

**NOTICE OF PUBLIC MEETING
PHOENIX CITY COUNCIL
FINANCE, EFFICIENCY, INNOVATION AND SUSTAINABILITY SUBCOMMITTEE**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **PHOENIX CITY COUNCIL FINANCE, EFFICIENCY, INNOVATION AND SUSTAINABILITY SUBCOMMITTEE** and to the general public, that **the FINANCE, EFFICIENCY, INNOVATION AND SUSTAINABILITY SUBCOMMITTEE** will hold a meeting open to the public on **Wednesday, January 16, 2013 at 10:00 a.m. located at Phoenix City Hall, 1st Floor Atrium, Assembly Rooms A, B, and C, 200 West Washington Street, Phoenix, Arizona.**

The agenda for the meeting is as follows:

1.	Call to Order and Pledge of Allegiance	Chairman Gates
2.	Approval of Minutes of the December 19, 2012 Meeting	Page 5 Subcommittee members
3.	Innovation and Efficiency Task Force Update This report provides updated Innovation and Efficiency Task Force savings. This item is for Information Only.	Page 13 0 Minutes Mario Paniagua
4.	Procurement Appeal Process Update This report provides an update on procurement appeals under the Interim Procurement Policy. This item is for Information Only.	Page 15 0 Minutes Lisa Takata
5.	Solar Update and SR 85 Landfill Solar Project This report provides an update on the City's solar initiatives. This item is for Discussion and Possible Action.	Page 17 15 Minutes John Trujillo
6.	Energy Efficient Street Lighting Conversion Plan This report requests approval of the proposed Energy Efficient Street Light Conversion Plan and the associated budget adjustments. This item is for Discussion and Possible Action.	Page 19 15 Minutes Wylie Bearup

7.	Solar Street Lighting Evaluation This report provides an update on efforts by the Street Transportation and Public Works Departments to evaluate a solar technology for lighting streets and City facilities. This item is for Information and Discussion.	Page 21 10 Minutes Wylie Bearup
8.	E-Traffic Update This report provides a summary update regarding the e-Traffic project. This item is for Information and Discussion.	Page 23 10 Minutes Daniel Garcia
9.	Rightsourcing Update This report provides information on citywide rightsourcing initiatives that were initiated or completed during calendar year 2012 and current initiatives that are under evaluation. This item is for Information and Discussion.	Page 27 10 Minutes John Chan
10.	Phoenix Convention Center Sales Rightsourcing Update This report provides information on the feasibility of further outsourcing sales and bookings activities at the Phoenix Convention Center. This item is for Information and Discussion.	Page 31 10 Minutes Debbie Cotton
11.	Budget Process Enhancements This report provides an update on the City's improved budget process and transparency, and the recently implemented Inventory of Programs, or Zero-Based Budget document. This item is for Information and Discussion.	Page 35 10 Minutes Mario Paniagua
12.	Call to the Public	Chairman Gates
13.	Future Agenda Items	Chairman Gates
14.	Adjournment	Chairman Gates

For further information, please call Dennis Murphy, Assistant to the City Manager, City Manager's Office at 602-495-5467.

Persons paid to lobby on behalf of persons or organizations other than themselves shall register with the City Clerk prior to lobbying or within five business days thereafter, and must register annually to continue lobbying. If you

have any questions about registration or whether or not you must register, please contact the City Clerk's Office at 602-262-6811.

For reasonable accommodations, call Dennis Murphy at Voice/602-495-5467 or TTY/602-534-5500 as early as possible to coordinate needed arrangements.

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**CITY OF PHOENIX CITY COUNCIL
FINANCE, EFFICIENCY, INNOVATION AND SUSTAINABILITY SUBCOMMITTEE
SUMMARY MINUTES
December 19, 2012**

Assembly Rooms A, B, and C
Phoenix City Hall
200 West Washington Street
Phoenix, AZ 85003

Council Members Present

Councilman Bill Gates, Chair
Councilman Michael Nowakowski
Vice Mayor Michael Johnson
Councilman Tom Simplot

City Staff Present

David Cavazos	Esther Avila	Kwan Mitchell
Kevin Mattingly	Larry Polk	Rob Sweeney
Tim McBride	Chris Ewell	Dennis Murphy
Kara Kalkbreneer	James Scarboro	Mayra Baquera
James Hardy	Bonnie Gonzalez	Caitlyn Mitchell
Ken Leake	Luis Schmidt	Russ Becker
Joe Gibbs	Darice Ellis	Robin Peifer
Jennifer Wozniak		

Public Present

Raj Buch	Brenda Beall	Dan O'Neill
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1. Call to Order

Chairman Bill Gates called the meeting to order at 10:08 a.m. with Councilman Michael Nowakowski, Councilman Tom Simplot, and Vice Mayor Michael Johnson in attendance.

2. Approval of Minutes of the November 14, 2012 Meeting

Councilman Tom Simplot made a motion to approve the November 14, 2012 meeting minutes. Councilman Nowakowski seconded the motion, which was approved unanimously.

3. Innovation and Efficiency Task Force Update

This item was for information only.

4. IGA with ASU to Update Phoenix's Greenhouse Gas Emissions Inventory and Action Plan

Environmental Programs Manager Phil McNeely provided a presentation on an Inter-Governmental Agreement (IGA) with the Arizona State University Global Institute of Sustainability (ASU) to assist in developing an update to the city's Greenhouse Gas (GHG) Emissions Inventory and Action Plan. He presented information on what the city has done in the past with the first inventory, which includes a baseline, future growth, and measures intended to reduce GHG. Mr. McNeely requested the Subcommittee approve the request to move forward with an IGA with ASU to update the inventory and action plan. He added that the plan would allow the city to see if it is on track with the original plan, evaluate new measures, and test GHG emissions.

Councilman Tom Simplot moved approval of staff's recommendation. Councilman Michael Nowakowski seconded the motion, which passed unanimously.

5. RFP for Managed Document Output Services Study

Community and Economic Development Director John Chan provided a presentation requesting the Subcommittee recommend City Council approval to issue a Request for Proposal (RFP) for an analysis of managed document output services. He stated the analysis would look at printer and copy machine practices and provide recommendations on efficiencies and cost savings to help the city develop an implementation plan.

Councilman Tom Simplot moved approval of staff's recommendation. Councilman Michael Nowakowski seconded the motion, which passed unanimously.

