

DRAFT

Property of  
Flood Control District of MC Library  
Please Return to  
2801 W. Durango  
Phoenix, AZ 85009

COMPREHENSIVE PROGRAM REVIEW  
FLOOD CONTROL DISTRICT  
OF  
MARICOPA COUNTY

(Extract: Executive Summary and Department Overview)

FEBRUARY 28, 1995

**COMPREHENSIVE PROGRAM REVIEW  
FLOOD CONTROL DISTRICT OF MARICOPA COUNTY**

**TABLE OF CONTENTS**

Executive Summary .....	i
Department Overview .....	ii
Program Review	
Maintenance .....	Tab A
Environmental .....	Tab B
Floodplain Administration .....	Tab C
Drainage Administration .....	Tab D
Property Management .....	Tab E
Flood Warning and Data Collection .....	Tab F
Planning .....	Tab G
Capital Improvement .....	Tab H
Administration .....	Tab I
Accounting .....	Tab J
Administrative Support .....	Tab K
Computer Information Systems .....	Tab L
Contracting .....	Tab M
Facilities Management .....	Tab N
Public Involvement .....	Tab O
Report of Special Review .....	Tab P
List of Figures .....	Tab Q
Appendices .....	Tab R

APPENDICES

Property of  
Flood Control District of MC Library  
Please Return to  
2801 W. Durango  
Phoenix, AZ 85009

Flood Control District Restructuring Plan (November 9, 1994), with related memo.

Annual Reports for FY 1991-92, 1992-93, and 1993-94.

Comprehensive Flood Control Program Report for Maricopa County, Arizona 1991.

General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities, July 1988, amended September, 1993.

Procedure for Identifying and Prioritizing Potential Five-year Capital Improvement Program Projects.

Policy for the Aesthetic Treatment and Landscaping of Flood Control Projects.

Municipal Separate Storm Sewer System Permit Application Costs and Permit Compliance Estimates: Report on Selected Findings (National Association of Flood and Stormwater Management Agencies, October 1993).

Audit Report

Arizona Revised Statutes, Title 48, Chapter 21, Flood Control Districts.

Five-year Capital Improvement Program for Fiscal Years 1995 to 1999, September 1994.

Drainage Manual, Vol. 1-3.

Floodplain Regulation.

Drainage Regulation.

Darden Report.

Comments from Flood Control Advisory Board.

Comments from County Fiscal Committee.

Comments from Municipalities and Other Agencies.

Comprehensive Program Review  
Flood Control District of Maricopa County

Executive Summary

PURPOSE:

The purpose is to comprehensively review the full range and nature of services offered by the Flood Control District, identify the nature and the issues of its programs, prioritize current programs and services as they relate to its mission and to that of the County, and identify and evaluate the costs and relative benefits of each program.

This review is unusual in three ways:

1. An additional purpose is to respond to comments made by the Chairman of the Board of Directors that the District may have gotten away from or perhaps completed its original mission, and that the current capital improvement program includes many projects which may be more appropriately managed and funded at the municipal level.
2. The time available to accomplish the review was very compressed.
3. Maricopa County is in the midst of a financial crisis with its general fund. This has created pressures to lower the secondary flood control property tax rate in order to offset what may be necessary increases in the primary (general fund) property tax rate. These pressures arise from the desire to avoid a net increase in County imposed property taxes.

OVERVIEW BY DISTRICT STAFF:

**Mission.** The District's mission is to provide flood and stormwater management services for the benefit of the people of Maricopa County. These services are provided through regulatory activities, master planning, technical assistance, and structural projects such as dams, channels, and stormdrains. Our clients are the citizens, municipalities, and other governmental agencies.

**History.** By 1954, the Maricopa County Board of Supervisors, Phoenix City Council, and the Salt River Project Board of Directors recognized the need for a comprehensive approach to solving flooding problems. After preliminary work by citizens' committees, the State Legislature passed enabling legislation in 1959 and the Flood Control District of Maricopa County was created by the Board of Supervisors in 1959. A county flood control district is a political subdivision of the State, and has all the powers, privileges and immunities granted generally to municipal corporations. A district's primary source of income is a secondary tax on real property, which can only be used for flood and stormwater management.

In 1982, the District assumed responsibility for countywide floodplain management, and in 1983 for drainage administration for development in the unincorporated areas. These functions had been performed by Maricopa County, funded partly by permit fees and subsidized by the general fund. In 1991, the District was tasked to establish a program to

comply with the Federal Clean Water Act's requirements concerning stormwater quality, and to provide regional coordination in cooperation with Maricopa County and interested municipalities.

Until the mid-1980s, most of the District's energies and funds went to sponsoring federal projects, with responsibilities for land acquisition, relocation of people and facilities, and maintenance of completed projects. Planning, design and construction were largely managed by the federal partners. Because of the nation-wide decline in federal funding, the District developed the capabilities to handle these functions, and went ahead with projects in cooperation with cities, towns and other nonfederal agencies. The District gradually added staff to handle these expanding functions, growing from about 50 in 1980 to 258 in 1994. The largest expansion of staff was to handle the increased maintenance work as structural projects were completed.

In December, 1994, the District implemented an organizational restructuring plan which abolished 35 positions and created 17 new ones, for a net reduction of 18. The restructuring affirmed our functional organization and matrix approach to program management. The current authorized strength is 241.

**Mandates.** A flood control district has activities which are mandated by law, but when they are mandated, the required level of service is usually not. The Board of Supervisors is mandated to form a district and perform as the district's Board of Directors. The district is then required to delineate floodplains and adopt and enforce floodplain regulations. The area of jurisdiction includes both incorporated and unincorporated areas, unless a municipality elects to assume floodplain management responsibilities.

The Flood Control District of Maricopa County and other large districts in Arizona are mandated to survey flood control problems, prepare a comprehensive program of flood hazard mitigation, and update this program every five years. The District's Chief Engineer and General Manager is mandated to prepare and submit each year to the Board of Directors a five-year capital improvement program, but the Board is not required to adopt or fund it.

Given that the District owns 22 dams and over 50 miles of channels and other facilities, it is required by State dam safety laws and by federal laws and agreements to maintain its structures. The standards of maintenance are often prescribed in these rules and agreements. Because of these mandates, liability issues, and because people depend on the continued functioning of these structures, as designed, maintenance has been and should continue to be the District's highest priority program.

**Organization and Functions.** The District is organized as shown in the chart on the next page. The six divisions are organized by function, rather than by program. A program is defined as a product or service delivered to the public or other agencies and will be discussed in the next section. Each program is managed by a specific division, but resources from several or all divisions contribute to each program. Administrative functions are either charged directly to programs or distributed over the programs as overhead.

Total Authorized Positions: 241

# Flood Control District of Maricopa County

December 15, 1994

## Chief Engineer & General Manager Recruiting

Administrative Coordinator

Human Resources

### Administration Division

Administration Services

Contracting Services

Financial Services

Information Systems

Facilities Management

Total Authorized Positions: 40  
Total Remaining Positions: 44  
Net: +4

### Construction and Maintenance Division

Administrative Support Branch

Construction Inspection Branch

Ecology Branch

Structure Maintenance Area I

Structure Maintenance Area II

Shop/Warehouse

Aspen/ACDC Branch

Work Control Center

Total Authorized Positions: 120  
Total Remaining Positions: 106  
Net: -14

### Engineering Division

Civil/Structures Branch

Hydraulics Branch

Hydrology Branch

Data Collection Branch

Total Authorized Positions: 29  
Total Remaining Positions: 36  
Net: +7

### Regulatory Division

Division Manager  
David Robinson

Customer Service Branch

Development Review Branch

Inspection/Permitting Branch

Program Management Branch

Total Authorized Positions: 30  
Total Remaining Positions: 21  
Net: -9

### Land Management Division

Division Manager  
James L. Schwartzmann

Property Acquisition

Property Engineering

Property Management

Total Authorized Positions: 17  
Total Remaining Positions: 14  
Net: -3

### Planning & Project Mgt. Division

Division Manager  
Stanley L. Smith

Planning Team

Planning Team

Planning Team

Environmental  
Planning Team

4 Project Management  
Engineers

Utility Coordination

Total Authorized Positions: 20  
Total Remaining Positions: 17  
Net: -3

Of the 241 positions, 17 are managers, giving a management ratio of seven percent. A manager is defined as a person who has subordinates and devotes at least 50% of his or her time to management.

Although not shown in the organization chart, a significant source of labor comes from the Arizona Department of Corrections. The District's maintenance forces are augmented daily by 40 to 50 inmates from the facility that houses people convicted of driving under the influence of drugs or alcohol. The District pays 75 cents per hour for each inmate.

