

PUBLIC WORKS

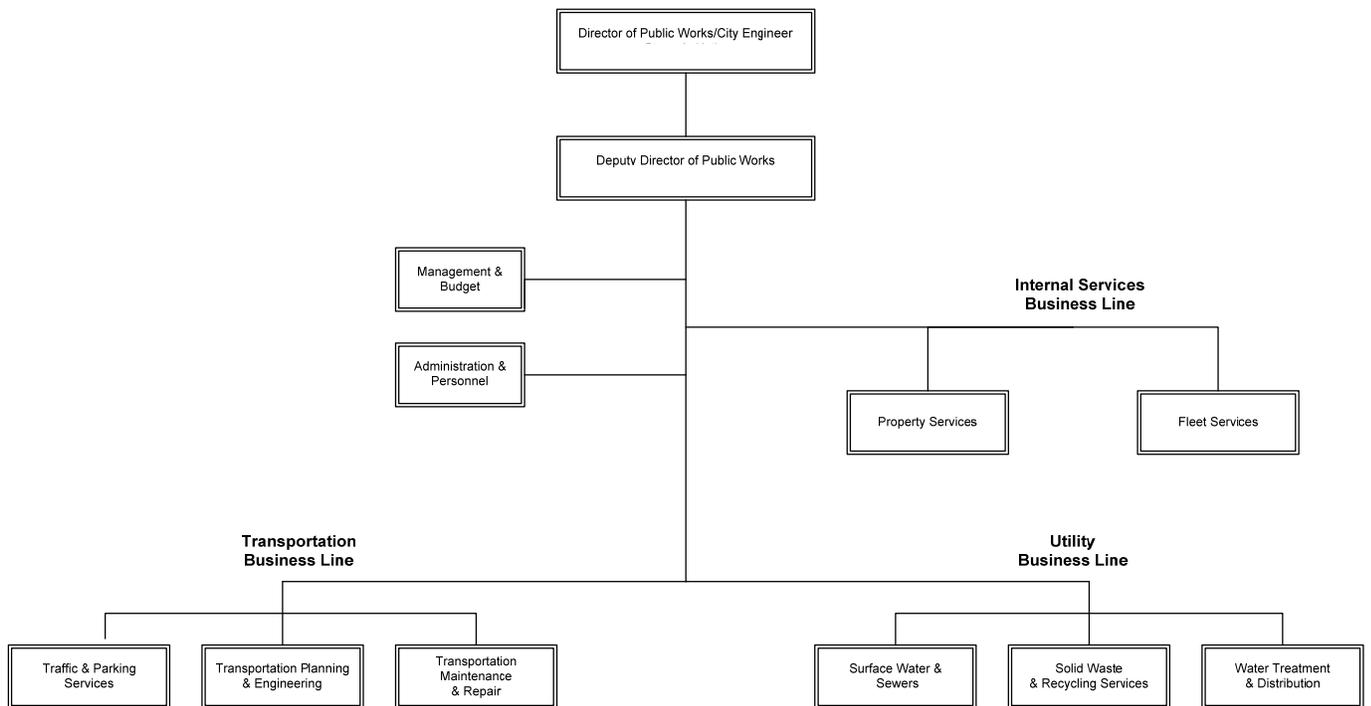
MISSION

To be effective stewards of the public infrastructure, and provide valued city services that contributes to public safety, economic vitality and neighborhood livability.

BUSINESS LINES

- **Internal Services:** Comprised of services provided primarily to internal City departments and funded mostly within formal internal service funds. Fees for these services are intended to recover the costs incurred for providing each service. Property services and fleet services are the two divisions.
- **Utilities:** Provides services that promote the health and safety of people and property by providing potable water, managing non-potable water, and maintaining a clean city through the collection and disposal of solid waste, recyclables, problem materials, yard waste, and coordination of clean city activities. The three divisions are surface water & sewers, water treatment & distribution, and solid waste & recycling services.
- **Transportation:** Offers people a variety of safe, convenient options for moving throughout the City and within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people and goods. The three divisions are traffic & parking services, transportation planning & engineering, and transportation maintenance & repair.

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS, OBJECTIVES, AND PERFORMANCE MEASURES (ALIGNED WITH CITY GOALS AND STRATEGIC DIRECTIONS)

City Goals & Strategies	Department Goal	Objective	Measure
<p>A safe place to call home: E. Youth: valued, challenged & engaged</p> <p>One Minneapolis: C. Equitable City services</p> <p>Lifelong learning: D. Embrace the U’s expertise E. Education: stronger partnerships</p> <p>Connected communities: C. Development services</p> <p>A premier destination: B. Reposition City C. Cleaner, greener, safer downtown D. Jobs</p>	<p>Strong partnerships and collaboration</p> <p><i>This includes</i> <i>Community</i> <i>Other local governments</i> <i>Related departments</i> <i>Private companies/ corporations</i> <i>Educational institutions</i></p>	Develop partnerships with Federal, State, and County government and other municipalities	<ul style="list-style-type: none"> • # of projects or initiatives involving governmental partnership underway
		Pursue City/private partnerships	<ul style="list-style-type: none"> • # of projects or initiatives involving private partnerships underway
		Collaborate with other City departments, agencies, and boards to achieve City-wide goals	<ul style="list-style-type: none"> • # of joint committee reports • % of department personnel records that meet the retention schedule requirements. • % complete of joint project with city clerk to develop public works records retention schedule and procedures • # of student interns hired through educational institutional partnerships
		Collaborate with City neighborhoods	<ul style="list-style-type: none"> • # of meetings conducted using the community engagement model as appropriate
<p>One Minneapolis: C. Equitable City services</p> <p>Connected communities: A. Integrated, multimodal transportation</p>	<p>Maximize the value of every dollar spent</p>	Evaluate activities for efficiency and effectiveness improvements as well as cost savings	<ul style="list-style-type: none"> • # of projects/rational overviews signed by stakeholders
		Leverage county, state, federal and private funding on City projects	<ul style="list-style-type: none"> • Value of outside funding spent on City projects
		Maximize the value of City assets.	<ul style="list-style-type: none"> • % implementation steps that are conforming to the parking fund workout plan
		Ensure accurate, timely financial reporting that is essential to business management	<ul style="list-style-type: none"> • # of public works divisional work units that have identified their management financial needs. • # of analyses and implementation plans developed jointly with finance to address identified divisional financial needs
<p>A safe place to call home: A. Guns, gangs, graffiti gone B. Crime reduction</p>	<p>Customer service is a top priority!</p>	<p>Public works is fully coordinated with the customer relationship management (CRM) system and 311</p>	<ul style="list-style-type: none"> • % of service requests responded to within service level agreement

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<p>One Minneapolis: C. Equitable City services</p> <p>Lifelong learning: E. Education: stronger partnerships</p> <p>Connected communities: A. Integrated, multimodal transportation C. Development services</p>		Public works is fully coordinated with development review with customer friendly process in place	<ul style="list-style-type: none"> • Compliance with MDR project documentation deadlines
		Effective community engagement	<ul style="list-style-type: none"> • % of projects that follow the City's adopted Community Engagement plan
		Establish a high level of customer satisfaction for all services	<ul style="list-style-type: none"> • Reduce # of missed garbage pick-ups • Decrease in number of complaints of drinking water quality • # of residential sanitary sewer backups • # of unresolved Stormwater fee disputes and open credit applications • % of employee trained on the LEP program requirements
		Manage clean city initiative	<ul style="list-style-type: none"> • # of days to respond to shopping cart removal • # of days to respond to graffiti removal
<p>A safe place to call home: A. Guns, gangs, graffiti gone</p> <p>Connected communities: A. Integrated, multimodal transportation B. Walkable, bikable, swimmable D. Northstar, Central Corridor, SW Corridor</p> <p>Enriched environment: A. Renewable & alternative energy B. Restore urban forest E. City's cultural & sustainable work plans</p> <p>A premier destination: B. Reposition City</p>	Improve the infrastructure and environment	Reduce energy consumption, reduce emissions, and increase the use of renewable energy and alternate fuels for municipal operations	<ul style="list-style-type: none"> • % Reduction in energy consumed by category • # of emissions reduction strategies implemented • % of alternative fuel used compare to total fuel usage
		Focus on delivery of high quality basic services	
		Design, construct, and operate City buildings that are sustainable.	<ul style="list-style-type: none"> • Increase the number of building operating procedures that follow environmentally preferred methodology. • # of new and significantly renovated City building that are designed and constructed to a LEED silver level.
		Manage, maintain, replace infrastructure for maximum value at established quality levels	<ul style="list-style-type: none"> • % reduction of breakdown maintenance vs. preventive maintenance by category • Pavement condition index • Bridge sufficiency index • # of sewer back ups • # of sewer overflows • Tunnel condition index
		Improve surface water quality and quantity management	<ul style="list-style-type: none"> • # of properties damaged by stormwater • Meet/exceed water quality goals measurements • # of attendees at stormwater education events held during the year • # of acres of land removed from draining to sanitary sewer system
		Improve source water quality and quantity management	

City Goals & Strategies	Department Goal	Objective	Measure
		Support a balanced, linked and sustainable multimodal transportation system that meets the needs of the traveling public	<ul style="list-style-type: none"> Number of Transportation Action Plan actions/strategies completed
		Maximize opportunities to improve air quality resulting from transportation sources	<ul style="list-style-type: none"> % of sustainability target met for bikeways (2015) and downtown modal split (2015) Bicycle mode: # of miles of bicycle lanes/paths Downtown mode split: % split by walking, bicycling, bus, light rail, car pool, single occupancy vehicle
A safe place to call home One Minneapolis: A. Close race & class gaps B. Middle class: keep it, grow it Lifelong learning: B. Economic engine A premier destination: B. Reposition City D. Jobs	Focus on people	Provide a safe workplace	<ul style="list-style-type: none"> # of lost work days due to injury % Reduction in number of public works vehicle and safety accidents and associated cost
		Promote employee participation	<ul style="list-style-type: none"> % change in opportunities identified in 2004 and 2006 employee survey results analysis
		Support professional development	<ul style="list-style-type: none"> % improvement in mentor program participant evaluation scoring results % increase in mentor program participation rate Number of employees completing required training % Increase number of documented performance reviews % of supervisors completing supervisor training
		Retain, promote and recruit a quality workforce	<ul style="list-style-type: none"> % change in employee demographics % change in retention rates % change in internal promotion rates

MEASURES, DATA AND TARGETS TABLE

Measure Name	2004 Data	2005 Data	2006 Data	2007 Target	2008 Target	2011 Target
Safety and ride ability pavement condition index (PCI); average of all City streets	75	74	73	72		68
Minneapolis traffic safety statistics:						
Total crashes	6802	6443	5836	5600		5350
Total injuries	3144	2844	2545	2500		2350
# of residential sanitary sewer backups	20	21	21	21	21	21
Total annual combined sewer overflow volume	2	3	0.5	0.4		0
Drinking water color complaints	34	15	9		0	0
% of alternative fuel used compare to total fuel usage	8 %	8 %	8 %	10.6 %	11.2 %	15 %
% of solid waste stream recycled (by weight)	34.8%	33.4%	34.0%	34.5%		36.0%

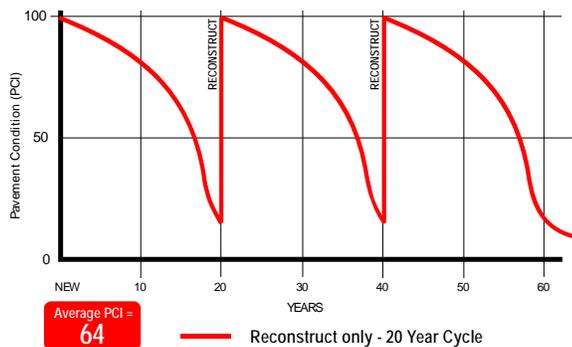
Measure Name	2004 Data	2005 Data	2006 Data	2007 Target	2008 Target	2011 Target
Number of graffiti complaints reported						
Number of graffiti abatements				94%	94%	94%
Percent of 311 reported street lighting outages resolved within SLA				75%		
Percent of 311 reported pothole complaints resolved within SLA						

What key trends and challenges does the department face and how will each be addressed?