6. Request for Approval to Issue Solicitations for Auction Services and Scrap Metal

Finance Director Jeff Dewitt and Deputy Finance Director James Scarboro presented the item. Mr. Dewitt stated there are two new solicitations for surplus property and scrap metal and request approval to issue the solicitations for each.

Mr. Scarboro provided information on the background, evaluation, and scoring of each proposal. He stated they would like to select a vendor that proposes the best approach, and has the best experience and proposes the lowest cost to the city in terms of commission for selling the item.

Councilman Nowakowski inquired if surplus property includes confiscated weapons like handguns.

Mr. Dewitt stated that weapons are currently melted and will not be included in the RFP. He added that there is a new state law that will be discussed at a later time, which requires weapons to be sold.

Mr. Nowakowski requested that future item include the ability for non-profit organizations to purchase the melted material for use in art projects.

Vice Mayor Michael Johnson asked if the city was looking at whether we were in compliance with state law.

Mr. Dewitt stated discussions are in progress and include various options such as trading weapons for ammunition.

Chairman Gates inquired what a bid premium was.

Mr. Dewitt stated a bid premium is a markup charged to the buyer above the sales price and retained by the vendor as opposed to paying vendors from the direct sales price from the bidder. He said the method that is in the best interest of the City would be selected.

Mr. Nowakowski asked for clarification on the term single sourcing.

Mr. Scarboro replied that single sourcing is a business decision to do all of your business with a single vendor and includes sole source documentation explaining why you could not seek normal competition because there is only one source that provides that service.

Mr. Nowakowski inquired how the property is protected in the event that something happens to it.

Mr. Dewitt answered there is security on site and it is also covered under insurance.

Mr. Nowakowski asked if there is a way to pass that cost to the vendors.

Mr. Dewitt replied they would look into including that in the RFP.

Mr. Nowakowski questioned if the evaluation criteria include points for local vendors.

Mr. Dewitt stated the city needs to be very careful on local preferences because of a Supreme Court case but they can consult with the Law department into the matter.

Vice Mayor Johnson asked what the number of years and pricing terms would be for the contracts.

Mr. Scarboro replied that the contract length would be for two to three years and pricing would be tied to market indexes.

Mr. Luis Schmidt provided a public comment in support of the item stating he would like the city to explore ways to profit from scrap metal.

Mr. Dewitt stated they could look into it and in the past the city has profited from selling copper.

Chairman Gates stated he is in favor of this item with the addition of Subcommittee requests discussed.

Councilman Tom Simplot moved approval of staff's recommendation. Mr. Nowakowski seconded the motion, which passed unanimously.

7. Phoenix Convention Center Facility Maintenance Update

Deputy City Manager Rick Naimark introduced the item which is an ongoing effort to outsource services to facilitate quality services at the lowest cost.

Convention Center Director Debbie Cotton provided background information on the Convention Centers past outsourcing services including parking garage management, catering, and marketing.

Deputy Convention Center Director Kevin Mattingly provided a presentation with details of the Facility Maintenance section's responsibilities and the areas that have been outsourced.

Mr. Naimark stated staff will present at a future meeting to the Subcommittee on outsourcing sales.

Councilman Michael Nowakowski inquired vendors performing work are certified technicians.

Mr. Mattingly responded that language is included in Request for Proposals which requires individuals be certified.

Vice Mayor Michael Nowakowski stated he would like to see a cost and benefit comparison of having a single city employee performing a particular job compared to a vendor. He added he would also like to see a briefing on outsourcing the sales center and would like for the city to bring back parking validation for downtown visitors.

Mr. Mattingly responded currently services that are behind the scenes and technical in nature are commonly contracted out while positions that provide direct service to clients are city employees. He stated they would look into once again providing parking validation.

Luis Schmidt provided a public comment not in favor of the item stating that the lowest cost is not always the best service and would like to see a benefit comparison of city staff versus vendors.

Chairman Bill Gates agreed the city should rightsource not always outsource.

Councilman Tom Simplot left the meeting at 11:05 a.m.

8. Framework for Managed Competition – Mowing

Deputy Parks & Recreation Directors Inger Erickson and Esther Avila presented the item. Ms. Avila stated they would present on the framework for managed competition relating to the department's mowing operation.

Councilman Tom Simplot returned and Vice Mayor Michael Johnson left the meeting at approximately 11:08 a.m.

Ms. Erickson continued the presentation with information on the history of managed competition at the city, industry best practices, and details on the proposed pilot program.

Councilman Michael Nowakowski stated staff should keep in mind the social aspect of outsourcing and would like to see a future agenda item looking into this issue.

Deputy City Manager Jerome Miller stated this item was for information only and the department is moving forward with the pilot program.

Vice Mayor Johnson returned at 11:15 a.m.

Chairman Bill Gates asked if the targeted area would include golf courses.

Ms. Erickson replied that gold courses and sports complexes are separate.

Jennifer Wozniak provided a public comment not in support of this item because she would rather keep city staff employed than have their jobs outsourced.

Vice Mayor Johnson questioned what would happen to those employees during the pilot period.

Ms. Erickson stated those employees would be moved to vacant positions within the department.

Councilman Nowakowski asked how many staff the pilot program would affect.

Ms. Erickson replied there are currently two employees that mow 13 parks.

Luis Schmidt provided a public comment requesting the city look into the cost of hauling large mowers instead of driving them to locations. He said there might be efficiency savings to be found.

Councilman Nowakowski left the meeting at 11:24 a.m.

9. Mapping Technology Initiative

Acting Chief Information Officer Rob Sweeney introduced the item which aims at putting geographic information system (GIS) technology into the hands of residents to help them locate services.

Councilman Nowakowski returned at 11:27 a.m.

Lead Info Tech Systems Specialist Kwan Mitchell continued the presentation explaining the benefits of online maps, the projected timeline, and demonstrating how the online maps work. He demonstrated how residents will be able to enter an address and the map will reveal services such as community centers, parks and even schools nearby.

Councilman Tom Simplot left the meeting at 11:33 a.m.

Councilman Nowakowski asked if there would be a demo available on the city website so the public can understand how to use this technology.

Mr. Sweeney stated currently there is no demo available but they could work on one.

Councilman Nowakowski expressed concern about the city website stating he receives complaints from residents not being able to find the Council web pages through the city home page.

Mr. Mitchell replied staff will be working with each Council district to update their web pages.

City Manager David Cavazos commented the maps are a great opportunity to point out local merchants.

Chairman Bill Gates stated he looks forward to the websites being updated with the intent of making them mobile friendly.