**Programs.** The District has been asked to tie its programs to the Maricopa County Business Plan (August 1991). This is very easy to do since the Business Plan deals almost exclusively with County general fund supported activities, and the District receives no general fund money. The Business Plan acknowledges the Board of Supervisors' role as District Board of Directors, shows the District paying for support services provided by the County, and discusses principles including fiscal accountability, participative management, and continuous improvement, which the District wholeheartedly supports.

The Business Plan also lists five flood control functions as recommended for review for competitive bidding. There are certainly additional evaluations needed in the spirit of continuous improvement. It should be noted, however, that 84% of the District's current budget is outsourced and 85% of the previous fiscal year's actual expenditures were outsourced.

The District's mission encompasses eight programs, which are described below, and followed by a table showing full time equivalents, total dollars, contract dollars, and other information.

- **Maintenance.** The District maintains 22 dams and well over 50 miles of major underground conduits and improved channels to acceptable functional and aesthetic standards. This program is managed in the Construction and Maintenance Division (C&M), with contributions from all divisions.
- **Environmental.** Provides regional guidance and coordination in meeting federal stormwater quality regulations. Includes operation of monitoring stations, inspection of polluting discharges, preparation of regional reports, providing educational outreach and conducting research. This program is managed in Planning and Project Management (PPM), with contributions from Engineering (ENG), Administration (ADM), and C&M.
- **Floodplain Administration.** Administers the Floodplain Regulation for the unincorporated areas of Maricopa County plus 11 municipalities. Delineates areas subject to the "100-year" flood, evaluates applications and issues permits for use of the floodplain, and identifies violators. Provides floodplain information to real estate and insurance agents and the general public. Maintains good standing in the Federal Flood Insurance Program to ensure eligibility for Federal Disaster Relief and so that citizens may purchase federally sponsored flood insurance. Participates in the Community Rating System that provides flood insurance discounts to citizens. This program is managed in Regulatory Division (REG), with contributions from ENG, ADM, and PPM.

- **Drainage Administration.** Administers the County Drainage Regulation (prepared by the District), to reduce existing and potential flooding caused by local stormwater. Coordinates with County Planning, Transportation, Public Health and Building Safety to insure that new development will not increase runoff, divert flows, or back water onto another property. This program is managed in REG, with contributions from ENG, ADM, and PPM.
- **Property Management.** Manages all aspects of District real property interests. Includes preparing leases, joint use agreements, licenses for access, and selling excess property (after project construction) when market conditions are favorable. This program is managed in LM, with contributions from all divisions.
- **Flood Warning and Data Collection.** Designs, implements and maintains a real-time system to monitor flood control structures and to provide data to the County Emergency Management Department for flood event planning and evacuation. The system information is used by the National Weather Service, Bureau of Reclamation, U.S. Geological Survey, Pinal and Yavapai Counties, and a number of state, municipal, and Maricopa County agencies. Develops warning and evacuation plans and disseminates rainfall and stream gauge data for use by various agencies. This program is managed in ENG, with contributions from all divisions.
- **Planning.** Identifies regional drainage and flooding problems and develops alternative solutions to protect life and property. This is accomplished through area drainage master studies, the comprehensive plan, watercourse master plans, and a formal project prioritization process that ranks candidate projects. This process was developed with input from the municipalities. Public involvement and environmental assessment are integral parts of the planning process. This program is managed in PPM with contributions from all divisions.
- **Capital Improvement.** Flood control and stormwater management projects identified through the planning process and recommended for inclusion in the Five-Year Capital Improvement Program (CIP) are approved by the Board of Directors. The CIP includes acquisition of rights-of-way, relocation of utilities, design and construction of drainage and flood control facilities, including aesthetic features. Public involvement and compliance with environmental laws and regulations are integral to all CIP projects. This program is managed in PPM, with contributions from all divisions. Current CIP projects and existing structures are shown on the map at the end of this Executive Summary.

**Budget History.** The next three pages show the budget history for three years, by program, including the staff full-time-equivalents (FTE) and percent outsourced. The corresponding flood control tax rates per \$100 of assessed value are:

Fiscal Year	1992-93	\$0.3901
	1993-94	\$0.3632
	1994-95	\$0.3632

Page i-9 is a summary of program budgets and tax rates for FY 1991-92 through FY 1995-96.

FLOOD CONTROL DISTRICT  
 FY 92/93 PROGRAM BUDGET

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	112	3,493,387	2,506,237	1,111,804	203,733	7,315,161	52%
Environmental	10	382,750	2,314,192	24,585	4,505	2,726,032	86%
Floodplain Management	17	680,347	1,277,208	43,103	7,898	2,008,556	66%
Drainage Administration	18	689,478	666,821	43,643	7,997	1,407,939	51%
Property Management	10	320,820	186,254	21,930	4,019	533,023	40%
Data Collection & Flood Detection	15	585,808	577,652	37,540	6,879	1,207,879	52%
Planning	32	1,370,210	3,082,741	83,788	15,354	4,552,093	70%
Capital Improvement Projects	43	1,949,900	37,714,495	117,954	21,615	39,803,964	95%
<b>Total</b>	<b>257</b>	<b>9,472,700</b>	<b>48,325,600</b>	<b>1,484,347</b>	<b>272,000</b>	<b>59,554,647</b>	<b>84%</b>

Actual expenditures are not available in this format.

FLOOD CONTROL DISTRICT  
FY 93/94 PROGRAM BUDGET

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	117	3,710,432	4,081,257	823,862	114,918	8,730,469	58%
Environmental	10	400,084	1,982,339	28,275	34,998	2,445,696	84%
Floodplain Management	19	814,307	1,316,268	67,813	71,736	2,270,124	64%
Drainage Administration	18	792,570	141,589	62,298	64,907	1,061,364	25%
Property Management	6	245,862	115,882	17,328	21,449	400,521	39%
Data Collection & Flood Detection	16	640,346	637,642	45,137	55,865	1,378,990	54%
Planning	26	954,753	1,772,464	68,817	85,180	2,881,214	67%
Capital Improvement Projects	45	2,221,079	34,723,588	158,006	195,571	37,298,244	94%
Total	257	9,779,433	44,771,029	1,271,536	644,624	56,466,622	83%

FLOOD CONTROL DISTRICT  
FY 93/94 PROGRAM EXPENDITURES

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	104	3,295,825	3,342,596	1,295,202	102,535	8,036,158	59%
Environmental	10	335,121	757,183	44,451	31,227	1,167,982	71%
Floodplain Management	18	748,187	974,664	106,610	64,006	1,893,467	60%
Drainage Administration	18	818,199	197,096	97,939	57,913	1,171,148	30%
Property Management	6	229,477	86,537	27,242	19,138	362,393	37%
Data Collection & Flood Detection	14	560,842	412,353	70,960	49,845	1,094,001	49%
Planning	24	893,084	1,416,456	108,188	76,002	2,493,730	64%
Capital Improvement Projects	38	986,355	36,377,542	248,403	174,498	37,786,798	97%
Total	232	7,867,090	43,564,427	1,998,995	575,165	54,005,677	85%

FLOOD CONTROL DISTRICT  
 FY 94/95 PROGRAM BUDGET

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	112	3,104,469	2,275,941	1,731,690	452,856	7,564,956	59%
Environmental	12	422,772	816,422	44,180	11,554	1,294,928	67%
Floodplain Management	20	777,665	941,577	74,615	19,513	1,813,370	57%
Drainage Administration	21	827,601	128,166	75,946	19,861	1,051,574	21%
Property Management	8	292,264	14,475	22,020	5,758	334,517	13%
Data Collection & Flood Detection	15	555,029	866,642	58,556	15,313	1,495,540	63%
Planning	26	1,116,728	2,391,373	107,364	28,077	3,643,542	69%
Capital Improvement Projects	45	2,102,622	34,624,994	202,245	52,889	36,982,750	94%
Total	259	9,199,150	42,059,590	2,316,616	605,821	54,181,177	83%

**FLOOD CONTROL DISTRICT  
COMPARATIVE BUDGET BY PROGRAM**

PROGRAMS	FY 91/92		FY 92/93		FY 93/94		FY 94/95		FY 95/96	
	FTEs	BUDGET								
MAINTENANCE	115	\$ 5,042,332	112	\$ 7,315,161	117	\$ 8,730,469	112	\$ 7,564,956	114	\$ 7,865,582
ENVIRONMENTAL			10	2,726,032	10	2,445,696	12	1,294,928	11	1,175,248
FLOODPLAIN ADMINISTRATION	18	3,381,363	17	2,008,556	19	2,270,124	20	1,813,370	15	1,461,684
DRAINAGE ADMINISTRATION	21	983,848	18	1,407,939	18	1,061,364	21	1,051,574	22	1,402,776
PROPERTY MANAGEMENT	8	447,626	10	533,023	6	400,521	8	334,517	8	528,051
FLOOD DETECTION & DATA COLLECTION	15	1,881,117	15	1,207,879	16	1,378,990	15	1,495,540	15	1,478,503
PLANNING	25	3,883,474	32	4,552,093	26	2,881,214	26	3,643,542	16	2,381,644
CAPITAL IMPROVEMENTS PROGRAM	42	61,723,540	43	39,803,964	45	37,298,244	45	36,982,750	40	32,198,931
<b>TOTAL</b>	<b>244</b>	<b>\$ 77,343,300</b>	<b>257</b>	<b>\$ 59,554,647</b>	<b>257</b>	<b>\$ 56,486,622</b>	<b>259</b>	<b>\$ 54,181,177</b>	<b>241</b>	<b>\$ 48,492,420</b>
<b>TAX RATES</b>		<b>\$ 0.4447</b>		<b>\$ 0.3901</b>		<b>\$ 0.3632</b>		<b>\$ 0.3632</b>		<b>\$ 0.3632 (assumed)</b>

