



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: May 13, 2020

TO: Honorable Councilmember Barbara Bry, Budget Review Committee Chair, and Honorable Budget Review Committee Members

FROM: Matthew Vespi, Department of Finance Director and City Comptroller

SUBJECT: Fiscal Year 2021 Budget Review Committee Referral Responses for the May 6, 2020 Morning Session

This memorandum provides responses and/or follow up information to unanswered questions asked at the Budget Review Committee meeting held on the Morning of May 6, 2020. The responses are listed by department in the order that they were reviewed by the Committee.

In response to Council President Gomez and the Independent Budget Analyst's (IBA) questions regarding Key Performance Indicators (KPIs), the Fiscal Year (FY) 2021 Proposed Budget webpage has been updated to include a link to the KPI page built and maintained by the Performance and Analytics Department. These KPIs, in addition to new visualizations, can be found at <https://www.sandiego.gov/finance/proposed>.

Public Utilities Department

COUNCIL DISTRICT 6

QUESTION:

What is the completion date of the Facility Condition Assessments for dams?

RESPONSE:

The Dams and Reservoir condition assessment is a multi-year effort to assess the City's aging dams and associated structures to comply with Division of Safety of Dams (DSOD) current safety regulations. In FY 2021, the following priorities are identified to be completed:

- Seismic Stability Analysis and drawdown/spillway capability evaluation for Hodges Dam
- Seismic Stability Analysis for El Capitan Dam
- Outlet Works Emergency Drawdown Improvements for Savage Dam

QUESTION:

What is the current water demand? Does it impact the amount of water we purchase? How do we balance lower demand without raising rates?

May 13, 2020

RESPONSE:

Water demand for FY 2020 is currently projected at 160,957 Acre Feet, and includes water produced at the City’s treatment plants and treated water purchased directly from the San Diego County Water Authority’s (SDCWA) aqueduct for distribution.

	Revenue	Expenditure
FY2020 Budget	\$596.4M	\$268.8M
FY2020 Actuals-to-date*	\$388.2M	\$157.1M
FY2020 Year-end Projection	\$524.6M	\$227.8M

* Through April 30, 2020

Projected consumption in FY 2020 is approximately 9% lower than FY 2019. Consumption projections for FY 2021 are consistent with FY 2020 budgeted figures. Weather is the biggest factor to projections for May and June; if these months are hotter or wetter than average, actual results will differ. The projected demand also impacts the amount of water purchased from SDCWA. Decreased demand results in lower purchase volumes, which offsets lower rate revenue.

COUNCIL DISTRICT 7

QUESTION:

Can we get a detailed breakdown of the costs and revenues for each lake?

RESPONSE:

The below table summarizes the current projected expense and revenue by each reservoir.

FY2020 Projected Expense & Revenue

Reservoir	Expense	Revenue
El Capitan	\$421,000	\$232,000
San Vicente	\$565,000	\$463,000
Lake Murray	\$327,000	\$105,000
Miramar	\$145,000	\$32,000
Barrett	\$154,000	\$67,000
Sutherland	\$190,000	\$19,000
Hodges	\$274,000	\$158,000
Otay	\$194,000	\$135,000
Reservoir Total	\$2,270,000	\$1,211,000
San Dieguito JPA*	\$346,000	
General Fund Total	\$2,616,000	\$1,211,000

* Joint Power Authority Agreement with regional agencies for the preservation, enhancement, and maintenance of San Dieguito River Valley Regional Open Space Park.

May 13, 2020

COUNCIL DISTRICT 2

QUESTION:

Is the CARES Act funding applicable to support impacted individuals that can't pay water/sewer bills?

RESPONSE:

The CARES Act does not allow local governments to use CARES funding to replace revenue associated with unpaid utility fees. However, it may allow local governments to provide funding to individuals experiencing financial hardship that could then be used to allow individuals to pay their utility fees and continue to receive the essential service. At present, the City is not suspending water or sewer service or otherwise penalizing customers due to unpaid bills.

Transportation Department

COUNCIL DISTRICT 6

QUESTION:

What was the amount of the contracts for weed abatement and how much was spent in FY 2020? Will it be carried forward to next year?

RESPONSE:

The FY 2020 Adopted Budget included \$875,000 for contractual weed and brush abatement. During FY 2020, \$305,389 of the \$875,000 for weed and brush abatement contracts was expended prior to the COVID19 expenditure freeze. The unexpended funding will not carry-forward to FY 2021; however, \$200,000 of appropriations are included in the Fiscal Year 2021 Proposed Budget.

Storm Water Department

COUNCIL DISTRICT 8

QUESTION:

How much is the Department spending on outside contacts in the FY 2021 Proposed Budget? What is the incremental change from the FY 2020 Adopted Budget?

RESPONSE:

The FY 2021 Proposed Budget for the Storm Water Department includes approximately \$12.8 million for outside contracts. This reflects a net decrease of approximately \$4.6 million from the FY 2020 Adopted Budget.

Matthew Vespi
Department of Finance Director and City Comptroller

Page 4 of 4

Honorable Councilmember Barbara Bry, Budget Review Committee Chair, and Honorable
Budget Review Committee Members

May 13, 2020

MV/ts

cc: Honorable Mayor Kevin L. Faulconer
Honorable City Attorney Mara Elliott
Kris Michell, Chief Operating Officer
Aimee Faucett, Chief of Staff, Office of the Mayor
Andrea Tevlin, Independent Budget Analyst
Jeffrey Sturak, Assistant Chief Operating Officer
Rolando Charvel, Chief Financial Officer
Matt Awbrey, Chief of Civic & External Affairs, Office of the Mayor
Almis Udrys, Deputy Chief of Staff-Innovation & Policy, Office of the Mayor
Francis Barraza, Deputy Chief of Staff-Community Engagement, Office of the Mayor
Jessica Lawrence, Director of Policy and Council Affairs, Office of the Mayor
Robert Vacchi, Deputy Chief Operating Officer, Neighborhood Services
Erik Caldwell, Deputy Chief Operating Officer, Smart & Sustainable Communities
Alia Khouri, Deputy Chief Operating Officer, General Services
Johnnie Perkins, Jr, Deputy Chief Operating Officer, Public Utilities
Kris McFadden, Director, Transportation & Storm Water
Shauna Lorange, Director, Public Utilities
Department of Finance Staff