Mr. Kwan explained making the maps mobile friendly is part of the next phase.

10. Same-Day Solid Waste Collection Update

Deputy City Manager Rick Naimark introduced the item which provides results of moving to same day solid waste collection.

Acting Public Works Director John Trujillo provided a presentation on the benefits and savings of switching to same day collection of both residential refuse and recycling.

Councilman Michael Nowakowski asked if green organics like grass and tree trimmings are part of this collection.

Mr. Trujillo stated they are included but oleanders and palm fronds are excluded because those cannot be used to create compost.

Councilman Nowakowski stated he would like to see green organic and bulk trash pick-up in neighborhoods with Home Owners Associations that don't usually allow bulk trash.

Mr. Trujillo described the on call service program that allows gated communities to schedule bulk trash pick-up.

Vice Mayor Michael Johnson requested an update on the pay to recycle pilot program.

Mr. Trujillo replied that pilot was an incentive program which did not work out. He stated they tried it out in several areas of the city with no positive results in any area.

Vice Mayor Johnson asked if the pilot is still ongoing.

Mr. Trujillo replied no but that staff is looking at different incentive programs for residents that do well with recycling and diversion. He added staff is scheduled to return to the Subcommittee with an update before the end of the summer.

Mr. Nowakowski expressed interest in an incentive program to educate residents in areas that either do not have recycling or do a poor job at recycling and diversion.

11. Fire Department Ambulance Service

Fire Chief Bob Khan introduced the item and Deputy Chief Ken Leake.

Mr. Leake provided a provided a presentation on an overview billing services, the history of ambulance billing, and improvements made by the city. He stated the city took over ambulance billing in 2006 and has since increased and maintained a collection rate above industry standards.

Chairman Bill Gates asked if other cities do their own billing or if it is outsourced.

Mr. Leake replied both.

Chairman Gates inquired if staff assigned to billing services do that full time or if they are assigned other duties.

Mr. Leake replied the 32 staff work full time on billing services and described a typical day.

Chairman Gates asked for the costs associated with the 32 positions.

Mr. Leake stated \$2.5 million. He added the city used to pay a vendor \$1.5 million and when the city took over the service they added new positions for a total of 32.

Vice Mayor Johnson asked what the city collection amount difference is compared to when the contractor made collections.

Mr. Leake stated it's a \$10 million difference since the revenue with a private vendor was around \$26 million and now it is \$36 million.

12. Call to the Public

None

13. Future Agenda Items

Councilman Michael Nowakowski requested a future agenda item regarding the social cost of outsourcing and insourcing.

14. Adjournment

Chairman Gates adjourned the meeting at 12:04 p.m.

Respectfully Submitted,

Mayra Z. Baquera
Budget and Research Department

CITY COUNCIL REPORT

TO: David Cavazos
City Manager

FROM: Mario Paniagua
Budget & Research Director

SUBJECT: INNOVATION AND EFFICIENCY TASK FORCE UPDATE

This report provides the Council Finance, Efficiency, Innovation & Sustainability Subcommittee with updated Innovation and Efficiency Task Force savings amount of \$62.7 million, reflecting the addition of \$2.9 million in savings from the most recent City Manager's annual organizational review process.

This report is for information and discussion only; no Council action is required.

BACKGROUND

In October 2012, the Innovation & Efficiency Task Force reported to the City Council a total of \$59.7 million in annual savings has been generated; \$20.8 million to the General Fund and \$38.9 million to non-General funds. Reflected in that total annual savings was \$9.9 million in savings across all funds as a result of the organizational review efforts that were completed in 2010 and 2011. These efforts included the strategic reduction of 36.7 Full Time Equivalent (FTE) General Fund positions and 91.3 FTE non-General Fund positions as well as implementation of a variety of other cost saving measures such as reduction of contractual services and increased utilization of technology.

In November 2012, City staff presented the results of the 2012 organizational review process and the potential of additional savings outlined by the departments. In December, the full City Council approved moving forward with the organizational changes as presented by the departments. Council's approval of those changes results in ongoing annual savings of \$2.9 million per year.

UPDATED TOTAL SAVINGS

The results of the approved 2012 organizational review process which generated an additional \$2.9 million in annual savings brings the grand total of annual savings generated to date to \$62.7 million and counting.

Of the \$2.9 million in organizational review savings, over \$1.3 million is to the General Fund. This past year's review resulted in the eliminations of 50.7 FTE, several more position reallocations, and other cost saving efforts. Some specific measures that are part of the \$2.9 million in organizational review savings included:

- Right sourcing of the Senior Meal Program in the Human Services Department which will result in a \$450,000 savings;

- Utilizing smart phones in place of laptops in Street Transportation which will result in a \$35,000 savings;
- Contract to use technology to lower water costs in Parks and Recreation which will result in a \$50,000 savings.

The City Manager has established a new total savings goal of \$100 million to be reached by December 2015 further demonstrating the City's continued commitment to innovation and efficiency. Innovation and efficiency measures are critical to the achieving the city's mission to improve the quality of life in Phoenix through efficient delivery of outstanding public services.

The Task Force appreciates the leadership and direction of the full City Council to implement a wide variety of innovative solutions that continue to improve efficiency and service.

Recommendation

This report is for informational purposes only; no Council action is required.

CITY COUNCIL REPORT

TO: David Cavazos
City Manager

FROM: Lisa Takata
Deputy City Manager

SUBJECT: PROCUREMENT APPEAL PROCESS UPDATE

This report provides the City Council with an update on procurement appeals under the Interim Procurement Policy.

BACKGROUND

At the request of the Finance, Efficiency and Innovation (FEI) Subcommittee in September 2011, the City Manager established the Procurement Review Workgroup to study the City’s procurement processes, receive business community feedback, and make recommendations for any needed changes. The workgroup recommended interim procurement policies. The interim policy included an additional level of protest appeals from an independent panel or a hearing officer. In November 2011, the FEI Subcommittee reviewed the interim policies and recommended approval. Staff has implemented the Interim Procurement Policy on all procurements following this approval.

DISCUSSION

Since the last report in March 2012, three appeals were received by the City Manager’s Office. A summary of these appeals and their resolution appears in the table below.