**Previous Audits.** In January 1992, a performance audit was completed by Arthur Anderson under contract with the County Auditor. The audit indicated the potential for productivity improvement in six areas: procurement, contract and cost management, project process complexity, accounting, budgeting and payroll, research and public information, and an area called "general". Of the 28 findings recommended by the Audit, action was taken to implement 14 of those findings. Seven were beyond the authority of the District staff to implement, requiring action by supporting County departments. These have still not been implemented. Five of the Arthur Anderson findings was not implemented because the District did not agree that it would result in improved services.

In February 1993, Carl Darden, Management Consultant, completed a management audit of the progress made in implementing the participative management concept in the Transportation and Development Agency and to determine if management was supporting expectations relative to safety, ethics, behavior, conduct, and providing the proper working environment. The conclusion was that significant positive change had happened. While the recommendations have all been implemented, they do require continuing effort.

#### **Issues and District Staff Conclusions.**

- **Has the District gotten away from or completed its original mission?**

No. Clearly, the focus of the District was intended to be comprehensive flood control and stormwater management. The District's activities have never been restricted to regional projects, however, a review of the 46 projects in the current five-year CIP indicates that 40 (87%) are regional (as defined on page i-14). In terms of expenditures, 85% of CIP dollars are for regional projects. All of the District's other budget programs are comprehensive and regional in nature.

- **Should any of the District's eight programs be reduced or eliminated?**

None should be eliminated. The appropriate amount to spend on each one is a matter of continuing adjustment, and continuous improvement in productivity and cost effectiveness are perpetual goals. The first six programs either have large mandated or contractually required elements or provide services which the County would otherwise probably provide, are regional services in which there has been considerable capital investment and upon which many agencies depend, or which produce more revenue than they cost.

Except for Maintenance (the highest priority program because of mandates and public safety issues), the other five programs are relatively small. If programs must be reduced, attention should be concentrated on the Planning and Capital Improvement Programs, where most of the money is.

- **Should the Planning and Capital Improvement Programs be reduced or eliminated?**

The answer to this question is a policy decision at the Board of Directors/Supervisors level. It gets down to the most fundamental, the most global issues of how important

is continuing to increase the level of flood protection when compared to the other needs of our citizens during a period of limited resources.

The consequences of eliminating these programs immediately or next year are severe. It would mean abrogating intergovernmental agreements (IGA) and terminating design and construction contracts in progress, which would be quite wasteful. There are contractual commitments on some of the projects for five years.

Whatever funding level is decided, it is extremely important to provide stable, consistent funding over the five-year program period. Maintaining the level of confidence in the long term stability of the CIP by our customers and cost sharing partners is the greatest challenge to the program. During IGA negotiations with cost sharing partners, there is a reluctance to commit to funding a project or even to deposit funds with the District until after a contract has been awarded because of the fear that the Board of Directors will change its resolve about providing funding to enable completion of a project.

The instability of the CIP in recent years is apparent. For the first five years of the past decade, the flood control tax rate was \$0.50 per \$100 of assessed value. In fiscal year 1990, staff recommended that the Board reduce the tax rate to \$0.43, which was enough, at that time, to cover the anticipated CIP. In fiscal years 1992-93 and 1993-94, the Board lowered the flood control tax rate to offset increases in the primary property tax rate. In both of those years, the Board approved five-year CIPs which required future flood control tax rate increases to accomplish the projects included in the program. The CIP approved in 1993 contained \$164 million worth of projects, and would have required a tax rate increase beginning in FY 1994-95. The CIP approved in 1994 contained \$121 million worth of projects, and many of them were pushed out of the five-year program. The actual flood control tax rate has been \$0.3632 for the past two years, and is projected forward in the current CIP.

The instability of the CIP has been a major reason for the introduction, this year and last, of proposed legislation that would enable large cities to withdraw from the county flood control districts in Pima and Maricopa Counties, and to form their own municipal flood control districts, with exclusive authority to tax for flood control purposes.

To the extent that the District's programs are curtailed, needed services to the public will be reduced or provided less cost effectively by others. Most flood control and stormwater management problems in a large metropolitan area are regional/interjurisdictional in nature. The District is in a better position than individual communities to deal with such projects in a comprehensive manner and to coordinate the solutions across boundaries. Solutions implemented on an interjurisdictional basis are potentially more cost effective and more likely to provide a higher level of protection. Frequently the District is able to facilitate a solution and entice the jurisdictions to cost share in the solution by bringing expertise and funding into the negotiations.

The County-wide property tax enables the District to focus attention on the most urgent problems as identified in the prioritization process. Additionally, the District has been able to leverage funds from other agencies. For example, the Arizona Department of Transportation has been a cost sharing partner on several flood control projects, and has allowed the District to use its facilities as a discharge outlet on other projects. The District has also been able to work with the U.S. Air Force as a cost sharing partner in flood control measures to protect Luke Air Force Base and part of the unincorporated County.

Several municipalities have raised the issue of fairness, with respect to benefits received. Most of the revenues from the flood control property tax come from property located in cities. Almost half comes from the City of Phoenix. In the long run, municipalities expect that the District will spend money to benefit their taxpayers in amounts roughly equal to their taxes paid. In the short run, projects are prioritized based on need and value to the community, and the distribution of projects by city is unbalanced. At the moment, some areas and cities are ahead, and some are way behind. It can be argued that it is unfair to stop the CIP in the middle, when there are still many potential projects that the cities want. The table on the next page shows a summary of how things stand, now.

For example, the table shows that since 1978, property in the City of Phoenix yielded 49.6% of the flood control tax revenues. It also shows that Phoenix benefited from projects using 43.7% of District tax revenues or 46.2% of the total District, State, and Federal money spent on District sponsored projects. Scottsdale, on the other hand, yielded 10.2% of the revenues and received 2.7% or 5.3% in projects. Expenditures allocated to each city do not include District overhead, and include only costs associated with planning, capital improvement, and maintenance. Other program benefits to cities are not included. Details of this are presented in the Planning Program section of this Comprehensive Program Review.

- **How does the District compare to other similar agencies, with respect to organization, programs, funding, cost effectiveness, and other factors?**

No overall benchmarking has yet been done in conjunction with this review, other than that indicated in the individual program sections.

