service payments regardless of whether or not the State had made their payments to the County

Staff also explored the option of establishing a commercial paper program of approximately \$20 million. A commercial paper program is a short-term debt instrument that is used like a bank line of credit, where the County could draw on it as needed, and repay it when Realignment Revenues are received from the State. This type of debt instrument requires obtaining a bank letter of credit. Analysis concludes that this option would be extremely costly in the current market environment due to:

- Banks that offer letters of credit are under extreme financial stress due to their own liquidity issues, and have pulled back on providing letters of credit
- Current bank fees for a letter of credit of \$20 million is estimated at \$200,000/annually
- Interest rates for short-term debt have increased recently, reaching 8%-9% the week of September 22nd
- Investors have pulled back on buying short-term debt, and there could be major difficulty finding buyers on the regular basis required by a commercial paper program

Staff will continue to monitor the financial markets and will communicate to the Board if the above-detailed situations change substantially.

Respectfully submitted,

LINDA FOSTER-HALL
County Budget Officer

APPROVED:
TERRY SCHUTTEN
County Executive

By: _____
NAVDEEP S. GILL
Chief Operations Officer

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Sacramento County Airport System

Subject: Final Budget Reports Back

Supervisory
District: All

Contact: Tricia Cosker, Senior Administrative Analyst, 874-0696

Overview

The purpose of this item is to answer questions posed by the Board of Supervisors during Final Budget Hearings September 3, 2008. The questions required status updates on the following issues:

- Land acquisition in Rio Ramaza
- Relocation of the Sacramento International Airport Air Traffic Control Tower
- Funds for Mather Bike Trail landscaping

Recommendation

This is an informational item only.

Measures/Evaluation

Not Applicable

Fiscal Impact

There is no fiscal impact associated with this item.

The 11 Point Plan is not applicable to this item

BACKGROUND

During the Final Budget Hearings, held on September 3, 2008, the Board of Supervisors requested information from the Sacramento County Airport System (SCAS). The first question pertained to the SCAS budget of \$200,000 annually to purchase properties in Rio Ramaza as they become available.

Secondly, a status report was requested about the ATC Tower. SCAS has expressed a desire to replace and relocate the current ATC Tower at Sacramento International Airport (International Airport). Communications with the Federal Aviation Administration (FAA) have been ongoing.

Lastly, SCAS set aside funding for the Mather Bike Trail Landscaping project and a status update regarding this project was requested.

DISCUSSION

Land Acquisition in Rio Ramaza

The Rio Ramaza Mobilehome Subdivision consists of a pocket of 123 lots within an agricultural area of Sutter County (near Sacramento County's northern border). During public hearings on the proposed Master Plan Update for Metropolitan Airport (now Sacramento International Airport) conducted during March and April 1975, a representative of the Sutter County Board of Supervisors expressed opposition to prospective Airport expansion. On March 25, 1975, the Sutter County Board of Supervisors adopted a resolution opposing the proposed expansion and threatening legal action. Concerns were expressed regarding the alleged impact of aircraft overflights, and how far SCAS would go toward acquiring lots in Rio Ramaza and other portions of Sutter County.

On May 2, 1977, the Sacramento County Board of Supervisors authorized land acquisitions covered by the Master Plan Update adopted on June 1976.

During February 1979, SCAS staff appeared before the Sutter County Board of Supervisors and suggested a program for acquisition of Rio Ramaza lots under which SCAS would purchase from owners who desired to sell and would not exercise the power of eminent domain or otherwise acquire from unwilling sellers. On April 10, 1979, several lot owners within Rio Ramaza petitioned the Sutter County Board of Supervisors in opposition to the SCAS purchase proposal. Opposition was based upon the alleged intimidation of owners, depreciation of their properties and impeding of normal subdivision growth. The Sutter County Board of Supervisors rejected the petition, and endorsed SCAS' "willing seller option" acquisition approach.

SCAS acquired eighteen lots in 1979, thirty-six lots in 1980 and thirteen additional lots between 1980 and 1984. In January of 1985 the Sacramento County Board of Supervisors and the Sutter County Board of Supervisors met in joint session to discuss the future disposition of the Rio Ramaza subdivision. It was agreed that SCAS would continue to purchase lots from all willing sellers and that Airports would budget \$500,000 annually to purchase these properties.