Needs and desires greater than available resources: The City’s infrastructure is aging and there are not adequate resources available for maintenance or replacement at the most cost-effective or desirable frequencies. The department’s strategies for addressing the current situation include the following:

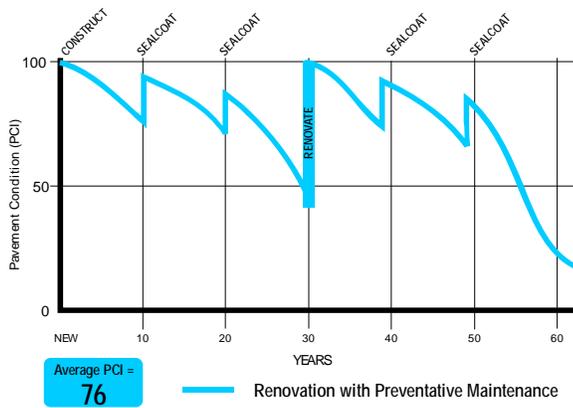
- Prioritize activities in order of: (1) safety, (2) regulatory requirements, (3) balance preventive maintenance with discretionary activities
- Quantify and communicate the impact of financial policies for the City Council
- Leverage outside funding
- Examine staffing strategies to ensure most efficient delivery of services based on long-term financial outlook (including capital program)
- Continue to evaluate activities that can be eliminated or completed more efficiently

Policy Option	Total Cost MSA	Total Cost Residential	Average PCI
Reconstruct Only (20 yrs.)	\$27,800,000	\$13,900,000	64
Timely Maintenance	\$8,393,000	\$4,693,000	76



YEAR	ACTIVITY	COMMERCIAL	RESIDENTIAL
0	Construct	\$6,000,000	\$3,000,000
20	Reconstruct	\$8,800,000	\$4,400,000
40	Reconstruct	\$13,000,000	\$6,500,000
TOTAL		\$27,800,000	\$13,900,000

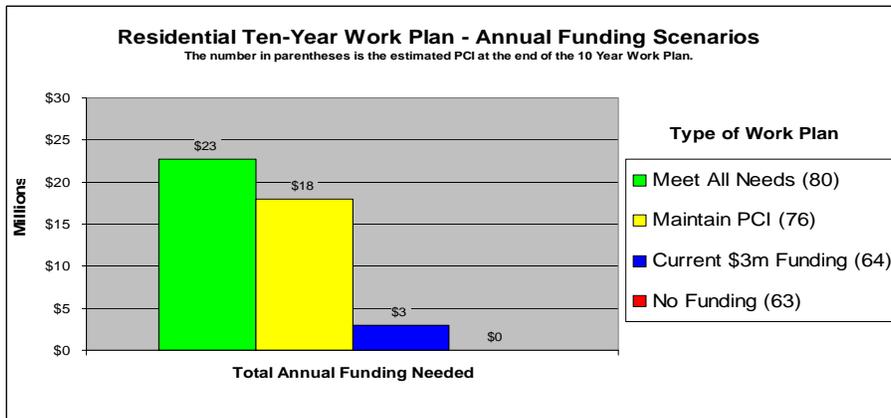
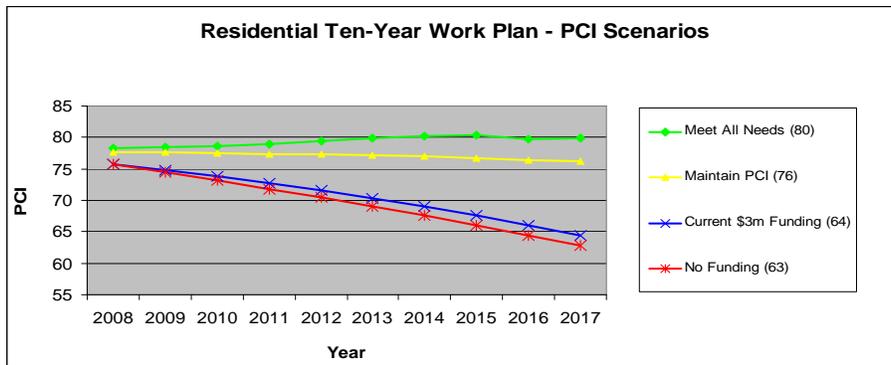
* With 2% Inflation



COST*

YEAR	ACTIVITY	COMMERCIAL	RESIDENTIAL
0	Construct	\$6,000,000	\$3,000,000
10	Sealcoat	\$48,000	\$48,000
20	Sealcoat	\$59,000	\$59,000
28	Renovation	\$2,100,000	\$1,400,000
38	Sealcoat	\$84,000	\$84,000
48	Sealcoat	\$102,000	\$102,000
TOTAL		\$8,393,000	\$4,693,000

* With 2% Inflation



Growth in special service districts: There continues to be growing interest in implementing special service districts. By the end of 2007 the City will have fifteen special service districts, having increased from six in 2000. This requires more staff support to administer than available resources. Implementation of a downtown special service district, a priority in 2007, will increase these service demands.

A second challenge in this area is how to provide special services in residential areas, where special service districts are not permitted by law. There is increasing interest, and willingness to pay, in residential areas for enhanced services and amenities above and beyond the City's basic services. State law currently prohibits establishment of special service assessments to residential properties. The department plans to work with intergovernmental relations, finance,

and the attorney's office to identify options and potential legislative action to permit residential special service districts in the future.

The challenge of graffiti: In 2007 the City centralized graffiti abatement services in the department. This consolidation has allowed a full understanding of the magnitude of the graffiti challenge and associated costs. The current program is not financially sustainable without additional funding in the range of \$1 million per year. Although the program is very effective in many ways, it also has the perception of penalizing victims. There is no indication that the magnitude of the graffiti challenge will decrease in the future; prosecution is almost completely unsuccessful.

Decreasing water revenue: Water revenue has been consistently decreasing over the past several years due to a decrease in consumption. This is a challenge because there are significant fixed costs associated with producing water. The decrease in revenue threatens the department's ability to properly maintain its system and control rates. The strategy to address this challenge is to pursue additional wholesale opportunities to suburban customers.

Implementing transit improvements: Transit is a key strategy for the growth and continued vitality of the City. Despite broad policy support, implementation is always a significant challenge due to the lack of adequate regional funding and the negative perceptions that many people have about buses. The department will continue to build relationships with regional partners to improve transit facilities and services, particularly along the primary transit network corridors throughout the City.

While there appears to be broad public support for streetcars, implementation of streetcars is particularly challenging because there is very limited capital funding available and MetroTransit will only support the operation of streetcar when full bus routes can be replaced. Thus, it is possible that initial financing of streetcar construction and operation may rest with the City. The department will continue to work with CPED and finance to explore creative financing solutions for the construction and operation of a streetcar network.

Water resources and sustainability initiatives: As does every major US city, Minneapolis has degraded water resources because of the long-term effects of 19th century land use and conveyance decisions. What sets Minneapolis apart from other cities, however, is the importance of the water resources to the City's identity and economy. Federal clean water act regulations (and associated state and metropolitan area requirements) have been ramping up steadily since the early 1990's.

For regulatory reasons and to avoid costly penalties/surcharges, the department needs to continue to work aggressively in response to combined sewer overflow (CSO), inflow and infiltration (I/I), and soon-to-come total maximum daily load (TMDL) requirements. Beyond regulations, however, is the City's interest in sustainability, and for a sustainable City distinguished by its high quality water resources, the department needs to engage green infrastructure and low-impact development (LID) approaches.

To implement and maintain these approaches, staffing needs to maintain a sufficient level, well-trained, well-organized, well-equipped, and proactive. Without proper execution and maintenance, failure can be rapid. In order to improve the department's ability to address the challenges of storm water and wastewater management and water quality issues, and to bring clarity of the issues and resource allocation needs to the policymakers and the public, a new division has been created.

What actions will the department take to meet its five-year financial direction?

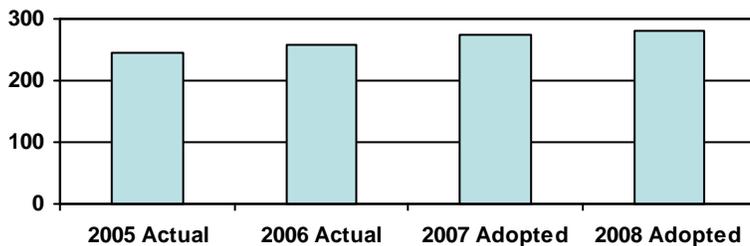
The department's five-year financial direction reduction is \$39.9 million. The budget before the target reduction is \$40.4 million. To meet the proposed financial direction, the department is proposing a reduction in the snow and ice control cost center and a revenue increase in traffic and parking services resulting from lane obstruction fee collections.

- Expense: \$300,000: (Snow & ice control) Reduction of driver and operator hours, outside equipment rental, and materials
- New revenue: \$200,000: from lane obstruction and closure fees.

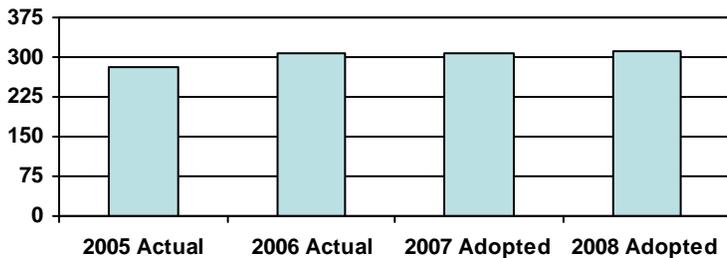
FINANCIAL ANALYSIS

The department's 2008 budget is \$279.2 million, a 2.3% increase from 2007. The department is funded by the general fund, one grant fund, the capital projects fund, four internal service funds, and five enterprise funds. The overall change in FTE is 2 for a total of 1199.

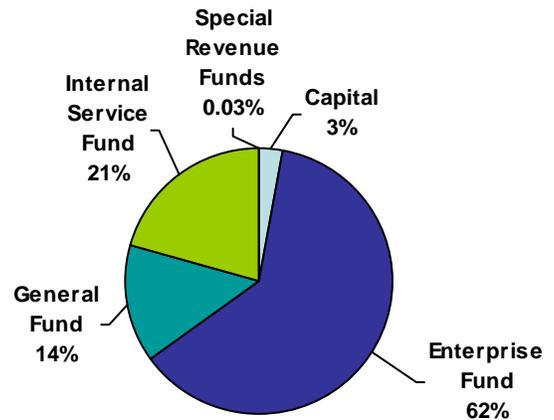
**Expenditures 2005-2008
(in millions)**



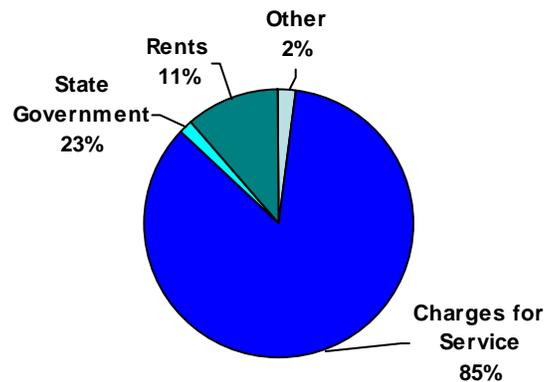
**Revenues 2005-2008
(in millions)**



Expenditures by Fund (\$279.2 million)



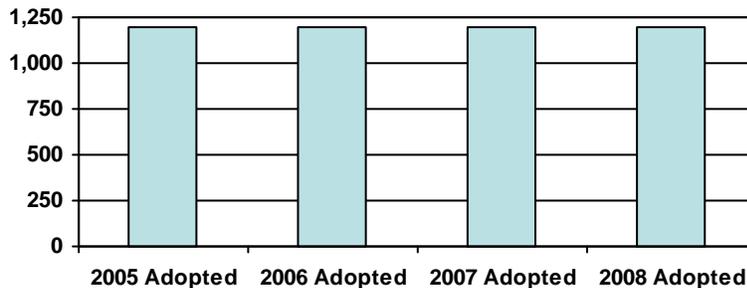
Revenues by Type (\$310.8 million)



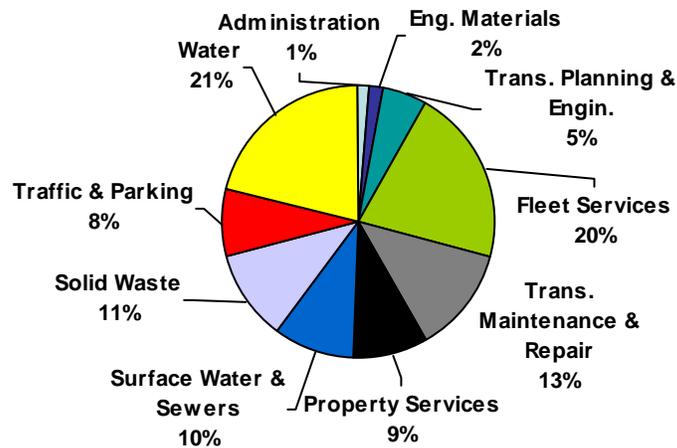
**PUBLIC WORKS DEPARTMENT
Staffing Information**

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	% Change	Change
FTE's by Division						
Administration	17.00	16.00	16.00	17.00	6.25%	1.00
Engineering Materials	20.50	20.50	19.50	19.50	0.00%	-
Transportation Planning & Engineering	73.20	74.20	69.20	65.10	-5.92%	(4.10)
Fleet Services	245.10	248.10	248.10	247.10	-0.40%	(1.00)
Transportation Maintenance & Repair	154.20	151.40	150.60	151.40	0.53%	0.80
Property Services	102.90	103.90	104.90	105.90	0.95%	1.00
Surface Water & Sewers	103.40	103.40	109.40	115.40	5.48%	6.00
Solid Waste	126.00	128.00	128.00	128.00	0.00%	-
Traffic & Parking	99.34	99.34	98.59	97.59	-1.01%	(1.00)
Water	252.75	252.75	252.75	252.75	0.00%	-
Total FTE's	1,194.39	1,197.59	1,197.04	1,199.74	0.23%	2.70