**Flood Control Project Expenditures - 1978 through 1994**  
by Municipality in 1994 Dollars

**Summary Table**

City/Town	District Expenditures	% of District Exp.	Total Exp. (FCD/State/Fed)	% of Total Exp.	District Revenue	% of District Rev.	Total Rev. (FCD/State/Fed)	% of Total Revenue
Phoenix	\$238,379,630	43.7%	\$463,648,699	46.2%	\$310,017,356	49.8%	\$535,286,425	49.6%
Mesa	\$44,764,913	8.2%	\$93,650,747	9.3%	\$63,014,028	10.1%	\$111,899,862	10.4%
Peoria	\$52,786,650	9.7%	\$88,342,249	8.8%	\$8,986,443	1.4%	\$44,542,043	4.1%
Glendale	\$39,886,373	7.3%	\$66,084,732	6.6%	\$29,654,239	4.8%	\$55,852,597	5.2%
Scottsdale	\$14,987,397	2.7%	\$52,918,901	5.3%	\$72,147,196	11.6%	\$110,078,699	10.2%
Avondale	\$36,816,444	6.7%	\$39,998,716	4.0%	\$1,613,191	0.3%	\$4,795,463	0.4%
Gilbert	\$14,656,992	2.7%	\$30,006,975	3.0%	\$5,766,964	0.9%	\$21,116,947	2.0%
Tempe	\$24,833,602	4.5%	\$24,833,602	2.5%	\$48,748,729	7.8%	\$48,748,729	4.5%
Chandler	\$13,171,993	2.4%	\$23,862,207	2.4%	\$20,040,193	3.2%	\$30,730,407	2.8%
Surprise	\$22,401,557	4.1%	\$22,401,557	2.2%	\$1,317,539	0.2%	\$1,317,539	0.1%
Buckeye	\$4,253,922	0.8%	\$5,880,700	0.6%	\$1,267,014	0.2%	\$2,893,793	0.3%
Queen Creek	\$944,020	0.2%	\$3,387,434	0.3%	\$61,166	0.0%	\$2,504,580	0.2%
Paradise Valley	\$1,753,093	0.3%	\$2,944,893	0.3%	\$11,736,468	1.9%	\$12,928,269	1.2%
Goodyear	\$1,834,808	0.3%	\$1,834,808	0.2%	\$2,019,617	0.3%	\$2,019,617	0.2%
Litchfield Park	\$1,696,797	0.3%	\$1,696,797	0.2%	\$601,770	0.1%	\$601,770	0.1%
Wickenburg	\$1,227,370	0.2%	\$1,227,370	0.1%	\$1,048,436	0.2%	\$1,048,436	0.1%
Fountain Hills	\$460,938	0.1%	\$460,938	0.0%	\$1,036,018	0.2%	\$1,036,018	0.1%
El Mirage	\$177,992	0.0%	\$177,992	0.0%	\$616,251	0.1%	\$616,251	0.1%
Guadalupe	\$101,746	0.0%	\$101,746	0.0%	\$236,370	0.0%	\$236,370	0.0%
Carefree	\$0	0.0%	\$0	0.0%	\$1,687,516	0.3%	\$1,687,516	0.2%
Tolleson	\$0	0.0%	\$0	0.0%	\$1,122,179	0.2%	\$1,122,179	0.1%
Youngtown	\$0	0.0%	\$0	0.0%	\$1,020,586	0.2%	\$1,020,586	0.1%
Cave Creek	\$0	0.0%	\$0	0.0%	\$716,477	0.1%	\$716,477	0.1%
Gila Bend	\$0	0.0%	\$0	0.0%	\$366,468	0.1%	\$366,468	0.0%
Apache Junction	\$0	0.0%	\$0	0.0%	\$23,152	0.0%	\$23,152	0.0%
Unincorporated	\$30,907,247	5.7%	\$79,370,409	7.9%	\$38,257,227	6.1%	\$86,720,389	8.0%
<b>TOTAL</b>	<b>\$546,043,483</b>	<b>100.0%</b>	<b>\$1,002,831,472</b>	<b>100.0%</b>	<b>\$623,122,594</b>	<b>100.0%</b>	<b>\$1,079,910,583</b>	<b>100.0%</b>

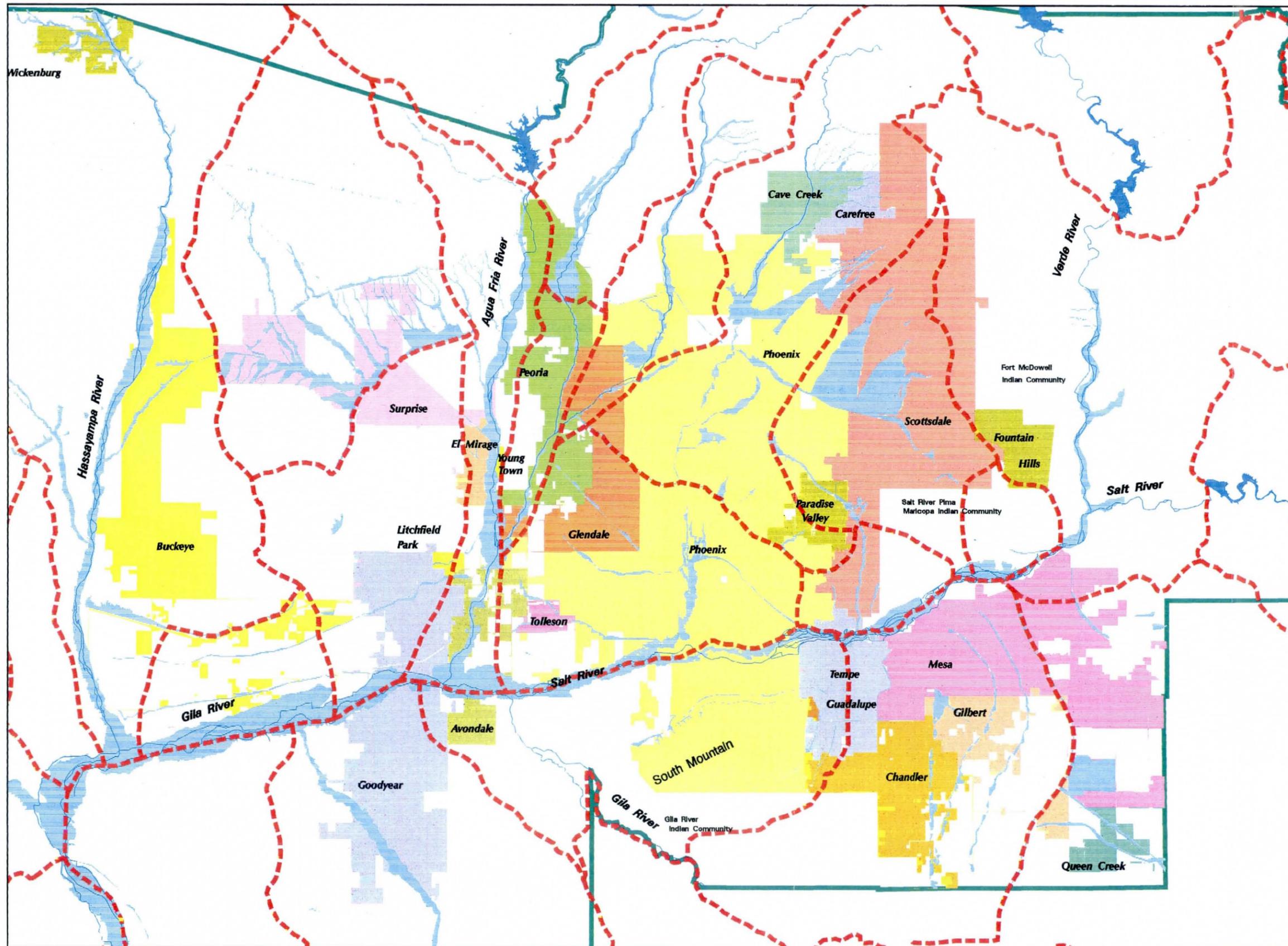
## **Definition of a Regional Flood Control or Stormwater Management Project**

Projects in the current Five-year Capital Improvement Program have been evaluated against each of the following criteria. A regional project is one that fits at least one of these criteria.

1. The watershed contributing to the project is located in or the downstream impacts affect more than one municipality, at least one municipality and the unincorporated county, or only the unincorporated county or counties.
2. The project receives funding from or is part of a multipurpose project involving a federal, state, or county agency, or more than one municipality (e.g., drainage structures associated with highway construction).
3. The project is a primary element of a drainage master plan that affects more than one municipality, at least one municipality and the unincorporated county, or only the unincorporated county or counties.
4. The project is required as mitigation for, protects the integrity or improves the performance of an existing District flood control or stormwater management project, or enhances the resale value of property owned by the District.
5. The project, regardless of its location, is a primary element of a drainage master plan that manages stormwater from a watershed at least ten square miles in area or provides benefits to or impacts an area of at least ten square miles.
6. The project provides District operating facilities or facilities associated with the District's flood warning program or the National Pollutant Discharge Elimination System.

NOTE: Projects that do not meet any of the above criteria could still be prioritized as appropriate projects for the District. They just couldn't be characterized as "regional" projects.