Date of Bid Award Recommendation	Date of Appeal to City Manager	Department	Service	Process	Appeal Resolution
05/17/12	05/22/12	Fire	Atmospheric Meter Maintenance Repair RFP 11-F05	Hearing Officer	Appeal Denied 08/03/12
06/07/12	07/19/12	Parks & Recreation	Provide and Install Playground Equipment IFB 12-052	Hearing Officer	Appeal Denied 10/01/12
06/07/12	08/24/12	Parks & Recreation	Provide and Install	Hearing Officer	Appeal Denied

			Playground Equipment IFB 12-052		11/19/12
12/17/12	12/18/12	Parks & Recreation	Encanto Park Fence IFB 13-069	Review Panel	In Progress

CONCLUSION

This report is for information only.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: John A. Trujillo
Acting Public Works Director

SUBJECT: SOLAR UPDATE AND SR 85 LANDFILL SOLAR PROJECT

This report provides the Finance, Efficiency, Innovation, and Sustainability (FEIS) Subcommittee with an update on the City's solar initiatives. Staff also requests that the Subcommittee recommend City Council approval to enter into negotiations with Arizona Public Service (APS) for a solar project development at the SR 85 Landfill site and modify the Intergovernmental Agreement (IGA) with the Town of Buckeye as required.

THE ISSUE

The City of Phoenix has a long-standing commitment to energy management, efficiency and innovation. In keeping with this commitment, the Mayor and City Council adopted the following goals to continue promoting clean energy generation, energy security and local job creation:

- Renewable energy target of 15 percent by 2025, through solar, landfill and/or digester gas resources available to the City
- Climate Action Plan Green House Gas (GHG) reduction goal of 5 percent below 2005 levels by 2015
- Energy Efficiency Goal to reduce energy use 20 percent by 2020

With the recent infusion of federal economic stimulus dollars and the addition of public sector solar financing tools, the City has been able to augment and accelerate its solar energy initiatives.

OTHER INFORMATION

Commercial Project Activities

The City currently generates over 13 Megawatts (MW) of renewable energy from solar (enough to power 2,600 homes). The City currently uses solar applications at 23 sites for the Aviation, Fire, Housing, Library, Neighborhood Services, Parks and Recreation, Phoenix Convention Center, Public Transit, Public Works and Water Services departments. The systems range from roof-mounted, canopy-mounted, and ground-mounted to solar irrigation units mounted on 20' poles.

A number of solar projects were completed during the last two years. Two 50 kW solar projects were installed at the Sunnyslope Community Center in north Phoenix with locally manufactured inverters and solar panels. Construction was also completed for a

20 kW project at Fire Station No. 1, a 148 kW project at the Burton Barr Central Library and a 90 kW project at Public Works Metro Facilities. An 85 kW project at the Phoenix Children's Museum, was completed in May 2012.

A number of larger solar projects (1 MW or greater) were recently completed or are in progress. These projects are primarily financed via Solar Service Agreements (SSAs), wherein the developer designs, builds and owns the solar array, and the City purchases the power generated for use on site. Water Services recently energized a project for 7.5 MW at a water facility. Two solar projects with a combined capacity of up to 5.4 MW were completed at the Sky Harbor International Airport East Economy Parking Facilities (2 garages) and Rental Car Center. Public Works is also pursuing projects of up to 1.4 MW of solar at the 305 (Washington) and Adams Street garages for projected completion by spring 2014. Potential future projects are under exploration for the Phoenix Convention Center, Parks and Recreation, Public Transit and Public Works departments.

Residential Activities

National Bank of Arizona and Paramount Solar offer a residential solar financing program, Solar Phoenix 2. This program is made possible by a \$25 million investment from National Bank of Arizona and includes options for low and moderate income homeowners in Phoenix and surrounding areas. Solar Phoenix 2 is the second residential solar-financing program. The first Solar Phoenix program sold out in a year and funded solar systems on 445 homes, generating nearly 3 MW of solar. Solar Phoenix 2 allows up to 1,100 qualified homeowners in the APS and SRP utility districts to adopt solar power without a large upfront investment. Homeowners can make the switch to clean energy with a custom designed solar panel system from Paramount Solar that will save homeowners money on monthly electric bills. Systems can be installed with no money down and only a small monthly lease payment.

Large Scale Solar at SR 85

In pursuit of large scale solar opportunities, staff has been in discussions with APS for development of a 10 MW utility scale solar project at the SR 85 landfill site in the Town of Buckeye. This project is part of the utility's Community Solar Program involving approximately 100 acres at the landfill site for the next 35 years. At 10 MW, this would be the largest solar project for the City to date and would help accelerate the City's renewable energy target of 15 percent by 2015. APS would be owner/operator of the facility with the City leasing land to APS for the project. A modification to the IGA with the Town of Buckeye is also required. Based on APS' accelerated implementation schedule, the project would be completed by December 2014.

ACTION REQUESTED

Staff requests that the Subcommittee recommend City Council approval for the City to enter into negotiations with APS for solar project development at the SR 85 Landfill site and with the Town of Buckeye for amendment of the IGA as required.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: Wylie Bearup, PE, PhD
Street Transportation Director

SUBJECT: ENERGY EFFICIENT STREET LIGHTING CONVERSION PLAN

This report requests that the Finance, Efficiency, Innovation and Sustainability Subcommittee recommend the City Council approve the proposed Energy Efficient Street Light Conversion Plan and the associated budget adjustments. This plan will subsequently be initiated to install energy efficient street lights along public roadways in the City of Phoenix.

THE ISSUE

The Street Transportation Department operates and maintains approximately 90,000 street lights, across the city. These street lights use High Pressure Sodium (HPS) fixtures which has been the standard in the industry for the last 30 years. Newer technology light fixtures began appearing in the marketplace approximately five years ago. Staff has been evaluating these new technologies for possible adoption based upon Mayor, City Council, and industry requests. The main goals of the new technology are to reduce energy costs, reduce routine maintenance expenses, and improve the quality of light provided in a cost effective, sustainable manner.

Although early versions of new streetlight fixtures appeared promising, capital costs were too high and operating costs were unknown or highly variable so the City continued with HPS as the standard streetlight fixture. Within the last 2 years, Light Emitting Diode (LED) street light fixtures have improved greatly. After years of testing and development, LED fixtures have now demonstrated stabilized purchase costs, reduced energy consumption by roughly 50 percent, delivered reliability with a 10 year warranty, and improved light properties to properly disperse the required lighting levels along the roadway. The newest generation of LED fixtures can deliver these desired light properties when installed at the same height and spacing as previous HPS light fixtures, greatly reducing future costs for conversion.