Staffing Summary 2005-2008



Staffing by Division



**PUBLIC WORKS
EXPENDITURE AND REVENUE INFORMATION**

			2007	2008	Percent	
	2005 Actual	2006 Actual	Adopted	Adopted	Change	Change
Total Expenditures - All Funds	245,115,859	257,109,801	272,963,535	279,229,005	2.30%	6,265,470
Total Revenues - All Funds	282,984,867	307,885,217	305,716,790	310,753,384	1.65%	5,036,594
General Fund - City						
Salaries and Wages	11,472,502	11,307,871	11,117,920	11,259,473	1.27%	141,553
Contractual Services	17,934,668	17,837,899	18,685,362	18,393,101	-1.56%	(292,261)
Operating Costs	4,681,596	4,782,356	4,668,378	5,102,688	9.30%	434,310
Fringe Benefits	4,471,962	4,656,952	4,802,973	5,154,445	7.32%	351,472
Equipment	192,499	24,520	262,065	267,568	2.10%	5,503
Capital Outlay	0	124,377	2,717	2,774	2.10%	57
Total Expenditures	38,753,228	38,733,975	39,539,415	40,180,049	1.62%	640,634
Franchise Fees	150,283	134,881	110,000	110,000	0.00%	0
Licenses and Permits	1,207,089	1,600,710	1,459,000	1,659,000	13.71%	200,000
State Government	4,002,594	3,692,624	3,724,698	3,625,160	-2.67%	(99,538)
Local Government	773,792	901,955	701,683	605,401	-13.72%	(96,282)
Charges for Service	6,012,607	6,597,433	4,988,110	5,188,110	4.01%	200,000
Charges for Sales	44,991	73,741	33,500	33,500	0.00%	0
Special Assessments	1,699,044	1,788,624	1,752,926	1,752,926	0.00%	0
Interest	294,556	11,898	2,500	2,500	0.00%	0
Rents	400	0	2,400	2,400	0.00%	0
Contributions	0	50	0	0	0.00%	0
Other Misc Revenues	346,160	851,289	651,242	651,242	0.00%	0
Total Revenues	14,531,517	15,653,204	13,426,059	13,630,239	1.52%	204,180
Special Revenue Funds						
Contractual Services	149,158	77,681	78,000	90,000	15.38%	12,000
Transfers	3,000	0	0	0	0.00%	0
Total Expenditures	152,158	77,681	78,000	90,000	15.38%	12,000
Local Government	3,000	0	0	0	0.00%	0
Total Revenues	3,000	0	0	0	0.00%	0
Capital Projects						
Salaries and Wages	2,840,788	2,856,168	3,464,150	3,662,084	5.71%	197,934
Contractual Services	2,048,833	1,594,169	2,355,802	2,861,951	21.49%	506,149
Operating Costs	166,122	192,664	176,626	154,683	-12.42%	(21,943)
Fringe Benefits	775,932	799,934	1,153,232	1,284,106	11.35%	130,874
Equipment	61,930	47,750	110,162	80,448	-26.97%	(29,714)
Total Expenditures	5,893,606	5,490,684	7,259,972	8,043,272	10.79%	783,300
Licenses and Permits	344,926	213,396	230,000	263,159	14.42%	33,159
State Government	1,537,282	1,036,766	600,000	550,000	-8.33%	(50,000)
Charges for Service	168,817	248,076	1,485,000	1,652,924	11.31%	167,924
Charges for Sales	3,050	1,620	0	0	0.00%	0
Special Assessments	13,958	24,179	16,000	16,072	0.45%	72
Other Misc Revenues	520	0	0	0	0.00%	0
Total Revenues	2,068,554	1,524,037	2,331,000	2,482,155	6.48%	151,155

**PUBLIC WORKS
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Enterprise Funds						
Salaries and Wages	27,440,520	27,862,133	30,539,766	30,476,766	-0.21%	(63,000)
Contractual Services	81,980,507	88,970,711	85,035,790	86,338,295	1.53%	1,302,505
Operating Costs	36,340,204	39,046,714	40,364,504	41,386,611	2.53%	1,022,107
Fringe Benefits	10,508,562	11,275,098	11,948,637	12,911,534	8.06%	962,897
Equipment	1,085,351	2,556,620	2,262,679	2,281,951	0.85%	19,272
Capital Outlay	46,109	43,387	7,189	7,340	2.10%	151
Total Expenditures	157,401,254	169,754,663	170,158,565	173,402,497	1.91%	3,243,932
Licenses and Permits	245,559	252,957	219,000	219,000	0.00%	0
Federal Government	0	36,036	0	0	0.00%	0
State Government	699,700	671,526	671,441	746,775	11.22%	75,334
Local Government	1,133,017	1,008,557	832,165	1,132,920	36.14%	300,755
Charges for Service	204,672,880	213,208,639	217,255,874	219,886,203	1.21%	2,630,329
Charges for Sales	4,314,031	5,315,504	4,566,400	4,566,400	0.00%	0
Fines and Forfeits	0	0	0	45,000	0.00%	45,000
Special Assessments	64,447	12,614,773	658,475	115,000	-82.54%	(543,475)
Interest	1,701	945	750	750	0.00%	0
Gains	1,850	0	0	0	0.00%	0
Rents	146,136	214,075	112,685	3,000	-97.34%	(109,685)
Other Misc Revenues	41,738	142,518	210,941	210,941	0.00%	0
Operating Transfers In	3,000	1,391,283	0	0	0.00%	0
Total Revenues	211,324,059	234,856,811	224,527,731	226,925,990	1.07%	2,398,259
Internal Service Funds						
Salaries and Wages	17,842,750	16,692,986	19,888,760	19,569,673	-1.60%	(319,087)
Contractual Services	11,576,225	12,902,653	15,823,845	16,796,754	6.15%	972,909
Operating Costs	6,822,054	6,379,897	11,603,156	11,820,883	1.88%	217,727
Fringe Benefits	6,532,747	6,998,544	7,906,278	8,605,517	8.84%	699,239
Equipment	117,959	66,502	705,544	720,360	2.10%	14,816
Capital Outlay	23,879	12,216	0	0	0.00%	0
Total Expenditures	42,915,613	43,052,798	55,927,583	57,513,187	2.84%	1,585,604
Charges for Service	13,959,493	14,544,616	16,297,500	17,162,500	5.31%	865,000
Charges for Sales	12,888,578	12,875,990	14,570,500	14,900,500	2.26%	330,000
Interest	1,499	2,161	500	500	0.00%	0
Gains	96,049	81,471	200,000	200,000	0.00%	0
Rents	27,691,619	27,860,225	34,350,500	35,438,500	3.17%	1,088,000
Other Misc Revenues	420,499	161,002	13,000	13,000	0.00%	0
Operating Transfers In	0	325,701	0	0	0.00%	0
Total Revenues	55,057,737	55,851,165	65,432,000	67,715,000	3.49%	2,283,000

ADMINISTRATIVE SERVICES

EXPENDITURE

The 2008 administrative services budget is \$2.9 million, a 10.6% or \$277,000 increase from the 2007 adopted budget. The special assessment organization was moved to transportation planning & engineering as part of the 2007 reorganization. This resulted in a decrease of 3 positions and \$300,000 in expenditures. There is, however, a \$200,000 increase in BIS charges and an increase of 1 position due to the addition of 2 clerical positions in lieu of an administrative position. The additional salary cost is covered within the department's current service level.

REVENUE

Revenue of \$2.0 million in administrative services results from overhead charged to other public works functions and also permit and plan review fees.

FUND ALLOCATION

Administrative services operates within the City's general fund.

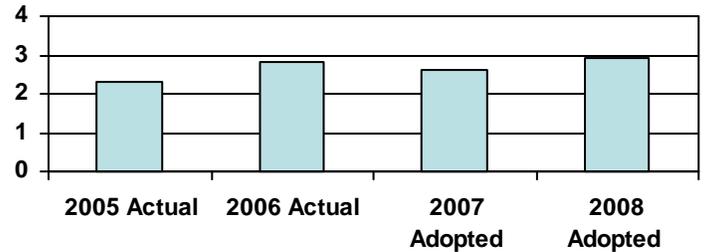
MAYOR'S RECOMMENDED BUDGET

The Mayor recommends no changes to the administrative services division.

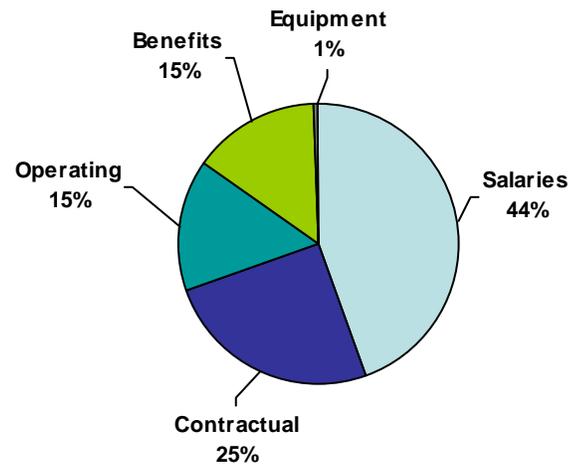
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

Expenditures 2005-2008
(in millions)



Expenditures by Type (\$2.9 million)

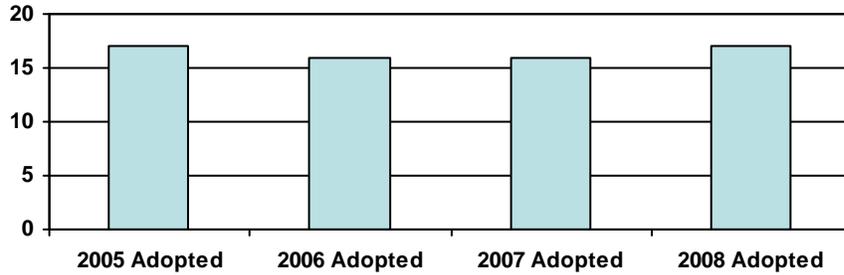


PUBLIC WORKS ADMINISTRATION

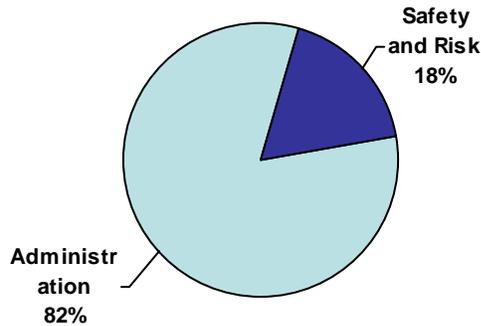
Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	Percent Change	Change
FTE's by Division						
Administration	14.00	13.00	13.00	14.00	7.69%	1.00
Safety/Risk Management	3.00	3.00	3.00	3.00	0.00%	-
Total FTE's	17.00	16.00	16.00	17.00	6.25%	1.00

Staffing Summary 2005-2008



Staffing by Division



PUBLIC WORKS – ADMINISTRATIVE SERVICES EXPENDITURE AND REVENUE INFORMATION

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Salaries and Wages	1,035,738	1,099,455	1,199,685	1,291,663	7.67%	91,978
Contractual Services	792,290	1,274,059	587,508	719,670	22.50%	132,162
Operating Costs	118,610	137,945	437,772	447,727	2.27%	9,955
Fringe Benefits	378,834	319,771	382,303	425,206	11.22%	42,903
Equipment	6,409	1,430	16,933	17,288	2.10%	355
Total Expenditures	2,331,882	2,832,659	2,624,201	2,901,554	10.57%	277,353
Licenses and Permits	0	0	360,000	360,000	0.00%	0
Local Government	100,000	220,000	0	0	0.00%	0
Charges for Service	1,889,004	2,226,354	1,601,000	1,601,000	0.00%	0
Interest	289,841	0	0	0	0.00%	0
Other Misc Revenues	150	356,636	0	0	0.00%	0
Total Revenues	2,278,995	2,802,990	1,961,000	1,961,000	0.00%	0

ENGINEERING MATERIALS & TESTING

EXPENDITURE

The engineering materials and testing division budget of \$4.1 million, a 1% decrease from the 2007 adopted budget.

REVENUE

The division anticipates revenues of \$5.1 million, the same as the 2007 adopted budget.

FUND ALLOCATION

The division is funded by two internal service funds: the engineering materials and testing fund and the stores fund.

The engineering materials and testing fund accounts for approximately 83% of the division's budget and is used to account for the City's purchase of bituminous mixes and ready-mix concrete for placement by various agencies within public works for their construction and maintenance requirements. Also recorded within this fund are the transactions of the engineering laboratory, which provides inspection and testing services for these materials and environmental and soil testing services. The Council took action in December 2003, to suspend the production of bituminous mixes indefinitely at the City's asphalt plant.

The stores fund accounts for the remaining 17% of the division's budget. Central stores is responsible for the centralized procurement, receiving, warehousing, and distribution of stocked inventory merchandise along with the purchase of special non-inventory materials and services. Since 1980, central stores has provided office supplies and non-specialty items to all City agencies. Together, public works and finance completed a study in 1998, whereby, the recommended redesign included a revised overhead structure and directives for utilization of the stores fund for non-inventory purchases.

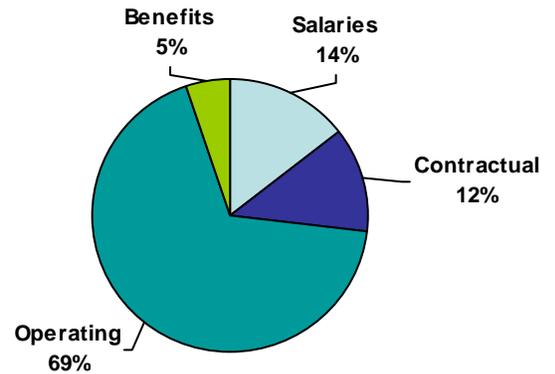
MAYOR'S RECOMMENDED BUDGET

The Mayor recommended no change from the current service level for Public Works Engineering Material and Testing.

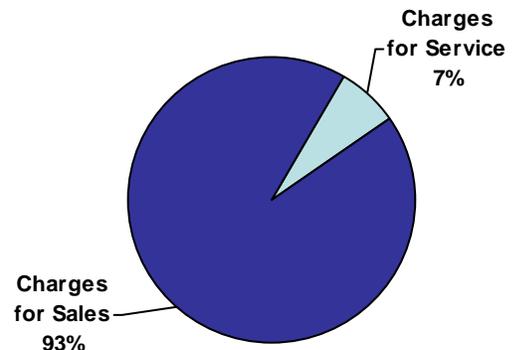
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation.