# Metropolitan Phoenix Watersheds

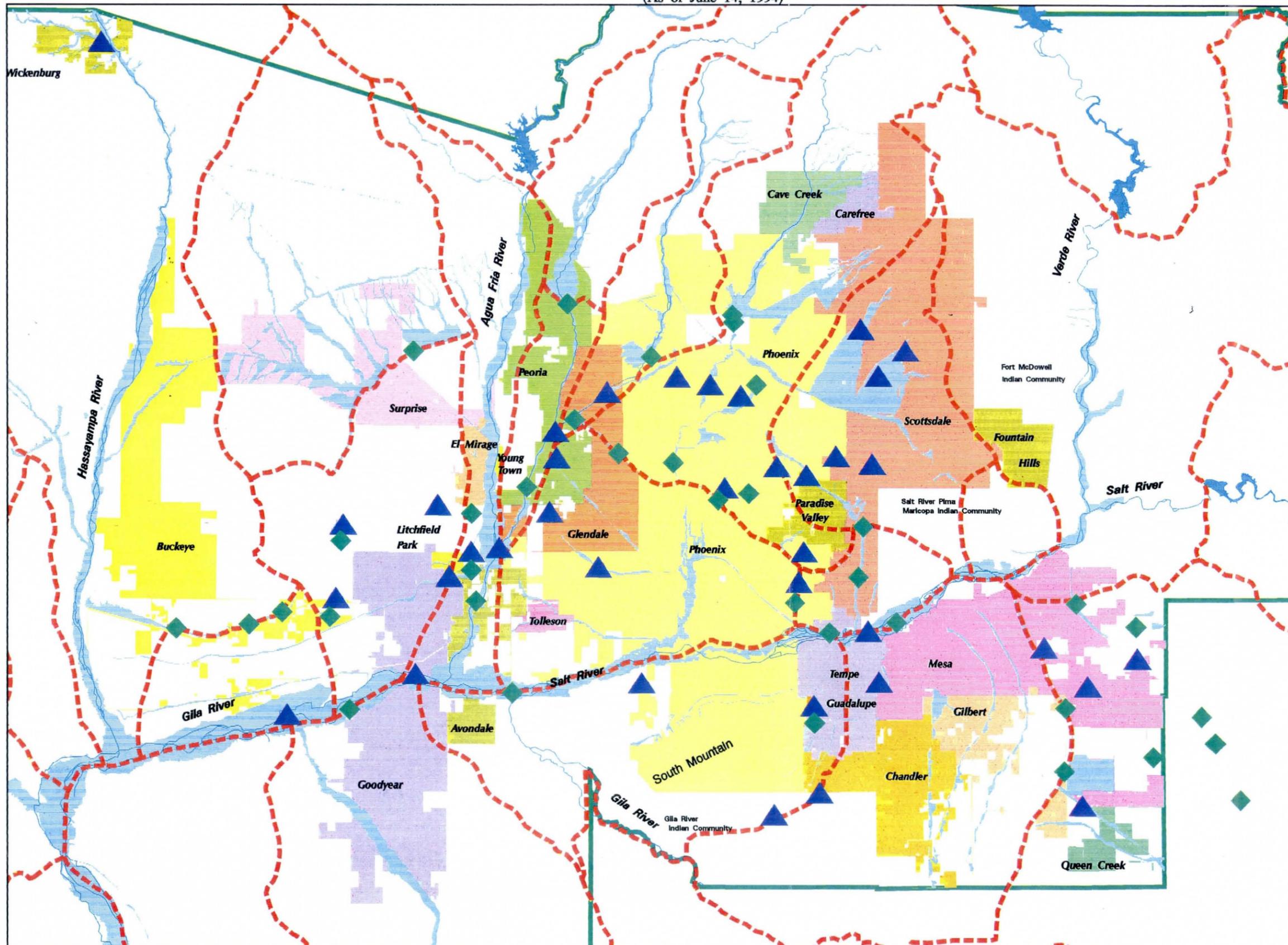


- County Boundary
- Watershed Boundaries
- Lakes
- 100 Year Floodplains



# C.I.P. Projects & Existing Structures

(As of June 14, 1994)



- ◆ Existing Structures
- ▲ C.I.P. Projects
- County Boundary
- - - Watershed Boundaries
- Lakes
- 100 Year Floodplains



Comprehensive Program Review  
Flood Control District

**I. PURPOSE**

The purpose of this report is to comprehensively review the full range and nature of services offered by the Flood Control District, identify the nature and the issues of its programs, prioritize current programs and services as they relate to the District's mission and to that of the County, and identify and evaluate the costs and relative benefits of each program.

## II. DEPARTMENT OVERVIEW

### A. HISTORY OF THE FLOOD CONTROL DISTRICT

#### 1. Formation of the District:

Although the Arizona State legislature passed a law enabling establishment of general flood control districts in 1924, and the United States Congress passed the Flood Control Act in 1936, there were delays in establishing the Flood Control District of Maricopa County until 1959. Most of the effort to plan for effective flood control within Maricopa County came during the mid-1950's from the Maricopa County Board of Supervisors, the Salt River Project and the City of Phoenix.

Prior to WWII, various groups within Maricopa County attempted to organize flood control through local cooperatives and municipalities. None of these flood control groups were able to provide adequate flood protection during moderate to large floods. However, they did point the need for a larger, regional flood control agency that could provide the scope of protection that Maricopa County needed.

After WWII, efforts at establishing flood protection began again, particularly from political leaders, who recognized the need for a comprehensive flood control program. Their concerns were that without adequate flood protection, future growth of the County would be impaired.

Selling flood protection was difficult for two reasons. First, for the 25 year period beginning in 1943 there was virtually no flooding in the Salt River channel which bisects the Valley. Most of the people residing in the County after the war had not experienced flooding, so they were reluctant to allocate funds for flood protection. Many simply believed that flooding was not a significant problem.

Second, there was controversy from federal, state, county and municipal authorities as to who would actually fund and ultimately control the flood control agency. Phoenix and other municipalities had been making efforts to provide some sort of storm drainage and flood control within their borders but found that their resources were too limited and that many of the flooding problems stretched across municipalities where they lacked the jurisdiction to solve the problem. However, one of the benefits of the controversy was to point out the need for an organized study of the flood problem within the county and to formulate solutions.

By 1954, members of the Maricopa County Board of Supervisors, the Phoenix City Council and the Board of Directors of the Salt River Project recognized this need and called for the formation of a citizen's advisory board to study and produce a report describing the flood control problem and to suggest solutions. In 1956, the citizens advisory board work resulted in the recommendation that a formal committee be established to prepare a report with recommendations for the formation of an interim agency to do planning, establish rights-of-way, and basically pave the way for the establishment of the Flood Control District. The Flood Protection Improvement Committee was formed in early 1957 with a total of nine members: three each from Maricopa County, Salt River Project and the City of Phoenix. After a year of study, they

produced the *Report of the Flood Protection Improvement Committee* which outlined the formation of the a flood protection program. The report detailed the need for the establishment of flood control districts which could be funded through bonds and tax levies, and organized a municipal corporations under the control of a board of directors. Although there had been laws enacted in 1924 enabling the formation of flood control districts, they lacked the ability to obtain funding from the public and, therefore, proved ineffective. By 1958, armed with the *Report*, community leaders approached the legislature and asked that a law be passed authorizing the formation of a flood control district. Concurrently, the Maricopa Flood Control Agency was formed with support from the Salt River Project and Maricopa County to begin to planning for the future.

Two events aided the campaign for legislation. First, then Governor Jack Williams began to actively campaign on behalf of the legislation and also a relatively small flood occurred early in 1959 to accent the need for flood protection within Maricopa County. On March 23, 1959, the Twenty-fourth Legislature passed Senate Bill No. 204 which authorized the formation of a Special Flood Control District by the Board of Supervisors of any county within the State of Arizona. Within a few weeks the Board of Supervisors recommended the formation of the "Flood Control District of Maricopa County". In November 1963, the District published its first Comprehensive Flood Control Program Report. This report included recognition of two citizens' groups: the Citizen's Advisory Board and the Advisory Group. Both of these groups continue today in an advisory capacity under the titles of the Flood Control Advisory Board (FCAB) and the Flood Control Consulting Group.

## 2. Recent History:

Since the District's inception, and discounting the increased maintenance responsibilities caused by the addition of new structures, three significant events have occurred which have affected the District's growth and plans. In August 1982, the District assumed responsibility for floodplain management from the County. Following in September 1983, the District assumed responsibility for drainage administration from the County. And lastly, in May 1991, the District, through the Chief Engineer and General Manager, was directed to establish compliance programs for the National Pollutant Discharge Elimination System (NPDES) stormwater regulation and to provide regional coordinating and management services in cooperation with Maricopa County and interested municipalities. This last program has involved significant coordination and lobbying on the Federal Clean Water Act. All three of these programs are currently carried as separately budgeted programs within the District's overall budget.

## 3. Mission of the District:

For many years the mission of the District was to prevent loss of life or injury to residents and the elimination or minimizing of damage to real and personal property from flooding within the geographical limits of Maricopa County. In April 1992, this mission statement was formalized in the District's Strategic Plan. Currently, the mission of the District is "To provide flood and stormwater management services for the benefit of the people of Maricopa County. These services are provided through regulatory activities, master planning, technical assistance, and structural projects such as dams, channels, and stormdrains. Our clients are the citizens, municipalities, and other governmental

agencies." This mission statement has remained the cornerstone of District activities.