In 1990 SCAS petitioned the Sacramento County Board of Supervisors to reaffirm the 1985 policy regarding acquisition of lots in the Rio Ramaza subdivision. At that time Airports had acquired a total of 103 lots and were in the process of acquiring two others. The County currently owns 113 of the 123 lots in the Rio Ramaza subdivision, with the last purchase occurring in August of 2005.

There are currently 10 lots remaining at Rio Ramaza. The annual budget for the acquisition of the remaining lots in the Rio Ramaza subdivision has been reduced from \$500K to \$200K. The \$200K is based on the historical cost of the Rio Ramaza lots and the expected availability. Previously, improved lots have cost between \$95K and \$120K each.

Relocation of the SMF Air Traffic Control Tower

The FAA control tower is not scheduled to be moved at this time. The new landside terminal and associated hotel have been designed in such a way as to not require relocation of the tower until such time as the new Central Terminal B is expanded sometime after 2020.

The FAA has continued its air traffic control tower site selection review process and has concluded that the site identified in the airport’s master plan for a new tower is the most suitable location. However, the FAA has no plans to relocate the tower before at least 2012. SCAS staff will continue to work closely with the Federal Aviation Administration encouraging them to build a new air traffic control tower at the earliest possible date,

Funds for Mather Bike Trail Landscaping

SCAS is prepared to pay \$4,400 towards the Mather Bike Trail landscaping when the lead agency requests it.

MEASURES/EVALUATION

Not Applicable

FINANCIAL ANALYSIS

There is no fiscal impact associated with this item.

LEGAL ISSUES

There are no legal issues associated with this item.

Respectfully submitted,

G. HARDY ACREE, Director
Sacramento County Airport System

APPROVED:
TERRY SCHUTTEN
County Executive

By: _____
NAVDEEP S. GILL
Chief Operations Officer

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Department of Human Assistance

Subject: Report Back On The Option To Relocate The Department Of Human Assistance's Bowling Green Bureau To Old Florin Town

Supervisory
District: Jimmie Yee (District 2)

Contact: Daniel C. Kim, Deputy Director, 875-3744

BACKGROUND

At the September 3, 2008 Budget Hearing, Department of Human Assistance (DHA) presented its facility projects included in the County's Five Year Capital Improvement Plan. One of our projects is to find a new site for our Elk Grove bureau. This new site would also include many of the staff and functions within the current Bowling Green bureau, which is located in South Sacramento.

The Board of Supervisors requested that DHA also consider other options, including the Old Florin Town Centre, for relocating DHA staff and functions from the current Bowling Green bureau.

DISCUSSION

In response to the Board's request, DHA contacted James Teare (375-1500), the commercial real estate agent representing Florin Towne Centre, to determine the availability of 20,000 to 50,000 square feet (SF) of office space to house a DHA bureau within this complex. Mr. Teare indicated that no such space was available; the largest available space was no more than 8,000 SF. Furthermore, Mr. Teare stated the landlord would like to lease Florin Towne Centre for retail purposes only.

Although Florin Towne Centre does not appear to be a viable option for DHA at this time, we will continue to look at the South Sacramento area for other space options that might meet our facility needs.

Respectfully submitted,

Bruce Wagstaff, Director
Human Assistance

APPROVED:
TERRY SCHUTTEN
County Executive

By:

Penelope Clarke, Administrator
Countywide Services Agency

BW:DK

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Department of Regional Parks

Subject: Report Back – Year 2008-09 Final Budget Hearings, Five-Year Capital Improvement Plan

Contact: Jill Ritzman, Department of Regional Parks 876-5134

Overview

On September 3, 2008 the Board requested an explanation of Regional Parks' elements of the Five-Year Capital Improvement Plan (CIP). This report addresses that request:

- Status of funds from County Airports for Mather Bike Trail landscaping
- Dry Creek Parkway, signage and striping along Cherry Lane
- Entryway to Mather Regional Park, Phase II

Recommendation

Approve the addition of project titled "Mather Regional Park, Park Entry Improvements, Phase II" (\$225,000) to the County's 2008-09 Capital Improvement Plan, in Fiscal Year 2011-2012.