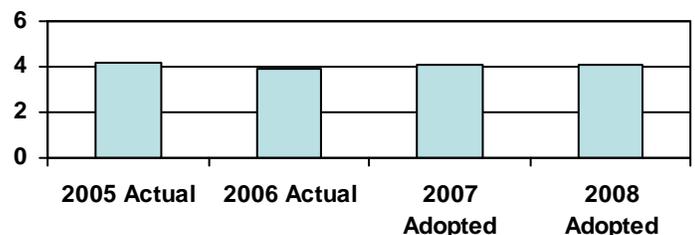
Expenditures by Type (\$4.1 million)



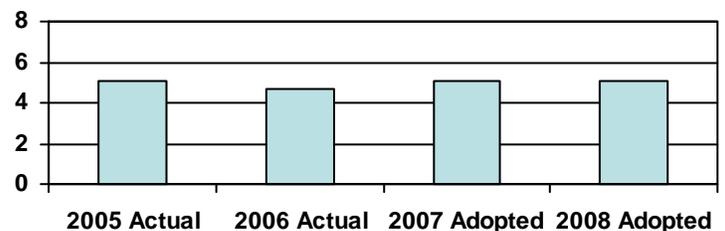
Revenue by Type (\$5.1 million)



Expenditures 2005-2008 (in millions)



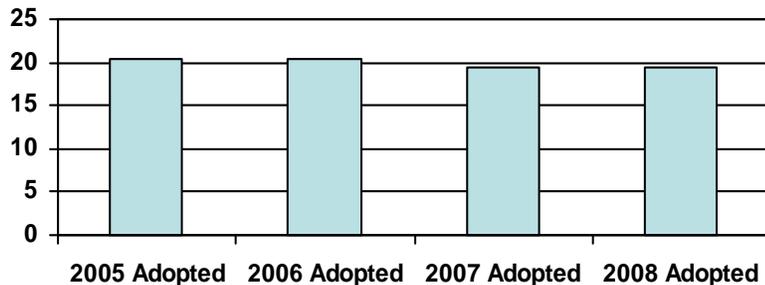
Revenues 2005-2008 (in millions)



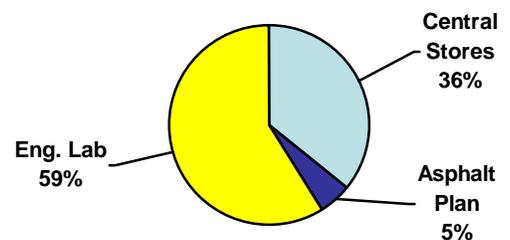
For more information on the engineering material and testing fund, please see the financial plans section of this document.

PUBLIC WORKS ENGINEERING MATERIAL AND TESTING						
Staffing Information						
	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	% Change	Change
FTE's by Division						
Central Stores	7.00	7.00	7.00	7.00	0.00%	-
Asphalt Plant	1.00	1.00	1.00	1.00	0.00%	-
Engineering Laboratory	12.50	12.50	11.50	11.50	0.00%	-
Total FTE's	20.50	20.50	19.50	19.50	0.00%	-

Staffing Summary 2005-2008



Staffing by Division



**PUBLIC WORKS – ENGINEERING MATERIALS & TESTING
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Salaries and Wages	345,473	394,689	394,886	398,843	1.00%	3,957
Contractual Services	472,173	398,978	560,407	532,216	-5.03%	(28,191)
Operating Costs	3,124,357	2,922,726	2,924,797	2,909,410	-0.53%	(15,387)
Fringe Benefits	148,248	173,425	224,060	219,501	-2.03%	(4,559)
Equipment	43,633		2,213	2,259	2.08%	46
Total Expenditures	4,133,883	3,889,819	4,106,363	4,062,229	-1.07%	(44,134)
Charges for Service	425,360	477,601	350,000	350,000	0.00%	0
Charges for Sales	4,604,874	4,209,066	4,760,500	4,760,500	0.00%	0
Total Revenues	5,030,234	4,686,667	5,110,500	5,110,500	0.00%	0

FLEET SERVICES

EXPENDITURE

The 2008 expense budget for Fleet Services, formerly known as Equipment Services, is \$33.2 million, a decrease of 0.4% from the 2007 adopted budget. This decrease is due to improved management of overtime spending.

REVENUE

The 2008 revenue budget of \$42.9 million is a 2.2% increase from the 2007 adopted budget.

FUND ALLOCATION

The transactions of this division are recorded in the Equipment Internal Service Fund.

MAYOR'S RECOMMENDED BUDGET

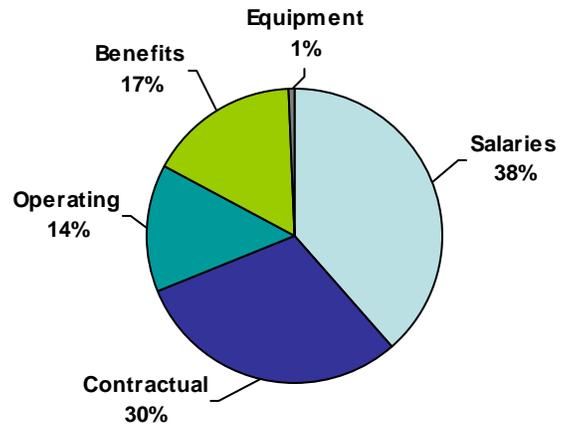
The Mayor recommends no change from the current service level for Public Works Fleet Services.

Council Adopted Budget

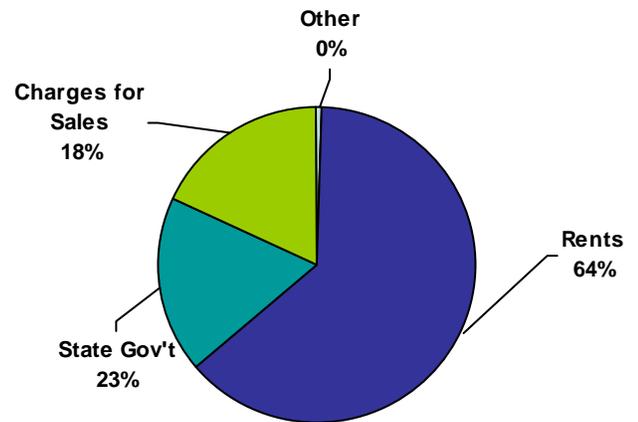
The Council concurred with the Mayor's recommendation.

For more information, see the Equipment Fund within the financial plans section of this document.

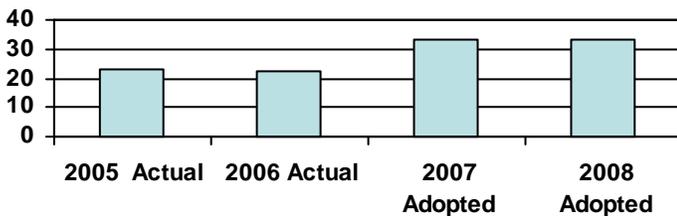
Expenditures by Type (\$33.2 million)



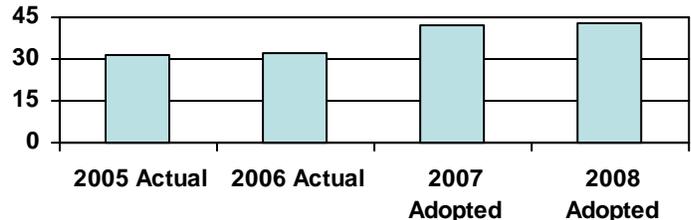
Revenues by Source (\$42.9 million)



**Expenditures 2005-2008
(in millions)**



**Revenues 2005-2008
(in millions)**

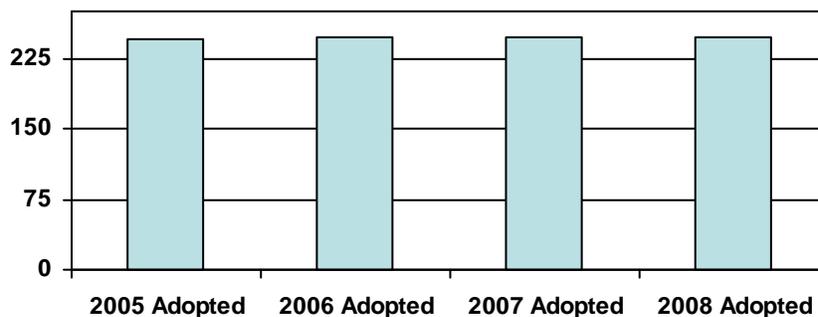


PUBLIC WORKS FLEET SERVICES

Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Mayor Recomm.	% Change	Change
FTE's by Division						
Maintenance	80.04	87.10	87.10	86.10	-1.15%	(1.00)
Operations	165.06	161.00	161.00	161.00	0.00%	-
Total FTE's	245.10	248.10	248.10	247.10	-0.40%	(1.00)

Staffing Summary 2005-2008



PUBLIC WORKS – FLEET SERVICES EXPENDITURE AND REVENUE INFORMATION

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Salaries and Wages	11,440,074	10,220,795	13,412,792	12,770,764	-4.79%	(642,028)
Contractual Services	5,265,600	5,833,451	10,025,039	10,050,651	0.26%	25,612
Operating Costs	2,202,052	1,815,086	4,484,958	4,618,579	2.98%	133,621
Fringe Benefits	4,235,454	4,507,446	5,231,795	5,568,115	6.43%	336,320
Equipment		48,896	182,540	186,373	2.10%	3,833
Capital Outlay	23,879				0.00%	0
Total Expenditures	23,167,058	22,425,674	33,337,124	33,194,482	-0.43%	(142,642)
Charges for Service	5,013,612	5,453,336	7,650,000	7,860,000	2.75%	210,000
Charges for Sales	4,675,060	5,212,835	7,600,000	7,800,000	2.63%	200,000
Interest	1,375	1,384	500	500	0.00%	0
Gains	96,049	81,471	200,000	200,000	0.00%	0
Rents	21,323,760	20,829,793	26,500,000	27,004,000	1.90%	504,000
Other Misc Revenues	259,092	160,825	10,000	10,000	0.00%	0
Operating Transfers In		325,701			0.00%	0
Total Revenues	31,368,948	32,065,345	41,960,500	42,874,500	2.18%	914,000

PROPERTY SERVICES

EXPENDITURE

The 2008 expense budget for property services is \$16.4 million, an 11.9% increase in expenditures over the 2007 budget. The increase is due to the addition of the operation and maintenance of Hamilton School and a transfer of a janitorial position from police. In addition, the revenue and expenditure budget in the work for others cost center is increased by \$1 million to match the historical data.

REVENUE

The division's revenue budget shows an increase of 8.2% over the 2007 adopted budget, from \$15.5 million in 2007 to \$16.8 million in 2008.

FUND ALLOCATION

The transactions of this division are recorded in the property services internal service fund.

MAYOR'S RECOMMENDED BUDGET

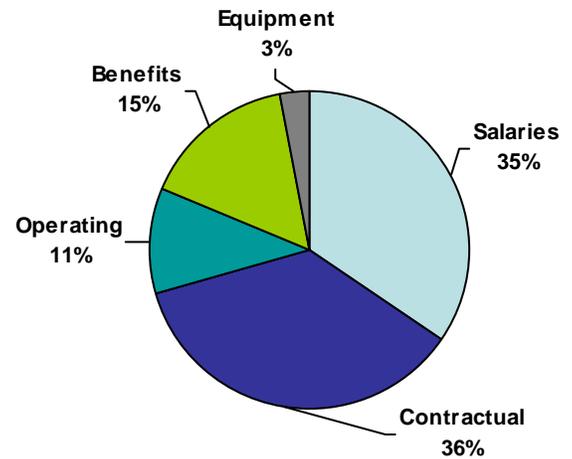
The Mayor recommends \$25,000 for the City's long-term renewable energy projects, to support the energy manager's work to identify long-term sources for renewable energy in line with the City's sustainability goals.

COUNCIL ADOPTED BUDGET

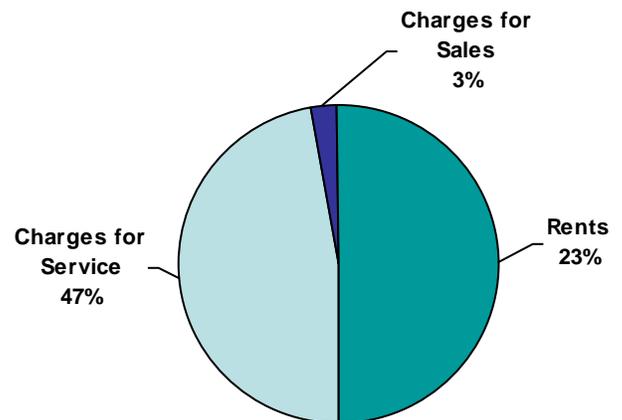
The Council concurred with the Mayor's recommendations.

For more information, please see the property services fund in the financial plans section of this document.

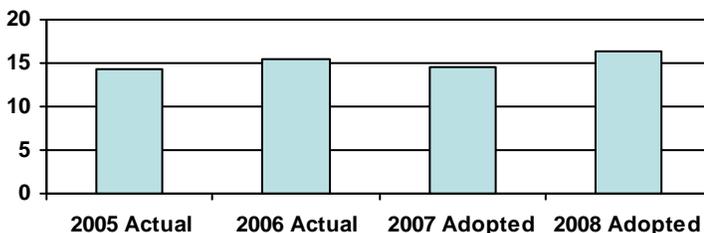
Expenditures by Type (\$16.4 million)



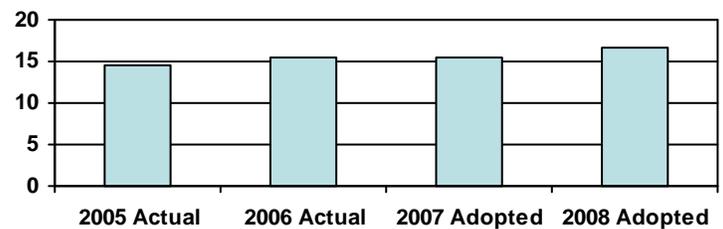
Revenue by Source (\$16.8 million)



**Expenditures 2005-2008
(in millions)**



**Revenues 2005-2008
(in millions)**

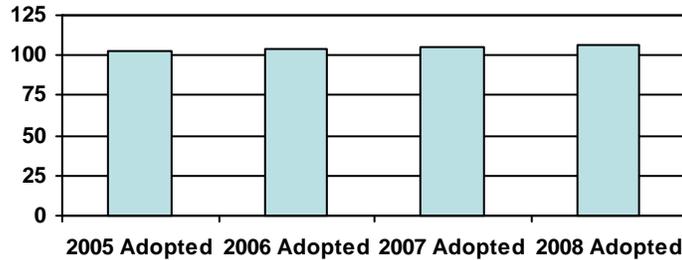


PUBLIC WORKS PROPERTY SERVICES

Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Mayor Recomm.	Percent Change	Change
FTE's by Division						
Radio	11.00	11.00	11.00	11.00	0.00%	0.00
Facilities Management Maintenance	91.90	92.90	93.90	94.90	1.06%	(1.00)
Total FTE's	102.90	103.90	104.90	105.90	0.95%	(1.00)

Staffing Summary 2005-2008



**PUBLIC WORKS – PROPERTY SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Total Expenditures - All Funds	14,412,281	15,553,630	14,613,882	16,357,261	11.93%	1,743,379
Total Revenues - All Funds	14,602,107	15,379,987	15,501,000	16,770,000	8.19%	1,269,000
General Fund - City						
Contractual Services				25,000	0.00%	25,000
Total Expenditures				25,000	0.00%	25,000
Special Revenue Funds						
Contractual Services	595				0.00%	0
Total Expenditures	595				0.00%	0
Internal Service Funds						
Salaries and Wages	5,381,113	5,446,297	5,309,123	5,654,827	6.51%	345,704
Contractual Services	5,603,690	6,386,057	4,870,434	5,859,279	20.30%	988,845
Operating Costs	1,410,622	1,575,323	1,721,568	1,773,938	3.04%	52,370
Fringe Benefits	1,941,934	2,116,996	2,209,389	2,530,278	14.52%	320,889
Equipment	74,326	16,741	503,368	513,939	2.10%	10,571
Capital Outlay		12,216	0		0.00%	0
Total Expenditures	14,411,686	15,553,630	14,613,882	16,332,261	11.76%	1,718,379
Charges for Service	7,517,635	7,646,635	7,247,500	7,902,500	9.04%	655,000
Charges for Sales	555,166	702,724	400,000	430,000	7.50%	30,000
Interest	39	20			0.00%	0
Rents	6,367,859	7,030,432	7,850,500	8,434,500	7.44%	584,000
Other Misc Revenues	161,407	177	3,000	3,000	0.00%	0
Total Revenues	14,602,107	15,379,987	15,501,000	16,770,000	8.19%	1,269,000

SOLID WASTE & RECYCLING SERVICES

EXPENDITURE

The total 2008 expense budget is \$31.3 million compared to \$28.6 million for 2007. This is a 9.3% increase over prior-year budget.