4. General Legislative Mandates (Specific Mandates are included in the Program Reviews):

The District derives its authority from Arizona Revised Statutes §§ 48-3601 to 48-3628. This series of statutes requires the County to form a Flood Control District, requires the District to manage floodplains and provides the District with the powers, duties and immunities generally granted to a municipal corporation. This section is divided into two parts: mandates and statutory authorities. The following information summarizes the major statements of statutory guidance:

MANDATES:

1. A.R.S. § 48-3602. Requires the formation of the District and directs that the County Board of Supervisors perform as the District Board of Directors.
2. A.R.S. § 48-3609. Requires the District to delineate floodplains within its area of jurisdiction. It also directs the Board to adopt and enforce floodplain regulations governing floodplains and floodplain management. The area of jurisdiction includes both incorporated and unincorporated areas, unless a municipality elects to assume floodplain management duties and responsibilities.
3. A.R.S. § 48-3610. Directs the District to manage all floodplains within the County unless a city or town, by resolution, assumes those duties. In other words, the burden of management rests with the District.
4. A.R.S. § 48-3616.
  - a. Requires the Chief Engineer to survey the flood control problems, and "...to prepare a report describing existing flood control facilities in the area, recommendations as to cooperation between the district and the owner or owners of existing facilities, recommendations and a preliminary plan for the construction or other acquisition, of facilities to carry out the purpose of the district, a description of the property proposed to be acquired or damaged in performing the work, a program for carrying out the regulatory functions, a map showing the property taken or damaged, an estimate of the cost of the proposed work and such other things as the board of directors may request."
  - b. This statute also requires the Chief Engineer to prepare a comprehensive program of flood hazard mitigation, taking into consideration the recommendations submitted in the report.
  - c. This statute further requires the Chief Engineer to prepare and submit to the Board of Directors a five-year capital improvement program.
5. A.R.S. § 48-3620. Requires the District to certify to the Board of Supervisors the amount of taxes the District "...considers necessary or appropriate to pay the expenses of administering the district and maintaining and operating the district's flood control system, to carry out its regulatory functions and to carry out any of the objects and purposes of this article of common benefit to the district."

STATUTORY AUTHORITY:

1. A.R.S. § 48-3603. Provides the District with the powers, privileges and immunities granted generally to municipal corporations. This statute also defines the Board's authority.
2. A.R.S. § 48-3605. Provides parameters for state assistance for floodplain delineations.
3. A.R.S. § 48-3611. Authorizes the formation of a citizen's Flood Control Advisory Board.
4. A.R.S. § 48-3612. Authorizes the formation of a Floodplain Review Board.

In addition to the above listed general mandates, the Chief Engineer and General Manager has been appointed by the Board of Supervisors to function as the County Drainage Administrator. The statutory authority for this function was delegated to the District by a County Board of Supervisor's and a District Board of Director's intergovernmental agreement dated September 12, 1983. The statutory authority for drainage administration rests with A.R.S. § 11-251 paragraphs 30 and 36 which require the County to adopt and enforce standards for excavation, landfill and grading to prevent unnecessary loss from erosion, flooding and landslides.

5. Board Granted Authorizations and Policies

- a. Resolution FCD 87-8. Statement of Policy. Delegations of Authority to the Chief Engineer and General Manager of the Flood Control District.
  - 1). Reaffirmed previous delegations which granted the Chief Engineer broad authority (See Exhibit A of Resolution FCD 87-8).
  - 2). Recognized the transition from federal to local projects and extended the authority applicable to the federal projects to local projects.
  - 3). Authorized the Chief Engineer and General Manager to delegate authority to perform tasks.
  - 4). Negotiate with landowners to acquire property for a project approved by the Board.
  - 5). Hire, retain, or otherwise use the County Attorney or private counsel for project land acquisition.
  - 6). Negotiate and sign agreements with owners of highways, roads, bridges, utilities, streets and irrigation facilities for modification or relocation for board approved projects.
  - 7). Negotiate for services of consulting firms for specified work on approved projects.

- 8). Sign easement, licenses, permits and similar documents for use of rights-of-way provided the documents are issued at no cost to the District.
  - 9). Sign applications for State land.
  - 10). Negotiate with consulting firms for specified professional services.
- b. Drainage Design Manual for Maricopa County, Arizona. Three volumes:
    - 1). Volume 1. Hydrology. Provides technical procedures for the estimation of flood discharges for the purpose of designing stormwater drainage facilities in Maricopa County.
    - 2). Volume 2. Hydraulics.
    - 3). Volume 3. Erosion Control. Provides guidance to agencies, engineers, and contractors in complying with the United States Environmental Protection Agency's requirements and procedures for the National Discharge Elimination System General Permit for stormwater discharges from construction sites.
  - c. Drainage Regulation for the Unincorporated Area of Maricopa County, Arizona. Adopted September 26, 1988. Last amended December 14, 1994. This document regulates drainage of all land within the unincorporated area of Maricopa County, Arizona.
  - d. Floodplain Regulations for Maricopa County. Adopted August 4, 1986. Last amended December 15, 1993. This document is the enforcement tool necessary to discharge statutory duties that involve floodplain issues.
  - e. General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities. Adopted July 1988. Last amended September 7, 1993. This Board approved policy provides District staff with guidelines for allocation of fiscal resources during the budget process.
  - f. Intergovernmental agreement (IGA) with the County for support services. The initial resolution that empowered the County Manger and the Chief Engineer and General Manager to enter into mutually acceptable agreements for the use of County employees and facilities by the District was approved on May 9, 1960. This resolution was reaffirmed and expanded by an IGA FCD-89004, signed on March 20, 1989. This intergovernmental agreement also established the District as its own office of record except for services provided to the Board of Directors in which case the Clerk of the Board would be the office of record. In 1994, this IGA was amended to allow the Board of Directors' policies to be implemented through the County Administrative Officer.
  - g. Policy for the Aesthetic Treatment and Landscaping of Flood Control Projects. December 1992. Provides guidance for incorporating aesthetic features as an integral part of the planning, design and construction of flood control projects, and for

promoting consideration of aesthetics in the design of new structures, alterations to existing structures, and other projects to be developed by, or funded in whole or in part by the District.

- h. Procedure for Identifying and Prioritizing Potential 5-Year CIP Projects.
- i. Resolution FCD 91-07 which authorized the Chief Engineer and General Manager to coordinate, manage and cooperate with efforts to achieve compliance with the Federal Clean Water Act NPDES Stormwater Permitting Program.
- j. Uniform Drainage Policies and Standards for Maricopa County. Adopted April 20, 1987. This document established temporary standards until publication of the Drainage Design Manual.

**B. ORGANIZATIONAL STRUCTURE AND FUNCTIONS**

- 1. The Flood Control District of Maricopa County is composed of six divisions: Administration, Construction and Maintenance, Engineering, Land Management, Planning and Project Management and Regulatory. These divisions are essentially function oriented and do not directly relate to the Performance Enhanced Program (PEP) management programs. Essentially, the District is organized in functionally and managed in a matrix fashion. The Executive Section contains two FTEs, one of which is the Chief Engineer and General Manager.
- 2. The Administration Division is a support services organization composed of six functional areas: Administrative Support Services, Computer Information Systems, Contracting, Facility Management, Financial Services and Public Involvement. The division is responsible for providing support to all the other District divisions. The division is staffed as follows:

(Note: "Managers" are defined as people who spend in excess of 50% of their time in management and supervision. Refer to the attached organization charts for specific information about position location and span of control.)

<b>BRANCH</b>	<b>FTEs</b>	<b>MANAGEMENT/ TOTAL STAFFING</b>	<b>MANAGEMENT RATIO</b>
Division Management	1	1/1	N/A
Admin Support Svcs	7	1/7	14.3%
Computer Info Sys	16	1/16	6.3%
Contracting	3	-/3	0%
Facility Management	1	-/1	0%
Financial Services	12	1/12	8.3%
Public Involvement	4	-/4	0%

TOTAL 44 4/44 9.1%

3. The Construction and Maintenance Division is responsible for the maintenance of the flood control structures and the inspection of construction contracts. The division is composed of nine functional areas: Administration, Construction Inspection, Ecology, Work Control, Shop/Warehouse, Maintenance Area I, Maintenance Area II, Arizona Canal Diversion Channel (ACDC), and ASPEN (prison labor). The division is staffed as follows:

BRANCH	FTEs	MANAGEMENT/ TOTAL STAFFING	MANAGEMENT RATIO
Division Management	1	1/1	N/A
Administration	3	-/3	0%
Construction Inspection	7	1/7	14.3%
Ecology	8	-/8	0%
Work Control	3	-/3	0%
Shop/Warehouse	6	-/6	0%
Maintenance Area I	26	1/26	3.8%
Maintenance Area II	26	1/26	3.8%
ACDC	15	1/11	9.1%
ASPEN	11	-/11	0%
TOTAL	106	5/106	4.7%

4. The Engineering Division is the focal point for the District's technical efforts. The division is composed of four branches: Hydrology, Civil/Structural, Hydraulics, and Warning and Data Collection. The division reviews all contracted design work, manages technical contracts such as geotechnical analysis and survey, designs flood control structures, and manages an automated and telemetered system that evaluates rainfall, streamflow and stormwater quality. The division is staffed as follows:

BRANCH	FTEs	MANAGEMENT/ TOTAL STAFFING	MANAGEMENT RATIO
Division Management	2	1/2	50%
Civil/Structures	8	-/8	0%
Hydraulics	6	-/6	0%

Hydrology	7	-/7	0%
Warning/Data Collection	13	1/13	7.7%
TOTAL	36	2/36	5.6%

5. The Land Management Division is composed of three branches: Property Aquisition, Property Management, and Property Engineering. The division is responsible for the acquisition of all real property required to complete flood control projects. The division is also responsible for managing all the real property owned by the District to include issuing of licenses and sale of non-essential property. In addition, the Property Engineering Branch prepares all legal descriptions for the acquisition and management of District property. The division is staffed as follows:

<b>BRANCH</b>	<b>FTES</b>	<b>MANAGEMENT/ TOTAL STAFFING</b>	<b>MANAGEMENT RATIO</b>
Division Management	3	1/3	33%
Property Acquisition	6	1/6	16.7%
Property Management	3	-/3	0%
Property Engineering	3	-/3	0%
TOTAL	15	2/15	13.3%

6. The Planning and Project Management Division is the focal point for remediation and/or correction of flood control problems within the County. The division is composed of four planning teams, four project managers, and a utility coordinator. The division is responsible for identifying and evaluating potential projects that address flooding problems and environmental issues. This section produces the District's Comprehensive Plan and the 5-Year CIP. The division is also responsible for the management of projects from the decision to act to the completion of the effort. The division is staffed as follows:

<b>BRANCH</b>	<b>FTES</b>	<b>MANAGEMENT/ TOTAL STAFFING</b>	<b>MANAGEMENT RATIO</b>
Division Management	2	1/2	50%
3 Planning Teams	6	-/6	0%
Envir. Planning Team	4	1/4	25%
Project Managers	4	-/4	0%

Utility Coordinator	1	-/1	0%
TOTAL	17	2/17	11.8%

7. The Regulatory Division is the District's compliance focal point. This division manages compliance with the District's floodplain regulation and the County drainage regulation. In addition, the division evaluates and approves development plans. Finally, the division manages the Community Rating System program for flood insurance and responds to citizens queries about floodplain information.

<b>BRANCH</b>	<b>FTEs</b>	<b>MANAGEMENT/ TOTAL STAFFING</b>	<b>MANAGEMENT RATIO</b>
Division Management	2	1/2	50%
Customer Service	4	-/4	0%
Development Review	5	-/5	0%
Inspection/Permitting	8	1/8	12.5%
Program Management	2	-/2	0%
TOTAL	21	2/21	9.5%
DISTRICT TOTAL	241	17/241	7.1%

---

II. Department Overview

FLOOD CONTROL DISTRICT  
FY 92/93 PROGRAM BUDGET

C and D

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	112	3,493,387	2,506,237	1,111,804	203,733	7,315,161	52%
Environmental	10	382,750	2,314,192	24,585	4,505	2,726,032	86%
Floodplain Management	17	680,347	1,277,208	43,103	7,898	2,008,556	66%
Drainage Administration	18	689,478	666,821	43,643	7,997	1,407,939	51%
Property Management	10	320,820	186,254	21,930	4,019	533,023	40%
Data Collection & Flood Detection	15	585,808	577,652	37,540	6,879	1,207,879	52%
Planning	32	1,370,210	3,082,741	83,788	15,354	4,552,093	70%
Capital Improvement Projects	43	1,949,900	37,714,495	117,954	21,615	39,803,964	95%
Total	257	9,472,700	48,325,600	1,484,347	272,000	59,554,647	84%

01-11

Actual expenditures are not available in this format.

2/21/95 5:46 PM

FLOOD CONTROL DISTRICT  
FY 93/94 PROGRAM BUDGET

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	117	3,710,432	4,081,257	823,862	114,918	8,730,469	58%
Environmental	10	400,084	1,982,339	28,275	34,998	2,445,696	84%
Floodplain Management	19	814,307	1,316,268	67,813	71,736	2,270,124	64%
Drainage Administration	18	792,570	141,589	62,298	64,907	1,061,364	25%
Property Management	6	245,862	115,882	17,328	21,449	400,521	39%
Data Collection & Flood Detection	16	640,346	637,642	45,137	55,865	1,378,990	54%
Planning	26	954,753	1,772,464	68,817	85,180	2,881,214	67%
Capital Improvement Projects	45	2,221,079	34,723,588	158,006	195,571	37,298,244	94%
Total	257	9,779,433	44,771,029	1,271,536	644,624	56,466,622	83%

FLOOD CONTROL DISTRICT  
FY 93/94 PROGRAM EXPENDITURES

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	104	3,295,825	3,342,596	1,295,202	102,535	8,036,158	59%
Environmental	10	335,121	757,183	44,451	31,227	1,167,982	71%
Floodplain Management	18	748,187	974,664	106,610	64,006	1,893,467	60%
Drainage Administration	18	818,199	197,096	97,939	57,913	1,171,148	30%
Property Management	6	229,477	86,537	27,242	19,138	362,393	37%
Data Collection & Flood Detection	14	560,842	412,353	70,960	49,845	1,094,001	49%
Planning	24	893,084	1,416,456	108,188	76,002	2,493,730	64%
Capital Improvement Projects	38	986,355	36,377,542	248,403	174,498	37,786,798	97%
Total	232	7,867,090	43,564,427	1,998,995	575,165	54,005,677	85%

FLOOD CONTROL DISTRICT  
 FY 94/95 PROGRAM BUDGET

Program	FTE	Personal Services	Contracted Sup & Ser	ISF	Agency County Overhead	Total	% Out Source
Maintenance	112	3,104,469	2,275,941	1,731,690	452,856	7,564,956	59%
Environmental	12	422,772	816,422	44,180	11,554	1,294,928	67%
Floodplain Management	20	777,665	941,577	74,615	19,513	1,813,370	57%
Drainage Administration	21	827,601	128,166	75,946	19,861	1,051,574	21%
Property Management	8	292,264	14,475	22,020	5,758	334,517	13%
Data Collection & Flood Detection	15	555,029	866,642	58,556	15,313	1,495,540	63%
Planning	26	1,116,728	2,391,373	107,364	28,077	3,643,542	69%
Capital Improvement Projects	45	2,102,622	34,624,994	202,245	52,889	36,982,750	94%
Total	259	9,199,150	42,059,590	2,316,616	605,821	54,181,177	83%

11-12

**FLOOD CONTROL DISTRICT  
COMPARATIVE BUDGET BY PROGRAM**

PROGRAMS	FY 91/92		FY 92/93		FY 93/94		FY 94/95		FY 95/96	
	FTEs	BUDGET								
MAINTENANCE	115	\$ 5,042,332	112	\$ 7,315,161	117	\$ 8,730,469	112	\$ 7,564,956	114	\$ 7,865,582
ENVIRONMENTAL			10	2,726,032	10	2,445,696	12	1,294,928	11	1,175,248
FLOODPLAIN ADMINISTRATION	18	3,381,363	17	2,008,556	19	2,270,124	20	1,813,370	15	1,461,684
DRAINAGE ADMINISTRATION	21	983,848	18	1,407,939	18	1,061,364	21	1,051,574	22	1,402,776
PROPERTY MANAGEMENT	8	447,626	10	533,023	6	400,521	8	334,517	8	528,051
FLOOD DETECTION & DATA COLLECTION	15	1,881,117	15	1,207,879	16	1,378,990	15	1,495,540	15	1,478,503
PLANNING	25	3,883,474	32	4,552,093	26	2,881,214	26	3,643,542	16	2,381,644
CAPITAL IMPROVEMENTS PROGRAM	42	61,723,540	43	39,803,964	45	37,298,244	45	36,982,750	40	32,198,931
<b>TOTAL</b>	<b>244</b>	<b>\$ 77,343,300</b>	<b>257</b>	<b>\$ 59,554,647</b>	<b>257</b>	<b>\$ 56,466,622</b>	<b>259</b>	<b>\$ 54,181,177</b>	<b>241</b>	<b>\$ 48,492,420</b>
TAX RATES		<u>\$ 0.4447</u>		<u>\$ 0.3901</u>		<u>\$ 0.3632</u>		<u>\$ 0.3632</u>		<u>\$ 0.3632 (assumed)</u>

**E. Staffing History**

	FY 91/92	FY 92/93	FY 93/94	Pre-Restructuring FY 94/95	Post-Restructuring FY 94/95
Overall	250	258	258	258	241
Administration	42/2	44/3	40/4	40/3	44/2
C&O (C&M)	113	119	119	120	106
Engineering	28	28	28	29	36
Hydrology	29	30	30	30	-
Land Mgt	19	17	17	17	15
P&PM	17	17	20	19	17
Regulatory	-	-	-	-	21