In light of these developments, the City adopted LED fixtures as its new standard street light fixture earlier this year. The Development Advisory Board was updated on the new standard on October 18, 2012 and gave their concurrence so all future streetlight installations will be required to comply with this standard. Since that time, approximately 200 LED street lights have been installed throughout the city primarily by private developers.

OTHER INFORMATION

The Street Transportation Department is now moving forward with a plan to convert the existing street lights to this newer, more energy efficient technology. The City continues to pay approximately \$10 million per year in energy costs for current HPS street lights.

The following table represents the current number of street lights on public roadways by street classification and the associated monthly energy costs per light per month for both the previous High Pressure Sodium (HPS) standard and the new LED standard. The table demonstrates the potential to save roughly 50 percent on both energy costs and maintenance costs by converting to LED fixtures.

Street Type	Number of Lights	HPS-Energy	LED-Energy	HPS-Maint.	LED-Maint.
Arterial Street	26,695	\$ 6.03	\$ 3.10	\$ 1.20	\$ 0.60
Collector Street	7,254	\$ 4.20	\$ 2.25	\$ 1.20	\$ 0.60
Local Street	55,542	\$ 2.50	\$ 1.09	\$ 1.20	\$ 0.60

The new standard LED fixture uses fewer watts than the HPS fixture (139 watts versus 280 watts), thus consuming over 50 percent less energy. The resulting major reduction in kilowatt hours is consistent with the City’s goal of reducing greenhouse gases and to create more sustainable infrastructure systems.

One approach to fund the conversion cost is through the reprogramming of unspent operating funds from the street lighting budgets. Staff proposes utilization of unexpended budget amounts in the street light maintenance accounts to fund the capital costs for the initial phases of the conversion plan. As more street lights are converted to LED, annual energy cost savings will also be realized that will generate more reprogrammed capital funds to utilize for additional conversions.

Another approach to funding conversion costs would be through the supplemental budget process. The Street Transportation Department could submit a request for \$3.4 million in additional funding for each of the next 15 years to fully fund the LED conversion process. This approach would require a net increase in the Department budget which could ultimately be financed through decreased energy costs, but savings would lag behind the need for capital for a number of years.

RECOMMENDATION

Staff recommends that the Finance, Efficiency, Innovation and Sustainability Subcommittee recommend the City Council approve the Energy Efficient Street Light Conversion Plan whereby annual unspent operating budget balances from the street lighting program will be reprogrammed to a capital fund for the purposes of purchasing and installing LED street lights to convert from the existing HPS street light technology. This item was heard at the January 8, 2013, Transportation and Infrastructure subcommittee. The subcommittee voted to recommend that staff continue with the plan to convert to LED street lights and to pursue additional funding for the project through the budget process.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: Wylie Bearup, PE, PhD
Street Transportation Director/City
Engineer

SUBJECT: SOLAR STREET LIGHTING EVALUATION

The purpose of this report is to update the City Council on efforts by the Street Transportation and Public Works Departments to evaluate a solar technology for lighting streets and City facilities that will result in lower overall costs and less energy use, maintaining appropriate lighting levels for city streets, and without diminishing the amount of light being provided.

THE ISSUE

Phoenix has over 90,000 streetlights which illuminate over 5,000 miles of streets, using an annual energy budget of over \$10 million. Most of the streetlights are High Pressure Sodium (HPS) lights. Phoenix purchased the streetlight system from Arizona Public Service (APS) and Salt River Project (SRP) in 1988 and upgraded the lights to High Pressure Sodium at that time to lower costs and to reduce the amount of light pollution in accordance to the City's dark sky ordinance.

Over the past decade street lighting technology has continued to evolve providing options with the potential to further reduce energy consumption and costs. The Street Transportation Department has been studying these options and has conducted pilot installations of two promising technologies, Light Emitting Diodes (LEDs) and Induction Lighting, which will be discussed in greater detail in another Council report.

Another new technology with great potential for cost savings is the possibility of using solar energy generated by photovoltaic panels attached to the streetlight poles. Currently two different installations are being considered: Large, flat panels mounted at the top of the streetlight pole or a flexible membrane wrap attached to the vertical section of the streetlight pole. Both options face major technical and financial challenges before either could be fielded throughout the City's streetlighting network. Existing streetlight poles do not have the structural capacity to support the additional loads that the solar panels will create. In addition, individual streetlights would have to be metered to precisely measure (1) the amount of electrical energy consumed from the power grid and (2) the amount of excess energy produced by the installation and returned to the power grid. Additional issues that currently impact solar street lighting installations include:

1. High installation costs;
2. Consistency and intensity of light produced is only suitable for local streets;
3. Battery life and maintenance;
4. Environmental issues related to battery disposal; and
5. Agreements with the power companies to provide power back to the grid system and potential conflicts with the Arizona Corporation Commission.

Staff members in the Street Transportation and Public Works Departments continue to work on discovering solutions to these challenges through meetings with industry representatives, attendance at technical conferences, and pilot installation projects. While staff has met with several companies that provide solar street lighting, due to the high capital cost, only one company (Green Global Inc.) was willing to participate in a City-sponsored pilot program. Staff worked extensively with the company to test their solar wrap, but unfortunately they were not able to meet the requirements necessary with APS to move forward with further testing.

Public Works Department staff also met with Green Global, Inc. to discuss the possibility of installing solar wraps on poles that provide parking lot lighting at City facilities. The company was unable to specify a product that would integrate with the voltage requirements of the City's lighting systems and, therefore, no further actions were taken to pilot the system. The Public Works Department does utilize photovoltaic solar panels on a number of City facilities to generate power for overall building operations.

Another active solar pilot project is underway along Galvin Parkway near the Desert Botanical Garden. This parks service road was improved in 2010 and seven solar-powered LED street lights were installed because there was no direct power source in the area. Due to the low night time traffic volumes on this roadway and the absence of pedestrians, these lights operate on a sensor and only turn on when vehicles are detected. The Street Transportation Department will continue to monitor these solar lights to see how well they operate in the field and how long the batteries last in Phoenix's climate.

Staff has also surveyed the use of solar street lights in other municipalities. The City of Tucson has undertaken a fairly large pilot project with 42 solar-powered LED street lights using a pole-wrapped collector, which shows great promise.

RECOMMENDATION

This report is for information only. Staff will continue to work with APS and solar manufacturers to test solar street lights available on the market to explore additional energy savings for street lights. This item was heard at the January 8, 2013 Transportation and Infrastructure subcommittee, and staff was asked to continue to evaluate technology and to return at a later date with a detailed plan for future implementation.

