THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: March 26th, 2014 REPORT NO. 14-028

ATTENTION: Infrastructure Committee

SUBJECT: Service Level Standards for City Infrastructure

REQUESTED ACTION: Informational Only

STAFF RECOMMENDATION: Accept the report.

SUMMARY: The topic of Service Level Standards is a key component in developing the City's asset management efforts and a consolidated 5-Year Capital Plan (5-Yr CP). Service Level Standards are measures of the amount and/or quality of a public facility to meet needs. Attached is a more detailed overview of various aspects that could be considered in identifying Service Level Standards for infrastructure. The document describes approaches in establishing Service Level Standards for infrastructure asset types to help guide infrastructure investments through stakeholder input.

FISCAL CONSIDERATIONS: Well defined and documented Service Level Standards promote efficient and effective service delivery which will result in efficiencies and added value to City facilities.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: On 11/18/2013 the Public Works Department presented the plan for developing a Multi-Year CP to the Infrastructure Committee. During the presentation, staff was requested to return to the committee to discuss infrastructure Service Level Standards.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Outreach efforts will be ongoing with stakeholders.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Key stakeholders include members of the public, the Mayor, City Council, Infrastructure Committee, Office of the Independent Budget Analyst (IBA), Capital Improvement Program Review and Advisory Committee (CIPRAC), Community Planners Committee (CPC) and Community Planning Groups (CPGs), Planning Commission and other stakeholders.

SUPPORTING DOCUMENTATION: Service Level Standards for City Infrastucture – A General Overview (attached).

Tony Heinrichs
Deputy Chief Operating Officer

James Nagelvoort
Director of Public Works Department

Service Level Standards for City Infrastructure

--- A General Overview ---

A. INTRODUCTION

Whether it is turning on the tap, riding a bicycle, strolling through a park or being tended to in an emergency situation, every day, our citizens and visitors utilize a variety of our City's intricate and diverse infrastructure system. There is a direct correlation between the quality of life and the condition of public infrastructure. This quality can be jeopardized by aging or missing infrastructure, increased usage or demand and costs that exceed available budget. In order to address this, a goal of obtaining a balanced infrastructure system should be identified. To achieve this, the City should consider the condition of all infrastructure (or assets), identify potential funding strategies, establish service level standards that integrate the system and prioritize accordingly.

B. ESTABLISHING SERVICE LEVEL STANDARDS

Service Level Standards are measures of the amount and/or quality of a public facility to meet needs. Given the City's diverse portfolio of infrastructure, Service Level Standards may relate to:

- Reliability of Service
- Quality of Service
- Quantity of Service
- Safety/Risk/Security
- Environmental Acceptability
- Costs

Based on the characteristics of diverse infrastructure components, mandates and desired services, budget decisions can often end up driving a service level delivery. The focus then becomes how to make the infrastructure fit the budget rather than developing a more systematic capital plan based on meeting targeted service levels. Research to identify industry standards of service levels revealed that there are a variety of definitions that are rather vague and inconsistent and not easily measured. It was often unclear if there was a link between a service goal and a capital improvement plan. As such, when six of California's largest cities were surveyed to find out if they have written service levels and/or performance measures for their assets, it was not surprising that no responses were received.

In considering industry standards for asset management, there are high level measures that can be used to categorize service levels with the most simplistic being the level necessary to provide minimum, adequate, or high service levels. This can also be expressed as:

- *Reactive Management* - The minimum Service Level Standard (SLS), or reactive management, is characterized by responding only to emergencies and high priority complaints. At this level, safety risks do get addressed and the financial demands are the lowest, but it is the least efficient means of service delivery in the long run, generates low customer satisfaction, and usually is a result of the lack of coherently developed programs.
- *Routine Management* - An adequate Service Level Standard, or routine management approach, addresses most emergency and request-driven work, but also has the resources to begin routine maintenance and scheduled programs.
- *Proactive Management* - A high Service Level Standard, or proactive management, provides for frequent preventive maintenance cycles, comprehensive emergency response, and public outreach and education. This level has the highest annual costs but generally results in safer, more accessible facilities with less breakdown and service interruption, maximum user benefits, and the greatest level of customer satisfaction.

To establish Service Level Standards which meet local needs and consider expectations, a matrix of components should be evaluated in the decision making process. For example, different asset types have very different potential measurements as well as drivers. A fire station has a primary objective – emergency response to ensure health and safety that correlates to a primary measure – response time. The need or service level becomes quickly evident as it relates to infrastructure. In evaluating a Citywide standard for park acreage, defining the need becomes more subjective and challenging to measure a nexus (i.e., how many park acres are needed per 1000 residents?). Additionally, how is an acceptable street condition defined? This could vary based on perspective as well as method and/or frequency of usage.

Currently, the City's primary guiding document for service level standards is the General Plan (last updated in 2008). The role and purpose of the General Plan is:

> "The City's General Plan is its constitution for development. It is the foundation upon which all land use decisions in the City are based. It expresses community vision and values, and it embodies public policy for the distribution of future land use, both public and private."

