

Safe, Clean Water and Natural Flood Protection Program

Project B4: Encampment Cleanup
Operational Approach Alternatives

May 23, 2018



Background

Background:

The Encampment Cleanup project is projected to be **more than 100% spent of it's 15-year allocation** at the current spending rate, with **10 years remaining** to implement the project. This means there are **no remaining funds** for the Encampment Cleanup Project **in Safe, Clean Water Fund 26**.

Fiscal Year 2019 (FY 19) Budget:

To avoid impacting any Safe, Clean Water project's Key Performance Indicator, staff is recommending that the Board approve a **transfer of up to 90 percent of the FY 18 net income from Fund 12 rental properties** to fund the Encampment Cleanup Project's FY 19 budget (Recommendation B). After FY19, the Encampment Cleanup Project will be closed in Fund 26 and opened in Fund 12 to be funded through Fund 12 for FYs 20-28.

Operational Approach Alternatives

Recommendation:

- A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28 or provide such other direction as the Board deems appropriate:
1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52;
 2. Limit the number of cleanups each fiscal year based upon the funding available by committing 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties) to pay for this expense; or
 3. Aim to meet the community demand for cleanups in FY19 dependent upon available financial resources and budget for anticipated community demand through Fund 12 for FYs 20-28.

Operational Approach Alternative A.1.

Limit the number of cleanups each year to the KPI target of 52:

Pros	Cons
Meets KPI of 52 cleanups	Does not meet community demand (average is 358 cleanups)
Sufficient funds w/Fund 12 transfer and through the net income from Fund 12 rental properties for FYs 20-28	Limited water quality benefits and potential damage to facilities
	High re-encampment rate resulting in trash and pollutants in water
	Impact to aesthetics of creeks in neighborhoods and parks
	Limits partnership opportunities with other agencies

Recommendation B: This requires a transfer of \$175,000 in FY 18 to fund FY 19

Operational Approach Alternative A.2.

Limit the number of cleanups each year based upon the funding available by committing 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties) to pay for this expense.

Pros	Cons
Exceeds KPI by providing approximately 250 cleanups	Does not meet community demand (average is 358 cleanups)
Sufficient funds w/Fund 12 transfer in FY19 and through the net income from Fund 12 rental properties for FYs 20-28	Each FY the funds available through the net rental income from Fund 12 may vary depending on rent, maintenance cost, and the demolition schedule of residences along the Upper Guadalupe River.
	Limited water quality benefits and potential damage to facilities
	High re-encampment rate resulting in trash and pollutants in water
	Impact to aesthetics of creeks in neighborhoods and parks
	Limits partnership opportunities with other agencies

Recommendation B: This requires a transfer of \$750,000 in FY 18 to fund FY 19

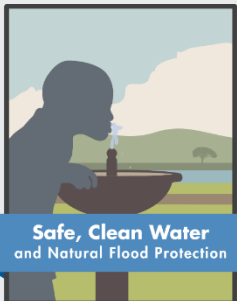
Operational Approach Alternative A.3.

Aim to meet the community demand for cleanups in FY19 dependent upon available financial resources and budget for anticipated community demand through Fund 12 for FYs 20-28.

Pros	Cons
Exceeds KPI by attempting to meet community demand (average is 358 cleanups)	Demand for cleanups continues to increase
Sufficient funds in FY 19 w/recommended transfer plus other Fund 12 operational project transfers; and through Fund 12 for FYs 20-28	FY cost is estimated to avg. \$1.2 million to \$1.4 million (offset of costs through partnerships and mitigation credit not guaranteed)
Reduces re-encampment rate and trash and pollutants in water	
Improves aesthetics of creeks in neighborhoods and parks	
Maintains partnership opportunities with other agencies	

Recommendation B: This requires a transfer of \$750,000 in FY 18 to fund FY 19

Questions?



Santa Clara Valley
Water District



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