Fiscal Impact

There is no impact to the General Fund. Parks staff will secure grant funds prior to proceeding with Mather Regional Park, Park Entry Improvements, Phase II.

BACKGROUND

On September 3, 2008 the Board requested an explanation of Regional Parks' elements of the Five-Year CIP. This report includes information regarding the following projects:

- Status of funds from County Airports for Mather Bike Trail landscaping
- Dry Creek Parkway, signage and striping along Cherry Lane
- Entryway to Mather Regional Park, Phase II

DISCUSSION

Status of funds from County Airports for Mather Bike Trail landscaping

In 2006, the Departments of Regional Parks and Airports entered into an agreement for Airports to contribute \$4,400 towards the landscaping portion of the Mather Bike Trail project. The project is being financially managed by the Infrastructure Finance Section (IFS) of the Municipal Services Agency (MSA) Department of County Engineering. The executed Agreement has been forwarded to IFS and Airports for the transfer of funds. Even though a funding agreement was in place in 2006, the funds do not transfer until the project begins. The paving portion of the Mather Bike Trail project has recently been completed, and the landscaping portion of the project is set to begin next month at which point the funds will be transferred.

Dry Creek Parkway, signage and striping along Cherry Lane

Parks staff has met with Department of Transportation, Alternative Modes Coordinator to design and implement signage and roadway striping to guide cyclists from the lighted intersection on Elkhorn Blvd, and from Central Park to an on-street bike path along Cherry Lane to Curved Bridge Road across Dry Creek Road to the staging area for the new bike path (map attached). The signage and striping will occur at the same time as the construction of the new bike path, which is scheduled for construction in 2009. An anticipated construction start date will be determined once California Environmental Quality Act (CEQA) review and a hydrology study are completed.

Entryway to Mather Regional Park, Phase II

Mather Regional Park, Park Entry Improvements, Phase II, includes the following elements:

- Completion of the Navigator Memorial/Park Entry Area including an off-street circular drive with way-finding station, interpretive signage and Mather Regional Park monument signs. These improvements would complete a triangular shaped area between the existing Eagles Nest Road and the future alignment of Eagles Nest Road.
- Provide connectivity with a walking path from Mather Lake Rotary Recreation Area to the Navigator Memorial.
- The estimated project costs are \$225,000.

Mather Regional Park, Park Entry Improvements, Phase II can be added to the County's CIP list, and can be implemented once environmental permits and grant funding is secured, and with approval from the US Air Force. The project was initially removed from the CIP by Parks due to the uncertainty of the required environmental permitting for South Mather. Regional Park staff in coordination with the Departments of Economic Development, Environmental Review and Assessment (DERA), Planning and Transportation are actively working with regulatory agencies in an effort to advance the development of Navigator Project together with Mather Regional Park, transportation and other South Mather projects.

As previously directed by the Board of Supervisors, staff is working on the Wetlands Management Plan, Federal Clean Water Act Section 404 and related state and federal permits in support of preserving ecological resources and development of County properties and infrastructure. A 404 Permit Application was submitted in February 2008 and an Environmental Impact Report (EIR) to address CEQA requirements associated with the 404 Permit. An Environmental Impact Statement (EIS) will be completed as necessary to address federal permitting requirements. Additionally, the Department of Transportation is designing the Eagles Nest Road Realignment that will facilitate development of the Navigator Memorial/Park Entry Area.

FISCAL IMPACT

The recommendation to include the Mather Regional Park, Entry Improvements, Phase II to the County's 2008-09 Capital Improvement Plan has no impact to the General Fund. Parks staff will secure grant funds prior to proceeding with the project.

Respectfully submitted,

APPROVED:
TERRY SCHUTTEN
County Executive

JANET R. BAKER, Director
Department of Regional Parks

By: _____
PAUL J. HAHN, Administrator
Municipal Services Agency

Attachments:

- Map - Dry Creek Parkway, signage and striping along Cherry Lane
- Mather Regional Park, Park Entry Improvements, Phase II