REVENUE

The total anticipated revenues are \$30.5 million. There is not rate increase adopted for 2008. The solid waste base charge of \$23.00 less the recycling credit of \$7.00 plus a large chart charge of \$4.00 with remain at \$20.00 per month.

FUND ALLOCATION

The division is budgeted 100% within the solid waste enterprise fund.

Please see the solid waste financial plan in the financial plans section of this book for more information.

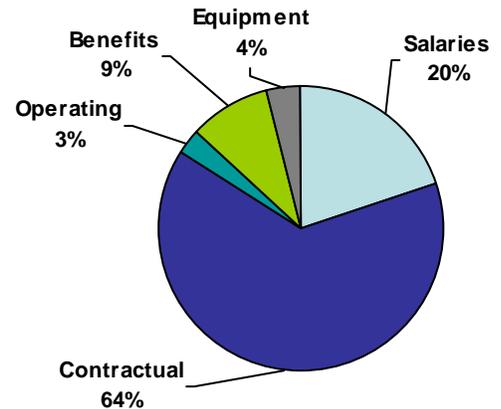
MAYOR'S RECOMMENDED BUDGET

The Mayor recommends \$150,000 in one-time general fund resources to supplement the existing graffiti program. The 2008 Graffiti program will be streamlined to more quickly remove Gang graffiti and to recognize cooperation between the City and property owners to remove Gang graffiti. A waiver program will allow property owners to authorize the city to cover graffiti on buildings as soon as possible after the graffiti is reported at no charge to the property owner. In seasons when the temperatures are above 32 degrees, this will be within 3 business days; in cold months, as soon as possible.

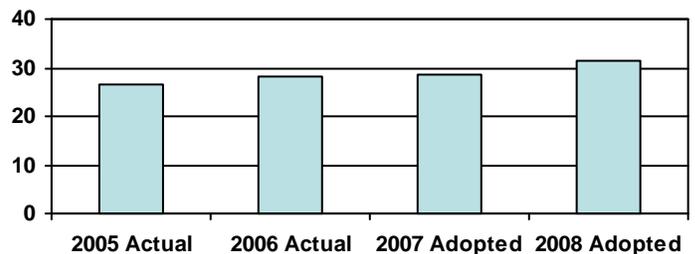
If property owners do not authorize the City to remove Gang graffiti, or for Tagger (Art) graffiti, a letter will be sent to the property owner of record (tax payer) requiring removal of the graffiti within 7 days of the post mark of the letter. If the graffiti is not removed by the property owner, the City will remove it and the property owner will be billed for the removal service.

Graffiti remover will be available at the Fire Stations, and deliveries of standard graffiti removal supplies will be made to neighborhood organizations. In addition, "micro grants" will be available to block clubs and neighborhood groups for the purchase and re-supplying of special Graffiti Removal Kits, or power washers so that these organizations can target their surroundings for ultra-quick graffiti removal action. Micro Grants will also be available for Neighborhood organizations to cooperate with frequently tagged property owners to create murals on the property. Finally, Micro Grants will be available to schools or neighborhood

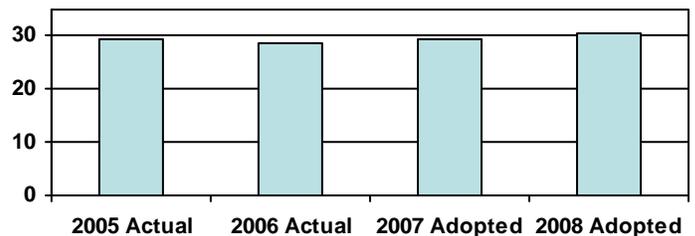
Expenditure by Type (\$31.3 million)



Expenditures 2005-2008 (in millions)



Revenues 2005-2008 (in millions)



organizations to cooperatively purchase, through the City Keep America Beautiful affiliation, the Graffiti Hurst School curriculum. A total of \$75,000 is proposed for the Micro grant programs.

The recommendation also includes the policy change to move toward summary abatement for graffiti to improve response time. The Mayor also recommends \$300,000 on a one-time basis for a pilot program for alternative disposal of organic waste.

COUNCIL ADOPTED BUDGET

The Mayor's recommended budget increased the solid waste and recycling fee by \$0.75 to \$23.75, the average monthly charge per dwelling. Due to better revenue performance than expected in the fund, the Council did not approve this change.

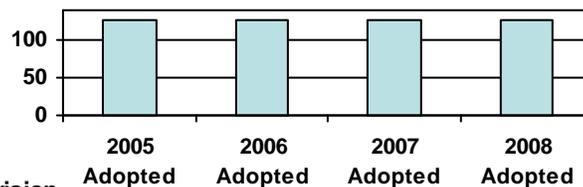
The Council also directed Public Works, Finance, and Police to return to the Ways & Means/Budget Committee by February 25, 2008 with options for funding the City's graffiti removal, prevention and enforcement efforts from a source other than solid waste rates.

PUBLIC WORKS SOLID WASTE AND RECYCLING

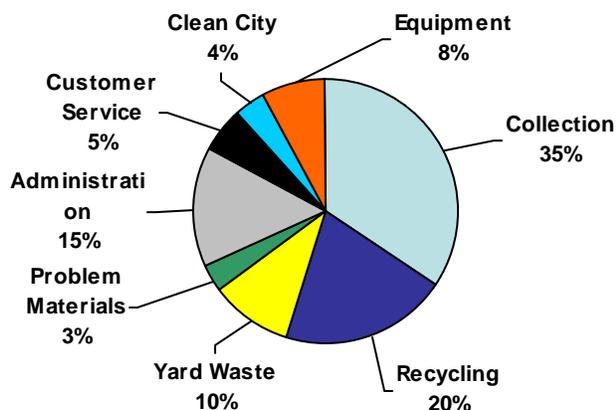
Staffing Information

FTE's by Division	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	% Change	% Change
Collection	39.00	38.00	40.50	44.00	6.58%	2.50
Recycling	21.00	18.00	20.00	26.00		2.00
Disposal	1.00	-	-	-		
Yard Waste	9.00	9.00	9.00	13.00	44.44%	4.00
Problem Materials	9.00	10.00	11.00	4.00	-63.64%	(7.00)
Transfer Stations	1.00	1.00	1.00	-	-100.00%	(1.00)
Administration	16.00	17.00	14.00	19.00	35.71%	5.00
Customer Service	9.00	7.00	8.00	7.00	-12.50%	(1.00)
Clean City	11.00	18.00	14.50	5.00	-65.52%	(9.50)
Equipment	10.00	10.00	10.00	10.00	0.00%	-
Total FTE's	126.00	128.00	128.00	128.00	0.00%	(5.00)

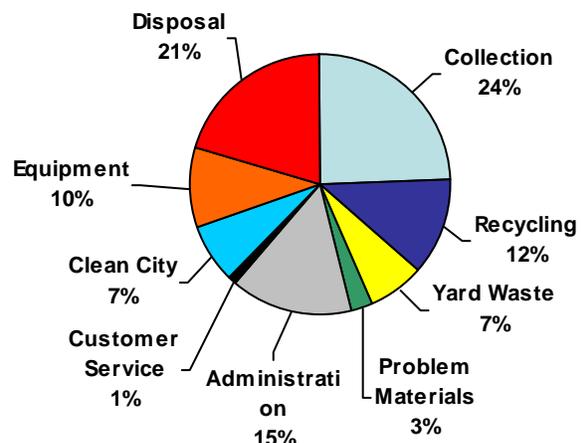
Staffing Summary 2005-2008



Staffing by Division



Expenditure by Division



**PUBLIC WORKS – SOLID WASTE & RECYCLING
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Total Expenditures - All Funds	26,413,939	28,146,591	28,645,483	31,303,451	9.28%	2,657,968
Total Revenues - All Funds	29,510,135	28,616,151	29,505,200	30,537,400	3.50%	1,032,200
General Fund - City						
Contractual Services				150,000	0.00%	150,000
Total Expenditures				150,000	0.00%	150,000
Special Revenue Funds						
Transfers	3,000				0.00%	0
Total Expenditures	3,000				0.00%	0
Local Government	3,000				0.00%	0
Total Revenues	3,000				0.00%	0
Enterprise Funds						
Salaries and Wages	5,569,017	5,801,501	6,276,619	6,242,052	-0.55%	(34,567)
Contractual Services	16,491,971	16,325,058	17,550,613	19,869,163	13.21%	2,318,550
Operating Costs	1,008,085	1,130,773	896,100	940,404	4.94%	44,304
Fringe Benefits	2,449,946	2,684,195	2,722,367	2,876,853	5.67%	154,486
Equipment	891,921	2,161,678	1,199,784	1,224,979	2.10%	25,195
Capital Outlay		43,387			0.00%	0
Total Expenditures	26,410,939	28,146,591	28,645,483	31,153,451	8.76%	2,507,968
Local Government	812,722	802,623	544,000	800,000	47.06%	256,000
Charges for Service	26,817,625	26,301,447	27,261,800	28,038,000	2.85%	776,200
Charges for Sales	1,857,841	1,497,204	1,699,400	1,699,400	0.00%	0
Interest		9			0.00%	0
Rents	2,058				0.00%	0
Other Misc Revenues	13,890	14,868			0.00%	0
Operating Transfers In	3,000				0.00%	0
Total Revenues	29,507,135	28,616,151	29,505,200	30,537,400	3.50%	1,032,200

SURFACE WATER AND SANITARY SEWER

EXPENDITURE

The 2008 expense budget for surface water and sanitary sewer funds within the maintenance agency is \$53.9 million compared to \$50.1 million in 2007. This is an increase of \$3.8 million over the 2007 adopted budget. A part of the increase can be attributed to organizations that were added into this maintenance agency during 2007. The other portion of the increase is accounted for by an adjustment made to reflect actual sewer access credit (SAC) charges. Sanitary sewer expenses make up 75% of total budget. A combined total of 115.4 positions (51.4 from engineering services) moved to the division and resulted in a total budget of \$53.9 million, except for \$570,000 (or 6.5 positions) for utility connections in the general fund. A position was added for a new director of surface water and sanitary sewer.

REVENUE

The projected combined revenue for 2008 is \$77.1 million. Surface water and sanitary sewer revenue estimates are based on actual experience increased at a rate of 6.5%.

The utility connections revenues are estimated at \$450,000, with anticipated expenditures of \$430,000.

The history of the organizations was also merged into this report with the exception of utility connections.

FUND ALLOCATION

The sanitary sewer fund accounts for 75% of the division's budget, with the stormwater fund accounting for 24% and remaining 1% accounted for by the general fund.

Please see the stormwater and sanitary sewer fund financial plans in the financial plan section of this book for more information.

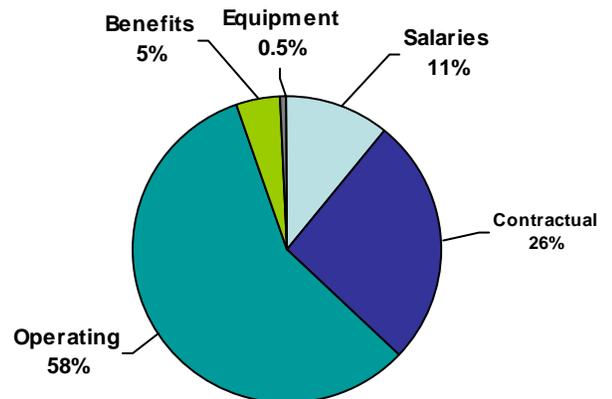
MAYOR RECOMMENDED BUDGET

The Mayor recommends no changes to the surface water and sanitary sewer division.

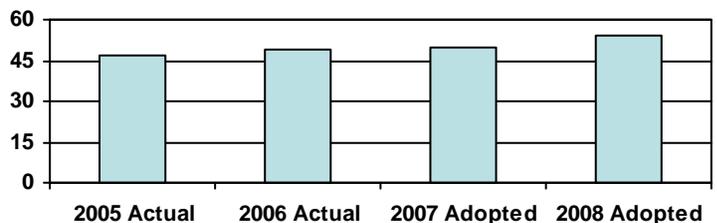
COUNCIL ADOPTED BUDGET

The Council adopted the Mayor recommended budget.