CITY COUNCIL REPORT

TO: Ed Zuercher
Assistant City Manager

FROM: Daniel V. Garcia
Chief of Police

SUBJECT: E-TRAFFIC UPDATE

This purpose of this report is to provide a summary update to the Finance, Efficiency, Innovation and Sustainability Subcommittee regarding the e-Traffic project.

THE ISSUE

The purpose of the e-Traffic Project is to provide an electronic and efficient means to issue electronic citations to violators and improve all processes associated with citation issuance and filing, court appearances, tracking, data input, data integrity, and data sharing across agencies. This will be accomplished by eliminating handwriting errors, citation errors, filing delays, court date errors, and will decrease contact time with violators, which will improve officer safety.

OTHER INFORMATION

During a comprehensive business analysis within the Police Department's Traffic Bureau, opportunities were identified to improve existing business processes. The current process for conducting DUI Investigations was just one example illustrating a systematic need to increase the scope of the project to include a process that would incorporate all traffic-related forms into one system.

The Phoenix Police Department has selected the Traffic and Criminal Software (TraCS) software as the solution to issue electronic citations. TraCS is a suite of tools that provides officers with the functionality needed to record and retrieve traffic incident information. The application can be used as is or it can be customized to fit the Police Department's processes and business flows to conform to the way the Police Department conducts business.

E-Traffic will include all forms related to traffic investigations. The TraCS application has adopted a single-data-entry design. Once data is captured on any form, the system will automatically populate all other forms required to complete the investigation. The forms and data captured will be electronically available for use to all Police Department units and officers, Municipal Court, and Prosecutor's Office.

Integration of the TraCS application will eliminate the manual data entry process and repetitive entry of data by officers on multiple forms, which is highly inefficient and susceptible to data errors. Since the TraCS application submits data electronically and in real time, the data can be immediately consumed by the Prosecutor's Office for case preparation. In turn, this enhancement will eliminate the need for manual courier delivery of reports as well as the need to outsource the data entry of ATTCs to an out-of-state vendor, thereby eliminating a four to eight-day delay in data sharing.

The e-Traffic application will implement industry standard technologies, design, and architecture to easily integrate with the Department's new RMS Project. Additionally, the e-Traffic Project is compliant with the City-Wide Strategic Plan, which includes as goals for the Phoenix Police Department to: Implement a new process that enables citations to be received and managed electronically (target date for completion June 2013), and develop an automated communication process to manage e-Citation data (target date for completion June 2013).

The project had been awarded as a Recovery Act JAG Grant in the amount of \$600,000. The deadline to spend the grant funding is February, 2013.

The project team consists of members from the Police Department, Prosecutors Office, Law Department and City Court. The end user group, who selected TraCS as the traffic software solution, consists of mostly Police Officers who frequently investigate traffic-related incidents and conduct traffic enforcement as a primary job responsibility.

There are a variety of advantages to using the TraCS software solution:

- TraCS is provided to the Police Department through an ISA/IGA with the Arizona Department of Transportation (ADOT) at no cost
- Officers are currently using a version of TraCS to complete Collision reports on desk-top computers at precincts
- TraCS can deliver data to desired users electronically
- TraCS employs technical features required for RMS
- TraCS forms are similar in appearance to hardcopy forms, minimizing the learning curve and making it user friendly.

Since the TraCS operating software is provided at no cost, the original scope of the project was expanded to include the entire department instead of just the Traffic Bureau motorcycle officers as was originally intended.

The Project Team has identified approximately 50 traffic-related reports and/or forms to be included in this project and is currently developing a prototype build for officers to test. Users will test the functionality of the TraCS application under real-life scenarios out in the field.

The Project Team will utilize a phased deployment strategy for the entire Police Department once all prototype testing and field testing is completed. Deployment completion is scheduled to take approximately three months.

The e-Traffic Project Team is hoping to share the technology with all City departments who issue citations in the future.

PROJECT UPDATE

Beginning the week of December 3, 2012, installation of hardware to include printer brackets, wiring for printers, and power supply began on the Police Department's fleet of over 800 marked vehicles/motorcycles. Hardware installation of all marked Police Department vehicles identified for this project will be completed in February, 2013.

Technical Project Team members are continuing to work with a software developer to customize report forms required for implementation of Phase One. This phase will include the implementation of a new TraCS crash report, new Quick Scene diagramming enhancements, and the addition of the new e-ATTC component.

Additionally, the team is continuing to work with the software developer to ensure the appropriate data feeds are in place to support the full complement of data-sharing capabilities inherent to the project when Phase One goes live in February, 2013.

This item was presented at the Public Safety, Veterans, Transparency, and Ethics Subcommittee at its January 9, 2013 meeting.

RECOMMENDATION

This report is for information and discussion.

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CITY COUNCIL REPORT

TO: David Cavazos
City Manager

FROM: John M. Chan
Community and Economic
Development Director

SUBJECT: RIGHTSOURCING UPDATE

This report provides information to the Finance, Efficiency, Innovation and Sustainability Subcommittee on citywide rightsourcing initiatives that were initiated or completed during calendar year 2012 and current initiatives that are under evaluation which will be brought forward for Subcommittee discussion and possible action.

THE ISSUE

In 2012 City departments initiated 27 rightsourcing initiatives which included outsourcing and insourcing of city services, right-sizing and managed competition processes. These initiatives are summarized in Attachment A. Additionally, several rightsourcing opportunities continue to be evaluated and will be brought forward to the Subcommittee in the coming months. These items include:

1. Bulk Trash Collection – Public Works
2. Street Landscaping – Parks
3. Street Cleaning – Street Transportation
4. Lake Pleasant Water Treatment Plant – Water Services
5. Insourcing Opportunities Through Pilot Program Assessments – Water Services
6. Update on Outsourcing of Plan Review and Inspections – Planning and Development

RECOMMENDATION

This report is for information only.