The General Plan establishes an overarching standard for infrastructure. Community Plans, Federal/State/Local mandates, the Capital Improvement Program, Deferred Capital Plans, and Department Guides and Standards all narrow in on more details regarding service level standards or objectives. The General Plan covers the following infrastructure categories:

- Public Safety Assets (e.g., Lifeguard, Fire and Police facilities and structures)
- Mobility Assets (e.g., Roads, Sidewalks, Bridges, Bicycle and ADA Facilities)
- Service Providing (Utility) Assets (e.g., Water and Wastewater pipelines, Drainage and Environmental facilities)
- Neighborhood (Quality of Life) Assets (e.g., Libraries, parks, Open Space, Community Centers and Event facilities)

Examples of existing Service Level Standards as they are generally identified in the General Plan and then further defined in asset specific documents include:

1. The goal for Fire-rescue service is to provide the highest level of life safety and protection to the citizens of the City of San Diego. The City General Plan (GP), Public Facilities, Services and Safety Element Chapter (2008) includes a list of policies to achieve this goal. The Fire Department Standard of Response Coverage (Citygate) further defines the GP policies in terms of service level standards (SLS) for response times. For example, one of the GP policies is: "Provide public safety related facilities and services to assure that adequate levels of service are provided to existing and future development. " The Citygate SLS further define the policy to "A first responding four –person engine company shall arrive at the scene of an emergency within an average of five minutes or less from the time of page received."

2. The Service Level Standards for Park and Recreation Department are based off of the City's General Plan. For example: Neighborhood Parks should have a minimum size of 3 – 13 acres of useable parkland and should serve a population of 5,000 residents within approximately 1 mile. Recreation Centers should have a minimum of 17,000 square feet and should serve a population of 25,000 residents within approximately 3 miles, whichever is less.

3. For streets and roadways the Mobility Element of the General Plan sets policies to improve operations and maintenance on City streets and sidewalks. However, the Deferred Capital plan recommends service levels based on funding options.
   For example, one of the GP policies is: "Adequately maintain the transportation system through regular preventative maintenance and repair, and life cycle replacement." However the SLS in the Deferred Capital Plan for streets is set based on funds availability which is: "Enhanced Option B for streets maintenance " (38.9 % Good – 33.3% Fair – 27.9% Poor) .

4. CHALLENGES IN ESTABLISHING SERVICE LEVEL STANDARDS (SLS) AND FACTORS TO CONSIDER

In defining and documenting Service Level Standards the City faces the following challenges:

- Documentation of existing SLS for diverse asset types.
- Developing and revising SLS.
- Expected/desired service level vs. actual service level for given asset classes.

Service Level Standards should assure that the community's most important service needs are met. At the same time, Service Level Standards should be flexible enough to change with evolving needs and should be realistic and achievable. Quantity alone will not necessarily satisfy needs; quality is another factor to be considered. Requiring a high standard for facilities and services provided by new or re-development can satisfy immediate needs but can also become a future burden if long term maintenance and repair costs are not part of the analysis. The following factors should be considered in shaping effective Service Level Standards:

- *Service Level Standards should support the City's objectives (i.e., General Plan).*
- *Service Level Standards should assure appropriate quality of facilities and services as well as quantity.*
- *Service Level Standards should be realistic and capable of being maintained.*
- *Service Level Standards should promote efficient, effective service delivery.*

Furthermore, the process of developing standards which address real needs requires careful consideration of a host of complex issues. When establishing Service Level Standards for various asset types, the following issues should be recognized and addressed:

- Traditional Standards - Existing or traditional standards should be re-evaluated to assure they meet the current needs of the community. They should be revised or updated as necessary.
- Measures for Today's Needs and Tomorrow's Needs – Many existing standards were shaped in the early part of this century. Although they have been adjusted along the way, they were initially designed for communities that may be very different from today's communities. Changing demographics, work and commute patterns, technology and public values as well as changes in lifestyle, recreational interests and community issues collectively affect needs. These changes call for a reconsideration of local standards to assure they are relevant to current needs and values.
- Full Range of Local Needs and Opportunities - Climate, topography, natural amenities and the people inhabiting different communities can vary greatly. Standards must be tailored to a much greater extent, if they are to meet local needs.
- Federal, State and Local Mandates – The costs associated with meeting the requirements of federal/ state mandates should be considered as well as any costs that may be incurred for not meeting mandates (such as fines and potential legal issues).

- Cost and Risk Assessment - The City needs to be cognizant of the costs of achieving and maintaining Service Level Standards. The City is increasingly asked to do more with less. This may require that the City set priorities and make choices about which facilities merit higher standards.
- Opportunities for collaboration amongst Departments and regional jurisdictions – Achieving a service level standard may be possible by leveraging multiple asset type needs in one area (i.e., bundling of Capital Improvement Projects) or partnering with other agencies in order to improve multiple components of an infrastructure system that may cross boundaries and areas of responsibility.
- Develop Service Level Standards which address service gaps - Service Level Standards focus on the level of resources which should be applied to provide a service. The City may need to think more along the lines of quality rather than quantity.
- Alternatives to Investing in Expensive Public Facilities - It may be possible to avoid or delay the need for new facilities by changing behaviors. Examples could include: reducing the number of vehicle trips generated by implementing smart growth development, reducing water consumption through conservation, and increasing pervious surfaces to reduce the need for water quality and storm water facilities. Service Level Standards could focus on measuring results of programs.

5. PROPOSED STEPS FOR DEVELOPING SERVICE LEVEL STANDARDS

The next section describes steps for preparing Service Level Standards.

Step 1: Further research existing service level standards.

Step 2: With continual input from stakeholders, identify and agree upon services for each asset type.

Step 3: Categorize the service level for each asset type by the required management approach (reactive, routine or proactive).

Step 4: Develop SLS goals for assets that do not have defined SLS.

Step 5: Evaluate risk.

- Identify any service gaps, if they exist.
- Estimate funding shortages associated with service gaps for each asset.

6. CONCLUSION

The City of San Diego is charged with many responsibilities which directly relate to our quality of life. Our residents' health, safety and well-being are tied to services under the City's purview and delivered through our infrastructure facilities. Service Level Standards bring economic and societal benefits. By establishing service level standards, the City can ensure consistent approaches to assessment and evaluation of service deficiencies, provide guidance for decision making that can result in improved efficiencies and savings, and the ability to strategically plan for infrastructure improvement investments.