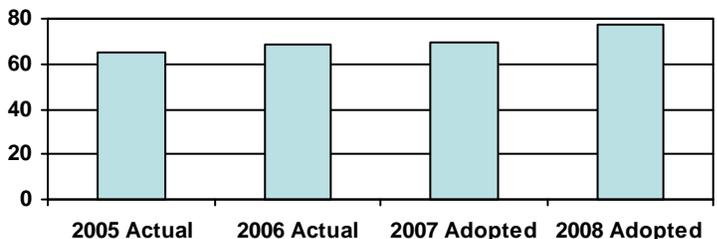
Expenditure by Type (\$53.9 million)



Expenditures 2005-2008 (in millions)



Revenues 2005-2008 (in millions)

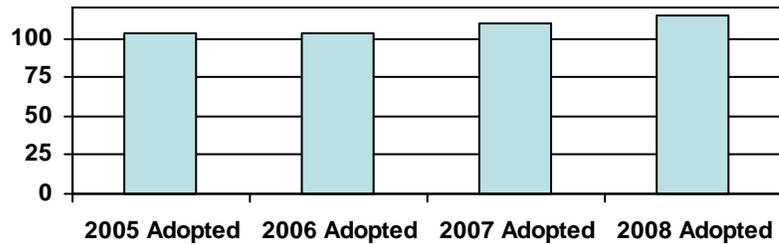


PUBLIC WORKS SURFACE WATER AND SEWER

Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	Percent Change	Change
Storm Sewer Maintenance	32.00	32.00	32.00	32.50	1.56%	0.50
Surface Water Maintenance	32.10	32.10	32.10	32.50	1.25%	0.40
Surface Water Management	23.30	20.30	26.30	25.40	-3.42%	(0.90)
Sanitary Sewer Design	0.00	3.00	3.00	3.50	16.67%	0.50
CSO Phase II	16.00	16.00	16.00	15.00	-6.25%	(1.00)
Utility Connections				6.50		6.50
Total FTE's	103.40	103.40	109.40	115.40	5.48%	6.00

Staffing Summary 2005-2008



**PUBLIC WORKS – SURFACE WATER & SEWER
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Total Expenditures - All Funds	46,754,502	48,912,641	50,055,105	53,873,547	7.63%	3,818,442
Total Revenues - All Funds	64,873,428	68,239,291	69,620,611	77,132,695	10.79%	7,512,084
General Fund - City						
Salaries and Wages	0	0	0	344,078	0.00%	344,078
Contractual Services	0	0	0	57,920	0.00%	57,920
Operating Costs	0	0	0	25,707	0.00%	25,707
Fringe Benefits	0	0	0	140,344	0.00%	140,344
Equipment	0	0	0	1,200	0.00%	1,200
Total Expenditures	0	0	0	569,249	0.00%	569,249
Charges for Service	0	0	0	450,000	0.00%	450,000
Total Revenues	0	0	0	450,000	0.00%	450,000
Enterprise Funds						
Salaries and Wages	4,643,924	4,719,581	5,639,364	5,599,444	-0.71%	(39,920)
Contractual Services	12,020,696	13,292,227	11,492,842	13,861,980	20.61%	2,369,138
Operating Costs	28,114,756	28,769,088	30,503,319	31,128,966	2.05%	625,647
Fringe Benefits	1,962,581	2,131,746	2,167,786	2,456,827	13.33%	289,041
Equipment	12,546	0	251,794	257,081	2.10%	5,287
Total Expenditures	46,754,502	48,912,641	50,055,105	53,304,298	6.49%	3,249,193
State Government	108,284	85,484	85,420	185,275	116.90%	99,855
Local Government	91,997	111,767	98,290	85,642	-12.87%	(12,648)
Charges for Service	64,672,483	68,007,742	69,386,060	76,315,937	9.99%	6,929,877
Charges for Sales	0	550	0	0	0.00%	0
Fines and Forfeits	0	0	0	45,000	0.00%	45,000
Interest	112	(335)	0	0	0.00%	0
Other Misc Revenues	553	34,082	50,841	50,841	0.00%	0
Total Revenues	64,873,428	68,239,291	69,620,611	76,682,695	10.14%	7,062,084

*The lack of actual figures for the General Fund is due to the fact that this is a new division in this fund.

TRAFFIC & PARKING SERVICES

EXPENDITURE

The 2008 budget for Traffic and Parking Services totals \$50.8 million compared to \$55.2 million for 2007. This is a decrease of \$4.4 million or 8.0% less than 2007.

Traffic & Parking Services shifted one position to Capital enabling Traffic & Parking Services to reduce 1 FTE which amounts to \$100,000. Other reductions in expenditures include \$700,000 due to the closing of the Ritz Parking Lot in 2006 and a decrease in BIS charges of \$180,000.

Due to the reorganization of Public Works in 2007 and to the sale of parking ramps in September and October of this year, the total expenditures and revenues have changed since the Mayor's recommended budget.

The 2008 Transportation and Parking Services budget includes \$1.4 million in General Fund overhead charges. The budget also includes \$398,112 in BIS charges calculated on a City-wide rate model.

REVENUE

Projected revenue of \$57.9 million for 2008 is less than the 2007 figure of \$64.8 million by 10.7%. The 2008 budget has decreased because of the sale of 6 parking ramps during 2007.

FUND ALLOCATION

This division is funded by the Municipal Parking Fund (72% of total budget), the General Fund (23%), and the Public Works Stores Fund (5%).

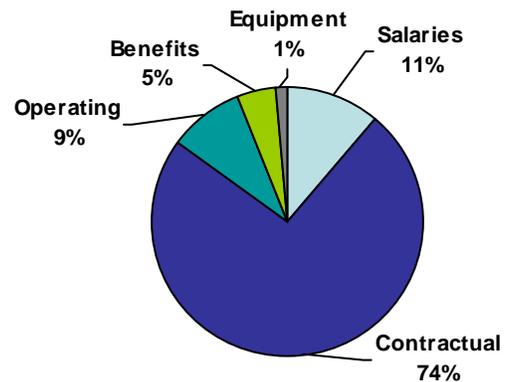
MAYOR'S RECOMMENDED BUDGET

The Mayor recommends no changes to the traffic and parking services division.

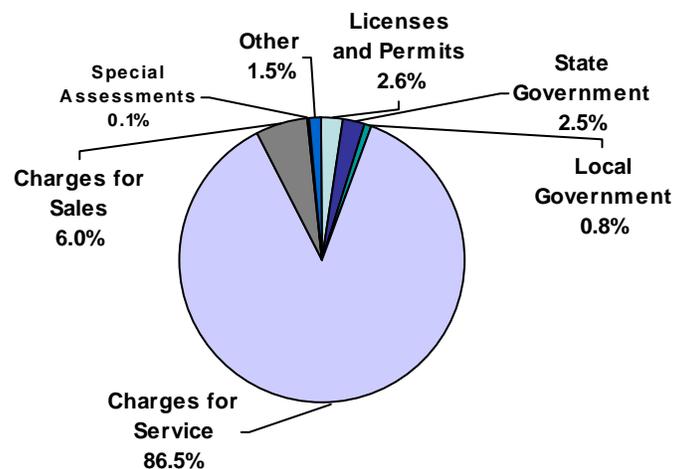
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendation. The adopted budget reflects the sale of six parking ramps in fall of 2007.

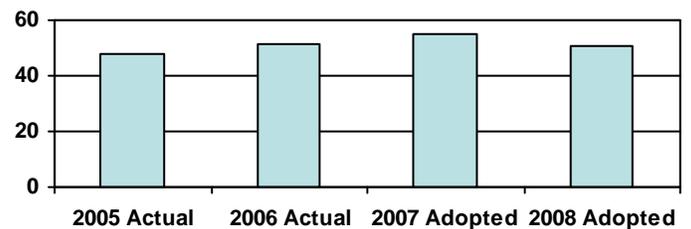
Expenditures by Type (\$50.8 million)



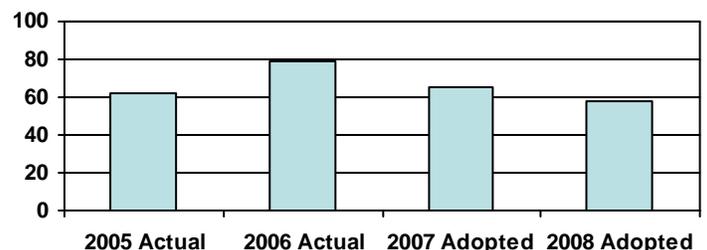
Revenue by Type (\$57.9 million)



Expenditures 2005-2008 (In millions)



Revenues 2005-2008 (In millions)

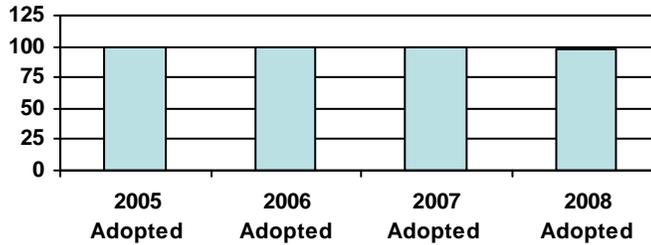


PUBLIC WORKS TRAFFIC AND PARKING SERVICES

Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	% Change	Change
FTE's by Division						
Street Lighting	5.10	5.94	6.35	6.35	0.00%	-
Design	8.50	8.66	7.65	6.65	-13.07%	(1.00)
Inventory	2.00	2.00	2.00	2.00	0.00%	-
Field Operations	32.84	31.84	32.26	32.26	0.00%	-
On-Street Parking	12.75	12.75	11.83	10.83	-8.45%	(1.00)
Off-Street Parking	13.20	13.20	12.90	13.90	7.75%	1.00
Towing and Impound	24.95	24.95	25.60	25.60	0.00%	-
Total FTE's	99.34	99.34	98.59	97.59	-1.01%	(1.00)

Staffing Summary 2005-2008



**PUBLIC WORKS – TRAFFIC & PARKING SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Total Expenditures - All Funds	47,937,297	51,516,240	55,235,519	50,830,936	-7.97%	(4,404,583)
Total Revenues - All Funds	62,407,934	79,072,262	64,828,642	57,895,323	-10.69%	(6,933,319)
General Fund - City						
Salaries and Wages	2,454,916	2,702,863	2,695,945	2,625,820	-2.60%	(70,125)
Contractual Services	6,206,064	6,559,673	6,159,944	6,310,342	2.44%	150,398
Operating Costs	1,069,216	1,119,221	1,285,881	1,322,483	2.85%	36,602
Fringe Benefits	1,040,607	1,211,201	974,786	1,168,302	19.85%	193,516
Equipment	0	0	67,990	69,417	2.10%	1,427
Capital Outlay	0	0	2,213	2,259	2.08%	46
Total Expenditures	10,770,803	11,592,957	11,186,759	11,498,623	2.79%	311,864
Franchise Fees	150,283	134,881	110,000	110,000	0.00%	0
Licenses and Permits	1,187,904	1,581,826	1,084,000	1,284,000	18.45%	200,000
State Government	1,604,708	1,249,890	1,280,670	1,420,702	10.93%	140,032
Local Government	439,898	475,361	500,000	483,044	-3.39%	(16,956)
Charges for Service	167,613	86,510	200,000	200,000	0.00%	0
Charges for Sales	28,290	56,605	18,500	18,500	0.00%	0
Special Assessments	64,799	87,730	65,000	65,000	0.00%	0
Interest	4,137	7,179	2,500	2,500	0.00%	0
Contributions	0	50	0	0	0.00%	0
Other Misc Revenues	339,995	491,728	622,492	622,492	0.00%	0
Total Revenues	3,987,626	4,171,759	3,883,162	4,206,238	8.32%	323,076

**PUBLIC WORKS – TRAFFIC & PARKING SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Enterprise Funds						
Salaries and Wages	2,620,434	2,579,800	2,903,772	2,886,153	-0.61%	(17,619)
Contractual Services	33,001,766	35,706,969	36,051,248	31,162,458	-13.56%	(4,888,790)
Operating Costs	419,516	506,208	681,836	746,173	9.44%	64,337
Fringe Benefits	737,515	760,186	1,110,217	1,184,442	6.69%	74,225
Equipment	46,033	0	608,158	592,686	-2.54%	(15,472)
Capital Outlay	46,109	0	0	0	0.00%	0
Total Expenditures	36,871,373	39,553,164	41,355,231	36,571,912	-11.57%	(4,783,319)
Licenses and Permits	244,550	252,229	218,000	218,000	0.00%	0
State Government	55,540	0	0	0	0.00%	0
Charges for Service	53,139,450	55,480,100	56,521,570	49,818,335	-11.86%	(6,703,235)
Charges for Sales	1,620,005	2,105,218	1,551,000	1,551,000	0.00%	0
Special Assessments	0	12,500,005	543,475	0	-100.00%	(543,475)
Interest	465	812	750	750	0.00%	0
Gains	1,850	0	0	0	0.00%	0
Rents	144,078	214,075	112,685	3,000	-97.34%	(109,685)
Other Misc Revenues	26,045	65,650	138,000	138,000	0.00%	0
Operating Transfers In	0	1,391,283	0	0	0.00%	0
Total Revenues	55,231,984	72,009,372	59,085,480	51,729,085	-12.45%	(7,356,395)
Internal Service Funds						
Salaries and Wages	136,427	148,259	109,800	108,234	-1.43%	(1,566)
Contractual Services	60,548	122,773	91,824	78,307	-14.72%	(13,517)
Operating Costs	55,877	45,272	2,440,140	2,485,757	1.87%	45,617
Fringe Benefits	42,268	52,950	34,342	70,314	104.75%	35,972
Equipment	0	865	17,423	17,789	2.10%	366
Total Expenditures	295,121	370,119	2,693,529	2,760,401	2.48%	66,872
Charges for Service	134,761	139,010	50,000	50,000	0.00%	0
Charges for Sales	3,053,478	2,751,365	1,810,000	1,910,000	5.52%	100,000
Interest	85	757	0	0	0.00%	0
Total Revenues	3,188,324	2,891,131	1,860,000	1,960,000	5.38%	100,000

TRANSPORTATION MAINTENANCE & REPAIR

EXPENDITURE

The transportation maintenance and repair division's 2008 expense budget of \$32.2 million reflects a 1.7% increase over the 2007 adopted budget.