Attachment A
 Innovation and Efficiency Task Force
 Summary of Citywide Right-Sourcing Initiatives 2012

	Item	Department
1.	Outsourced Client IT Services	Convention Center
2.	Right-sized Event Services through Managed Restructuring	Convention Center
3.	Outsourced Senior Meal Program	Human Services
4.	Outsourced Maintenance of Existing PBX Phone System	Information Technology
5.	Outsourced Next Generation Telephony and Network Managed Services	Information Technology
6.	RFP for Outsourcing of Citywide E-mail and Calendar System	Information Technology
7.	Outsourced Janitorial Maintenance of Community Centers through Managed Restructuring	Parks
8.	Outsourced Landscape and Grounds Maintenance of Libraries, Police and Fire Stations (Phase II)	Parks
9.	Outsourced Video Engineering Services	Public Information Office
10.	Managed Competition – Reserve-A-Ride Program	Public Transit
11.	Outsource Tire Repair Services	Public Works
12.	Outsource Lube Services for Solid Waste Refuse Trucks	Public Works
13.	Managed Competition – Transfer Station Equipment Maintenance	Public Works
14.	Managed Competition – Auto Parts Provision at Police Precinct Briefing Stations	Public Works
15.	Managed Competition Procurement – Solid Waste Contained Collection, Service Area F	Public Works
16.	Insource of Risk Management Litigation Cases (Phase II)	Law
17.	Insource Public Information Services for CIP projects	Street Transportation
18.	Outsourced Granular Activated Carbon Regeneration Services	Water Services
19.	Outsourced Municipal Bill Printing and Mailing Services	Water Services
20.	Outsourced bill and letter printing, mailing, web services and customer service payment options	City Clerk
21.	Right-size Security Services through Managed Restructuring	Library
22.	Outsource Weed and Pest Control	Parks
23.	Managed Competition Process - Mowing	Parks
24.	Evaluate Outsourcing of Property Management / Assisted Living Model	Housing

25.	Outsource EXPAND Program Underwriting Services	Community and Economic Development
26.	Analysis of Right Sourcing Air Filter Maintenance and Re-Lamping Services	Convention Center
27.	Evaluate Right Sourcing of Managed Document Output Services	Finance

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CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: Debbie Cotton, Interim Director
Phoenix Convention Center

SUBJECT: PHOENIX CONVENTION CENTER SALES RIGHTSOURCING UPDATE

This report provides information at the request of the Finance, Efficiency, Innovation & Sustainability Subcommittee (FEIS) on the feasibility of further outsourcing sales and bookings activities at the Phoenix Convention Center (PCC).

THE ISSUE

The PCC contracts with the Greater Phoenix Convention and Visitors Bureau (GPCVB) for developing and implementing strategies to secure conventions, trade shows, and group business for the period 14 months in advance and beyond. PCC sales staff is, in turn, responsible for securing business within the 14-month period.

OTHER INFORMATION

Securing group business, or citywide events in convention facilities, is essential for generating economic activity in Phoenix including airport, hospitality, and retail business. The industry best practice for publicly owned and operated assembly facilities is for a destination marketing organization to market the facility nationally. In Phoenix, the GPCVB has contracted responsibilities for strategizing and securing conventions, trade shows, and group business for the PCC 14 months in advance and beyond. This segmentation of marketing responsibilities is accepted as an industry standard and is practiced in a majority of the publicly owned and operated convention centers in the nation.

Business Review USA, a leading digital media news source for corporate executives, recently ranked the PCC seventh among the top-ten convention centers in the United States. Six of the ten convention centers on this list are publicly owned and managed, similar to the PCC. All of the top-ten publicly owned and managed convention centers employ sales associates responsible for short-term non-convention bookings.

Below is a listing of the publicly owned facilities in the top ten, as well as convention centers that are in the PCC's competitive set.

Convention Center (<i>Business Review USA</i> Rank, April 2012)	Location	Destination Marketing Organization	In-House Sales Staff?
Orange County Convention Center (1)	Orlando, FL	Orlando Convention and Visitors Bureau	Yes
Las Vegas Convention Center (3)	Las Vegas, NV	Las Vegas Convention and Visitors Authority	Yes
Dallas Convention Center (5)	Dallas, TX	Dallas Convention and Visitors Bureau	Yes
Georgia World Congress Center (6)	Atlanta, GA	Atlanta Convention and Visitors Bureau	Yes
Phoenix Convention Center (7)	Phoenix, AZ	Greater Phoenix Convention and Visitors Bureau	Yes
Anaheim Convention Center (9)	Anaheim, CA	Orange County Convention and Visitors Bureau	Yes
Henry B. Gonzalez Convention Center	San Antonio, TX	San Antonio Convention and Visitors Bureau	Yes
Los Angeles Convention Center	Los Angeles, CA	Los Angeles Convention and Visitors Bureau	Yes
Austin Convention Center	Austin, TX	Austin Convention and Visitors Bureau	Yes

In the examples referenced above, the local convention and visitors bureau is responsible for bookings between 12 to 18 months in advance. The focus on citywide events affords convention center sales staff the opportunity to concentrate on non-convention events to fill the remaining space in the short term.

Citywide events that are booked by the GPCVB are generally categorized as conventions and conventions with exhibits. From 2009 through 2011, PCC hosted approximately 164 events in this category. These events accounted for approximately \$9.2 million in rental revenue. Approximately 1,162 events were booked by PCC sales staff within the 14-month booking window in the same time period. These non-convention events, booked by PCC sales staff, accounted for approximately \$6.2 million in rental revenue.

In calendar year 2011, non-convention events booked by PCC sales staff accounted for 90 percent of the events held at the PCC. These events included, but were not limited to, banquets, stage shows, consumer and trade shows, meetings, and graduations. The rental revenue equated to approximately 50 percent of the total rental revenue for the year. Over the previous three years, rental revenue from non-convention events averaged 43.6 percent of the total rental revenue for the PCC. While accounting for approximately half of the rental revenue, non-convention events also generate a significant amount of activity in the PCC and throughout downtown Phoenix.

The meetings and hospitality business continues to face challenges as the industry slowly recovers from recession-driven hardships. First-tier convention markets, such as

San Francisco, are positioning themselves to attract events that typically seek second-tier markets, such as Phoenix. Additionally, businesses and associations are reluctant to follow traditional booking windows when planning future events. It has become more common for large conventions to book space much closer to actual event dates than in the past. This makes it increasingly difficult for hotels and convention centers to project upcoming occupancy numbers. Furthermore, competition has increased as more assemblage facilities offer severely discounted rental rates for citywide events, which can disrupt efforts to maintain rate integrity.

While attracting and contracting with convention events is imperative to the success of the PCC, it is equally important to have dedicated focus on non-convention events. The rightsourcing relationship between the GPCVB and PCC is designed to enable the PCC to operate at a desired occupancy level and to serve as a true economic engine for Phoenix and the entire state of Arizona.

RECOMMENDATION

This report is for information and discussion.