REVENUE

The division's revenue budget is \$8.5 million, which is an overall 1.8% or \$151,000 increase from 2007 Adopted.

FUND ALLOCATION

The division is funded by the general fund, CDBG fund, permanent improvement projects fund, and the surface water and sewers fund. The general fund budget (bridge, street repair, snow and ice, malls and plazas) decreased by 1.3% from \$24.3 in 2007 to \$24.0 million in 2008. The CDBG fund allocation for graffiti removal is \$94,000 for 2008. The capital fund (sidewalk) budget increased slightly (2%) and the surface water & sewers fund increased by 12.1% due primarily to increase in equipment rental contractual services charges.

MAYOR'S RECOMMENDED BUDGET

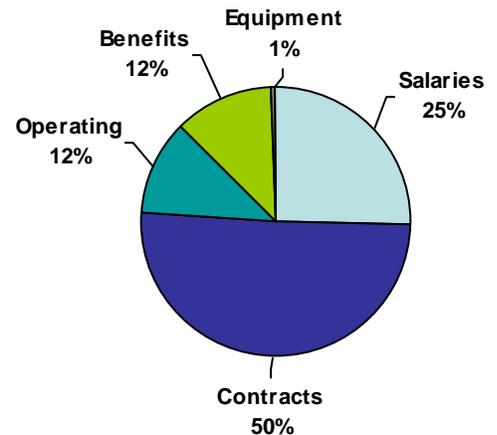
The 2008 adopted financial direction included a reduction to the public works department of \$1 million. The department's growth in spending was less than expected; the current service level needed a reduction of only \$500,000. This reduction is achieved through reducing equipment hours in snow and ice control and related materials cost (\$300,000). Also, the department recommended an increase to lane obstruction and closure fees to more closely match experience. (\$200,000). The Mayor accepts these recommendations.

The Mayor includes in the budget \$50,000 (one-time) and an additional position for special service district administration. The department will need an additional \$50,000 to fund the remainder of the position and will need to identify long-term funding.

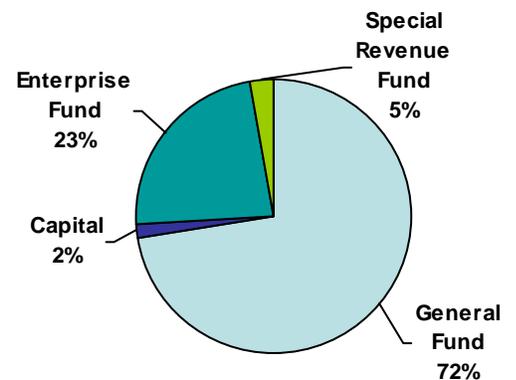
COUNCIL ADOPTED BUDGET

Council concurred with Mayor's recommendations.

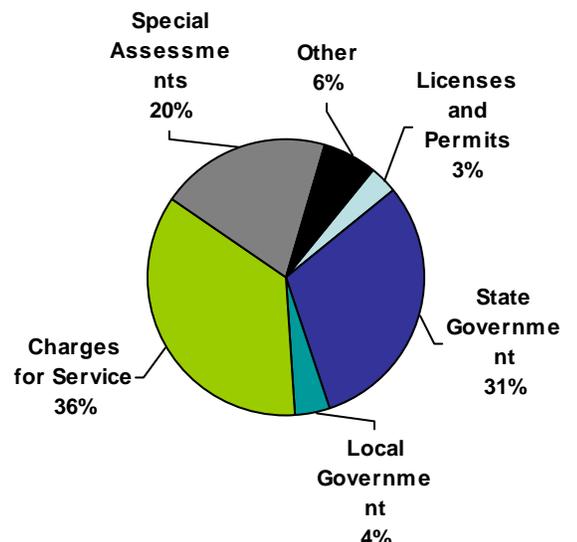
Expenditures by Type (\$32.2 million)



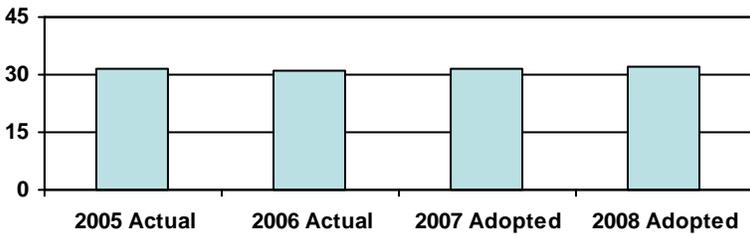
Expenditures by Fund (\$32.2 million)



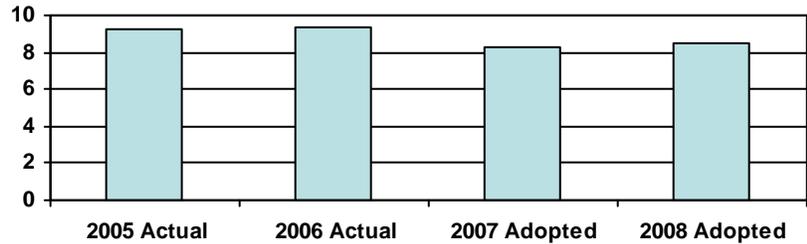
Revenues by Source (\$8.5 million)



Expenditures 2005-2008
(in millions)



Revenues 2005-2008
(in millions)

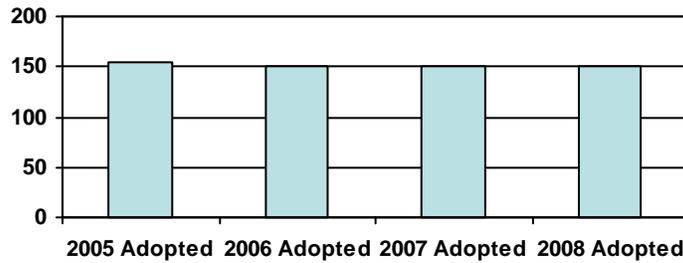


PUBLIC WORKS TRANSPORTATION MAINTENANCE AND REPAIR

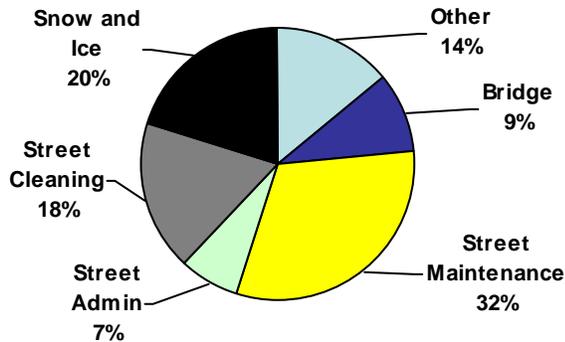
Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Mayor Recomm.	Percent Change	Change
FTE's by Division						
Sidewalk Inspection	6.00	6.00	6.00	6.00	0.00%	-
Bridge Maintenance	15.40	15.40	14.40	14.30	-0.69%	(0.10)
Nicollet Mall	6.10	6.10	6.10	6.10	0.00%	-
Street Maintenance	49.70	47.90	47.20	47.20	0.00%	-
Street Administration	10.80	10.80	10.30	10.71	3.98%	0.41
Street Cleaning	26.30	26.30	26.30	26.79	1.86%	0.49
Snow & Ice Control	27.50	27.50	30.90	30.90	0.00%	-
Malls and Plazas Maintenance	12.40	11.40	9.40	9.40	0.00%	-
Total FTE's	154.20	151.40	150.60	151.40	0.53%	0.80

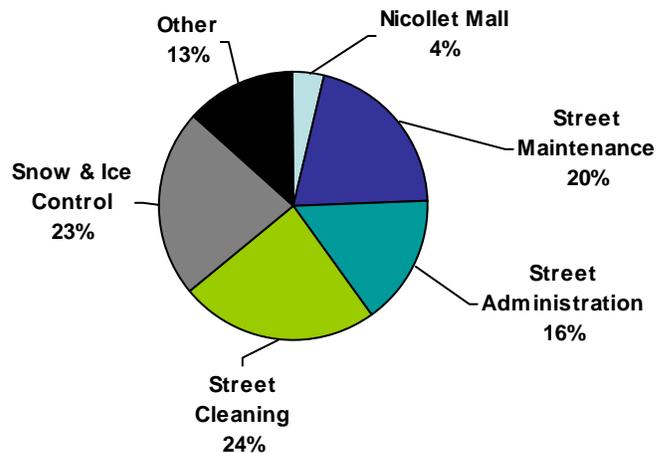
Staffing Summary 2005-2008



Staffing by Division



Expense by Division
(\$32.2 million)



**PUBLIC WORKS – TRANSPORTATION MAINTENANCE & REPAIR
EXPENDITURE AND REVENUE INFORMATION**

			2007	2008	Percent	
	2005 Actual	2006 Actual	Adopted	Adopted	Change	Change
Total Expenditures - All Funds	31,602,821	30,965,080	31,713,429	32,240,031	1.66%	526,602
Total Revenues - All Funds	9,250,454	9,330,515	8,317,793	8,468,934	1.82%	151,141
General Fund - City						
Salaries and Wages	7,333,290	6,783,841	6,405,114	6,422,091	0.27%	16,977
Contractual Services	10,745,234	9,834,777	11,617,300	10,855,755	-6.56%	(761,545)
Operating Costs	3,468,393	3,496,059	2,922,476	3,298,607	12.87%	376,131
Fringe Benefits	2,857,532	2,883,870	3,155,876	3,204,720	1.55%	48,844
Equipment	186,090	23,090	171,057	174,649	2.10%	3,592
Capital Outlay	0	124,377	0	0	0.00%	0
Total Expenditures	24,590,538	23,146,013	24,271,823	23,955,822	-1.30%	(316,001)
State Government	2,397,886	2,442,735	2,444,028	2,204,458	-9.80%	(239,570)
Local Government	233,895	206,594	201,683	122,356	-39.33%	(79,327)
Charges for Service	3,565,350	3,847,595	2,737,110	2,937,110	7.31%	200,000
Charges for Sales	16,702	17,136	15,000	15,000	0.00%	0
Special Assessments	1,634,245	1,700,894	1,687,926	1,687,926	0.00%	0
Interest	577	4,722	0	0	0.00%	0
Rents	400	0	2,400	2,400	0.00%	0
Other Misc Revenues	6,016	2,926	28,750	28,750	0.00%	0
Total Revenues	7,855,070	8,222,601	7,116,897	6,998,001	-1.67%	(118,896)
Special Revenue Funds						
Contractual Services	148,563	77,681	78,000	90,000	15.38%	12,000
Total Expenditures	148,563	77,681	78,000	90,000	15.38%	12,000
Capital Projects						
Salaries and Wages	265,987	289,234	313,830	310,807	-0.96%	(3,023)
Contractual Services	156,909	132,561	157,412	154,610	-1.78%	(2,802)
Operating Costs	17,589	25,251	8,258	6,880	-16.69%	(1,378)
Fringe Benefits	68,590	83,306	88,095	106,953	21.41%	18,858
Total Expenditures	509,075	530,352	567,595	579,250	2.05%	11,655
Licenses and Permits	344,926	213,396	230,000	263,159	14.42%	33,159
Charges for Service	55,616	238	60,000	39,924	-33.46%	(20,076)
Special Assessments	13,958	24,179	16,000	16,072	0.45%	72
Total Revenues	414,500	237,813	306,000	319,155	4.30%	13,155
Enterprise Funds						
Salaries and Wages	1,214,545	1,310,670	1,370,838	1,474,897	7.59%	104,059
Contractual Services	4,252,464	4,872,063	4,542,123	5,141,368	13.19%	599,245
Operating Costs	389,872	459,806	366,588	443,191	20.90%	76,603
Fringe Benefits	497,764	568,494	516,462	555,503	7.56%	39,041
Total Expenditures	6,354,645	7,211,034	6,796,011	7,614,959	12.05%	818,948
State Government	535,877	586,041	586,021	561,500	-4.18%	(24,521)
Local Government	228,298	94,167	189,875	247,278	30.23%	57,403
Charges for Service	145,640	64,998	1,000	225,000	22400.00%	224,000
Charges for Sales	6,489	9,957	1,000	1,000	0.00%	0
Special Assessments	64,447	114,768	115,000	115,000	0.00%	0
Interest	133	170	0	0	0.00%	0
Other Misc Revenues	0	0	2,000	2,000	0.00%	0
Total Revenues	980,884	870,101	894,896	1,151,778	28.71%	256,882

TRANSPORTATION & PLANNING ENGINEERING

Engineering Services' underwent many changes in 2007. There were internal reorganization changes made as well as a Public Works restructuring. Engineering Services will be known in 2008 as the Transportation and Planning Engineering Division funded by the General Fund and Permanent Improvement Projects (Capital) Fund. It will no longer be funded by the Sanitary Sewer Enterprise Fund, Stormwater Enterprise Fund, and Water Enterprise Funds. These areas were moved to the new Surface Water and Sewer, and Water Divisions. A portion of the General Fund area was also moved under the direction of the Surface Water and Sewer Division.

In the Permanent Improvement Fund section, there was an increase in FTE by the addition of a Transportation Planner and 0.4 FTE for the Division Director that was split with Sewer Fund in the past. BIS costs increased in the area by 880% (\$441,534). The General Fund consisted of the Right of Way Management and Utilities Connections areas. Utilities Connections is now part of the Surface Water and Sewer Division. There were 6.5 FTE's affected by this move. The Right of Way area added a Real Estate Investigator II to assist with workload and took a reduction in the contractual services line item to offset this cost.

Special Assessments, formerly in Administration, is now also under the Transportation & Engineering Services Division consisting of 3 FTE's and a BIS budget that went from 6% of their total budget to 21%.

The revenues for the remaining areas remain constant with an anticipated 6% increase relating to capital projects.

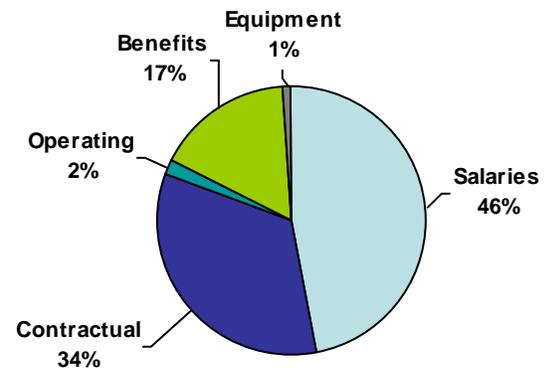
MAYOR'S RECOMMENDED BUDGET

The Mayor recommends no changes to the transportation planning and engineering division.

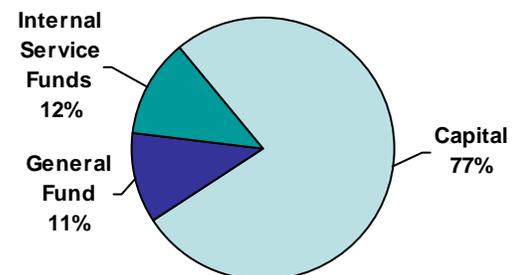
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendations. PW is directed to review and report back to the Transportation & Public Works Committee no later than March 25, 2008 on potential modifications of the Chicago Avenue Reconstruction plan to accommodate the Children's Hospital construction plan for the 2500 block including a cost estimate and any necessary reallocations.

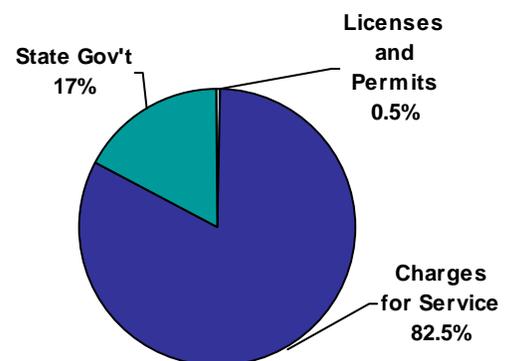
Expenditure by Type (\$9.7 million)



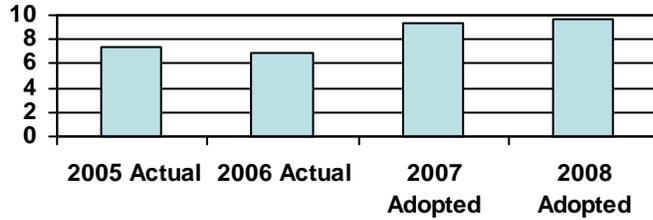
Expenditure by Fund (\$9.7 million)



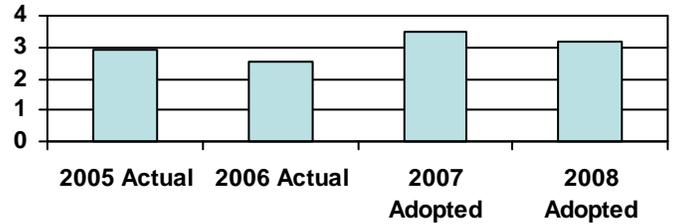
Revenue by Source (\$3.2 million)



**Expenditures 2005-2008
(In millions)**



**Revenues 2005-2008
(In millions)**

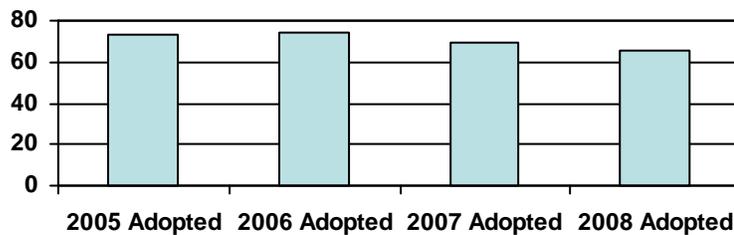


PUBLIC WORKS TRANSPORTATION PLANNING AND ENGINEERING

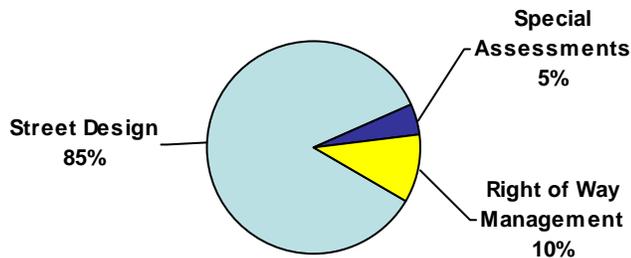
Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	% Change	% Change Budget
FTE's by Division						
Street Design	58.20	59.20	54.20	55.60	2.58%	1.40
Right of Way Management	12.00	12.00	12.00	6.50	-45.83%	(5.50)
Special Assessments	3.00	3.00	3.00	3.00	0.00%	-
Total FTE's	73.20	74.20	69.20	65.10	-5.92%	(4.10)

Staffing Summary 2005-2008



Staffing by Division



**PUBLIC WORKS – TRANSPORTATION PLANNING & ENGINEERING
EXPENDITURE AND REVENUE INFORMATION**

	2005	2006	2007	2008	Percent	Change
	Actual	Actual	Adopted	Adopted	Change	Change
Total Expenditures - All Funds	7,352,401	6,936,235	9,325,694	9,707,637	4.10%	381,943
Total Revenues - All Funds	2,932,004	2,570,113	3,490,000	3,178,000	-8.94%	(312,000)
General Fund - City						
Salaries and Wages	648,558	721,712	817,176	575,821	-29.54%	(241,355)
Contractual Services	191,081	169,391	320,610	274,414	-14.41%	(46,196)
Operating Costs	25,377	29,132	22,249	8,164	-63.31%	(14,085)
Fringe Benefits	194,989	242,110	290,008	215,873	-25.56%	(74,135)
Equipment	0	0	6,085	5,014	-17.60%	(1,071)
Capital Outlay	0	0	504	515	2.18%	11
Total Expenditures	1,060,005	1,162,345	1,456,632	1,079,801	-25.87%	(376,831)
Licenses and Permits	19,185	18,884	15,000	15,000	0.00%	0
Charges for Service	390,640	436,974	450,000	0	-100.00%	(450,000)
Interest	1	(3)	0	0	0.00%	0
Total Revenues	409,826	455,854	465,000	15,000	-96.77%	(450,000)
Capital Projects						
Salaries and Wages	2,574,801	2,566,934	3,150,320	3,351,277	6.38%	200,957
Contractual Services	1,891,924	1,461,608	2,198,390	2,707,341	23.15%	508,951
Operating Costs	148,534	167,413	168,368	147,803	-12.21%	(20,565)
Fringe Benefits	707,342	716,628	1,065,137	1,177,153	10.52%	112,016
Equipment	61,930	47,750	110,162	80,448	-26.97%	(29,714)
Total Expenditures	5,384,531	4,960,333	6,692,377	7,464,022	11.53%	771,645
State Government	1,537,282	1,036,766	600,000	550,000	-8.33%	(50,000)
Charges for Service	113,202	247,838	1,425,000	1,613,000	13.19%	188,000
Charges for Sales	3,050	1,620	0	0	0.00%	0
Other Misc Revenues	520	0	0	0	0.00%	0
Total Revenues	1,654,054	1,286,224	2,025,000	2,163,000	6.81%	138,000
Internal Service Funds						
Salaries and Wages	539,663	482,947	662,159	637,005	-3.80%	(25,154)
Contractual Services	174,214	161,394	276,141	276,301	0.06%	160
Operating Costs	29,144	21,490	31,693	33,199	4.75%	1,506
Fringe Benefits	164,844	147,727	206,692	217,309	5.14%	10,617
Total Expenditures	907,865	813,557	1,176,685	1,163,814	-1.09%	(12,871)
Charges for Service	868,124	828,035	1,000,000	1,000,000	0.00%	0
Total Revenues	868,124	828,035	1,000,000	1,000,000	0.00%	0

WATER TREATMENT & DISTRIBUTION SERVICES

EXPENDITURE

The 2008 expense budget increases from \$43.3 million in 2007 to \$44.8 million in 2008, an increase of 3.4%. Due to an internal reorganization of public works in 2007, thirteen employees from engineering design services have now been transferred to water treatment and distribution services with salary and benefit costs of \$1.2 million.

REVENUE

The 2008 revenue is projected to increase by approximately \$1.4 million to \$66.8 million, based on a 2.1% increase of total revenues.

FUND ALLOCATION

The water treatment and distribution services division is funded by the water fund, an enterprise fund.

Please see the water financial plan in the financial plans section of this book for more information.

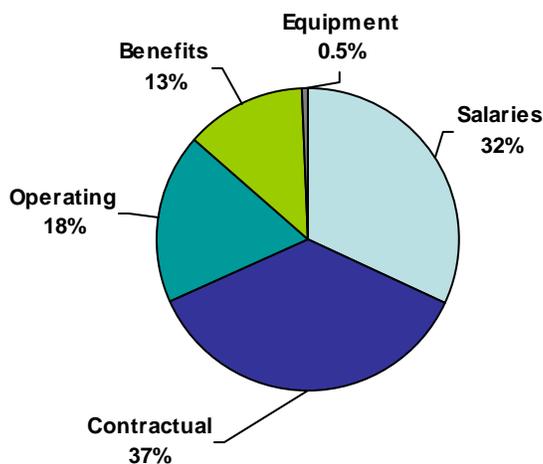
MAYOR'S RECOMMENDED BUDGET

The Mayor recommended \$50,000 for maintenance of public drinking fountains.

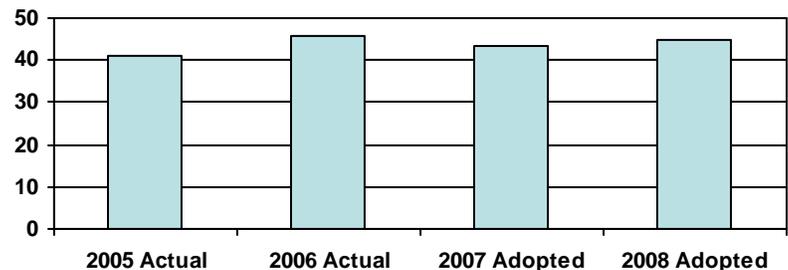
COUNCIL ADOPTED BUDGET

The Council concurred with the Mayor's recommendations.

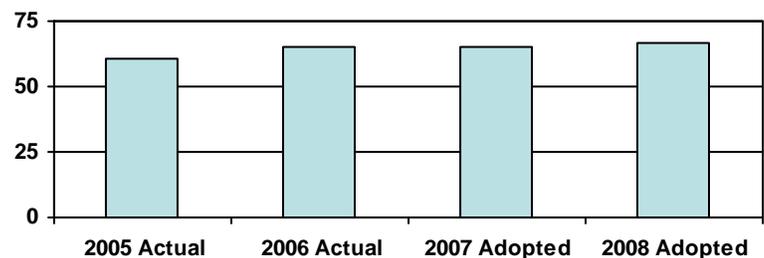
Expenditures by Type (\$44.7 million)



**Expenditures 2005-2008
(in millions)**



**Revenues 2005-2008
(in millions)**

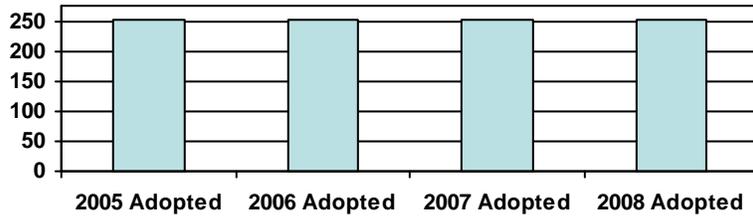


PUBLIC WORKS WATER

Staffing Information

	2005 Adopted Budget	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget	Percent Change	Change
FTE's by Division						
Administration	7.00	7.00	7.00	8.00	14.29%	1.00
Water Planning & Design	13.00	13.00	13.00	13.00	0.00%	-
Treatment Operations	79.75	79.75	76.75	81.75	6.51%	5.00
Treatment Maintenance	61.00	61.00	62.00	59.00	-4.84%	(3.00)
Distribution	92.00	92.00	94.00	91.00	-3.19%	(3.00)
Total FTE's	252.75	252.75	252.75	252.75	0.00%	-

Staffing Summary 2005-2008



**PUBLIC WORKS – WATER TREATMENT AND DISTRIBUTION SERVICES
EXPENDITURE AND REVENUE INFORMATION**

	2005 Actual	2006 Actual	2007 Adopted	2008 Adopted	Percent Change	Change
Salaries and Wages	13,392,600	13,450,581	14,349,173	14,274,220	-0.52%	(74,953)
Contractual Services	16,213,612	18,774,394	15,398,964	16,303,326	5.87%	904,362
Operating Costs	6,407,975	8,180,839	7,916,661	8,127,877	2.67%	211,216
Fringe Benefits	4,860,756	5,130,477	5,431,805	5,837,909	7.48%	406,104
Equipment	134,852	394,942	202,943	207,205	2.10%	4,262
Capital Outlay			7,189	7,340	2.10%	151
Total Expenditures	41,009,795	45,931,234	43,306,735	44,757,877	3.35%	1,451,142
Licenses and Permits	1,009	728	1,000	1,000	0.00%	0
Federal Government	0	36,036	0	0	0.00%	0
Charges for Service	59,897,682	63,354,351	64,085,444	65,488,931	2.19%	1,403,487
Charges for Sales	829,696	1,702,574	1,315,000	1,315,000	0.00%	0
Interest	990	289	0	0	0.00%	0
Other Misc Revenues	1,251	27,918	20,100	20,100	0.00%	0
Total Revenues	60,730,628	65,121,896	65,421,544	66,825,031	2.15%	1,403,487