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CITY COUNCIL REPORT

TO: David Cavazos
City Manager

FROM: Mario Paniagua
Budget and Research Director

SUBJECT: BUDGET PROCESS ENHANCEMENTS

This report updates the Finance, Efficiency, Innovation and Sustainability Subcommittee on the City's improved budget process and transparency, and the recently implemented Inventory of Programs, or Zero-Based Budget document. This year, the inventory of programs will include additional information, including a departmental status overview, more detail on citywide and department revenues, and the area of the City's strategic plan supported by each program. The department is also working on updating the Budget and Research Department's webpage to make the information more accessible and user-friendly, further improving budget transparency.

THE ISSUE

Beginning last year and in response to the City Council's request for a more transparent, relevant, and detailed presentation of the City's budget, a "zero-based budget" approach was implemented to better facilitate the City Council's role in reviewing all costs for City programs and enhance transparency. This included presentation of a new Inventory of Programs, outlining costs, staffing, performance measures and other key budget detail for every program in the City, which total more than 400 citywide.

OTHER INFORMATION

The City of Phoenix continues to be recognized by the Government Finance Officers Association as having a top-tier presentation of the City's budget. The improvements added last year and to go into effect this year demonstrate the City's commitment to continuous improvement in this area, and provide significant enhancement to existing detailed budget documents.

Starting last year, Budget and Research began working with all City departments to prepare and update the citywide inventory of programs. The allocation of the City's budget estimates is presented by program, which is a key component of a zero-based budget approach. This citywide inventory of programs is also one element of a more detailed and comprehensive presentation of the City's budget. The goals achieved include:

- Providing a more detailed and more relevant presentation of the City's budget and advancing the ability of the Council and community to review the budget of every City program using a zero-based budgeting approach

- Providing the Council with cost estimates at an earlier stage in the annual budget process
- Improving the overall accessibility and understandability of the City budget in a format more accessible and useful to Phoenix residents

Budget Information

New this year, three important elements will be added to the Inventory of Programs. These include:

- Department Status Overview – Each department will also now include a description of recent or soon-to-be-implemented service enhancements, as well as current priorities and challenges. The information provides additional context for each department and programs as the budget information is reviewed.
- Revenue – The budget information packet will now include citywide and department-specific revenue. Revenue information is important to understand how department service costs may be offset by user fees or other revenue.
- Primary Strategic Plan Area Supported – Each program will include information regarding the primary strategic plan area supported. This will help identify how each program and service helps accomplish the City’s Strategic Plan. This will also help the City further demonstrate how resources and services are allocated in relation to the Strategic Plan.

Last year, several components were added to the presentation of the budget to increase the clarity and detail of information provided to the City Council. These components include the citywide inventory, citywide and department costs and actual expenditures shown in specific categories, and explanations of key budget items.

Citywide information – As it did last year, the budget information packet will also include a breakdown of citywide operating expenditures by specific expenditure category, fund sources, and the number of volunteer hours for each department. The specific expenditure categories include:

- Personal services (total compensation costs including all wages and benefits)
- Contractual services (payments made to outside vendors and contractors, including all outsourced services)
- Supplies
- Equipment and minor improvements
- Interdepartmental charges (work order charges from one department to another based on internal services provided, where appropriate)

- Necessary transfers between funds

Actuals Comparison - Annual actual expenditures for recent years in the budget categories described above are provided.

Key Budget Items Explanations - This section highlights and explains specific areas of the budget which are known to be important to the City Council and community. The highlighted items include employee salaries, pension, and other benefits. Additionally, information regarding costs of merit step pay increases and longevity payments for eligible employees is provided along with the basis of the cost assumptions, such as current Council-adopted labor contracts and pay ordinance. Other costs, such as increases to pension, health and dental insurance, social security, fuel costs, etc. are also explained in this section.

Citywide Inventory of Programs - The citywide inventory of programs provides:

- Department status overview of enhancements, priorities and challenges, specific revenue, and budget summary
- For departments receiving volunteer assistance, description of volunteer services in applicable programs and the number of volunteer hours provided
- The allocated cost for each City program
- The primary strategic plan area supported by the program (new this year)
- The total cost for each City program; currently, budgets are presented by department, however, a zero-based budget approach prescribes the use of “budget decision packages”, which are based on the costs of individual City programs or services
- Staffing, or total full-time equivalent (FTE), for each program, including full-time, temporary, and part time staff
- Program fund source, which may be a single fund, such as the General Fund, or a combination of funds, such as grants, special revenue funds and the General Fund
- Service level trends, illustrating budgeted performance measures for City programs, when applicable

The citywide inventory of programs will be presented to the City Council in February 2013, and will be based on the preliminary 2013-14 budget estimate.

Estimates by program for the preliminary 2013-14 budget will likely change prior to the Trial Budget for items including updated equipment replacement estimates, ongoing efficiency improvements, or other cost changes influenced by factors outside the City’s control.

Costs and staffing levels for each program include a portion of department administration, which is appropriately allocated across the programs of each department. Also provided on individual program sheets is information regarding whether the program generates budgeted revenue or provides matching funds for a grant funded program.

Zero-Based Estimates and Detailed Technical Expenditure Reviews

Each fall a thorough technical analysis, or detailed line-item review, is performed for the current year's budget. Departments and Budget and Research review all line-items of the City budget and make adjustments that reflect identified savings.

Also each fall the City develops estimates for every budget line-item for the next fiscal year's budget. It is important to note that every line-item of the budget starts at zero dollars. This is an important cost-control element of the City's budget process, as it is designed to ensure that new cost estimates are prepared every year, preventing the automatic extension or increase of costs programmed in the current year. The final amounts in each line-item are new estimates necessary to continue existing service levels for each program. In projecting annual personal services costs (total employee compensation), estimates are based on the number of positions authorized by the City Council and on the specific compensation configuration for each individual position.

The City Manager's Trial Budget will be proposed to the City Council in late March, followed by community budget hearings in April, the City Manager's proposed budget and Council budget decision in May, and legal budget adoption actions in June and July.

Web-Based Enhancements

The Budget and Research Department is also currently working on making several changes to its webpage layout and content to further improve transparency and make it more user-friendly. The site will more clearly outline how to access specific detail about all areas of the City's budget and include educational information on the City's annual budget process. The webpage enhancements are expected to be rolled out prior to the presentation of the City Manager's Trial Budget this March.

RECOMMENDATION

This item is provided for information only; no action is required.