**FY 92/93** Administration +1 Facility Manager  
 +2 Information Systems  
 -1 Administrative Coordinator II

C&O +6 Field

Lands -2 Property Management  
 -1 Administration  
 +1 Property Acquisition

**FY 93/94** Administration -2 Public Information Offices  
 -1 Technical Communication Spec.  
 -1 Human Resource

PPM +2 Public Information Officers  
 +1 Technical Communication Spec.  
 +1 Human Resource

**FY 94/95** Executive -1 Human Resource

C&O +2 Environmental/Ecology  
 +1 Equipment Operator  
 -2 Maintenance Technician I

**FY 94/95** Restructuring

F. FUND INCOME:

District revenues come from various sources. These sources include the District's secondary tax levy on real property, local participation (commonly referred to as cost sharing), interest earned on the fund balance, rentals, revenues from licenses and permits, and sale of excess land. By far, the largest source of income is the tax levy. In FY 91/92, the tax levy accounted for 92.97% of total revenue. However, this percentage is decreasing. In FY 92/93 the tax levy accounted for 92.41%, in FY 93/94 86.17% and thus far this fiscal year (FY 94/95), the tax levy is accounting for only 73.56% of the total revenue. In addition, overall, the total revenue has been decreasing from a total of \$50,392,155 in FY 91/92 to a projected FY 94/95 total revenue of \$43,787,103. The decline in revenue would have been even steeper, had it not been for an unusually high contribution this year from cost sharing partners (\$7.5M) and sales of excess land. The inventory of excess land will soon be gone. As the current five-year CIP indicates, at a constant tax rate of \$0.3632, the amount available for the CIP will stabilize at about \$21M.

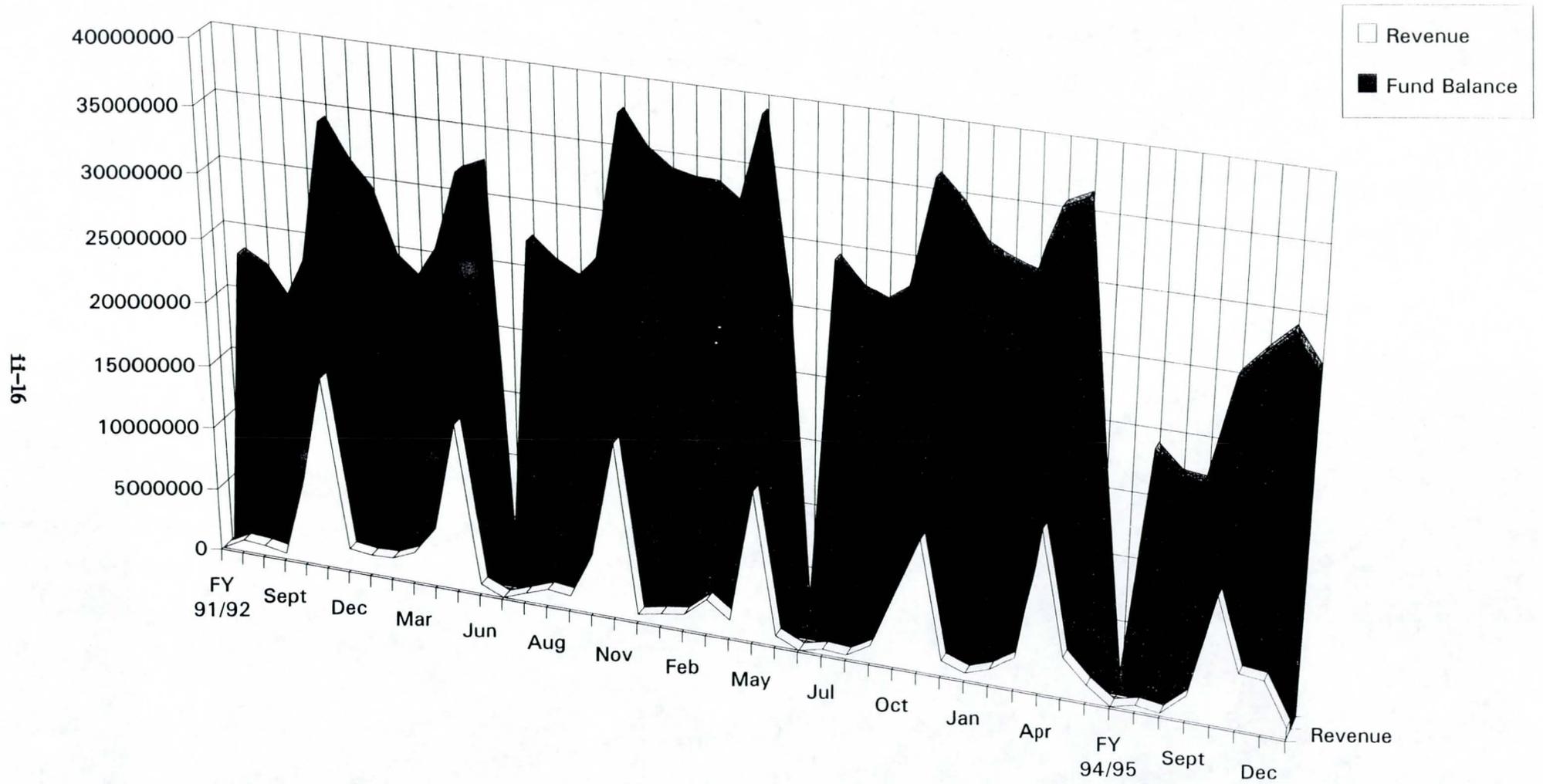
The major cause of the decreasing tax levy is the Board's policy decision not to raise taxes overall. In other words, because of the County's poor financial situation, the County needs increased revenue to meet and solve problems. In order not to raise the overall tax levied on the public, the County Board of Supervisors has used the District tax levy as leverage to maintain a level overall tax rate. Except for FY 94/95 where the District tax levy remained constant, the Board of Supervisors has for the three previous years set the District's portion of the tax rate lower than that needed to meet requests by the District's customers. As a result, projects are not being completed, being completed over a longer period of time, or they are being completed in stages. Generally, slowing down construction or completing construction in stages results in higher construction costs and therefore a greater total cost to the taxpayer. As an example, the initial list of ongoing and requested new projects for the current and approved five-year CIP (FY 95-99) contained a total of \$313,825,000. Of that total, \$301,325,000 successfully passed the Board of Directors approved prioritization process. However, the Board only approved \$121,714,000 for the five-year CIP which included \$104,461,000 in contributions from the District. Another vantage point of the downsizing occurs when things are viewed from a constant dollar perspective. For example, the present value of the District's FY 84/85 revenue (FY 84/85 revenue in FY 94/95 dollars) exceeds the current budget year's anticipated revenue. The following diagrams illustrate the overall downward trends.

Tax Rates by Fiscal Year

Year	Rate	Revenue
94/95	\$0.3632	\$36,033,223
93/94	\$0.3632	\$36,326,000
92/93	\$0.3901	\$39,722,000
91/92	\$0.4447	\$47,040,000
90/91	\$0.4235	\$47,040,000
89/90	\$0.4303	\$51,155,000
88/89	\$0.5000	\$52,500,000
87/88	\$0.5000	\$48,000,000
86/87	\$0.5000	\$44,850,000
85/86	\$0.5000	\$36,170,000
84/85	\$0.5000	\$28,697,000
83/84	\$0.4800	\$25,780,000

Attachment: Fund Balance Diagram

# FUND BALANCE



## G. PREVIOUS AUDITS

In the recent past, a performance audit was completed by Arthur Anderson under contract with the County Auditor's office. The audit was conducted in two phases. Phase I, the Preliminary Study, was completed in January 1992 and Phase II, the Audit Program, was completed in August 1992. The preliminary study indicated the potential for productivity improvement in six areas: procurement, contract and cost management; project process complexity; accounting, budgeting and payroll; research and public information, and an area called general. The audit indicated the potential for saving \$198,000 and the conclusion that the recommendations could be implemented within one year. The audit recommendations are summarized below. A copy of the Audit and a detailed status list is included as attachments.

### Results of Performance Audit

#### 1. Equipment Repair and Maintenance

- a. Finding: Contract with outside vendors for vehicle repair and maintenance.  
Action: The District's attempt to act upon this finding was not approved. The County Manager put a hold on the concept. The County is still in the process of evaluating the privatization of the service.
- b. Finding: Prepare a detailed cost/benefit analysis of purchasing extended warranties for vehicles.  
Action: The District requested that Equipment Services conduct this analysis due to the requirement for fleet service knowledge. Equipment Services informed the District that they did not have the required information. No further action has been taken.

#### 2. Vehicle Replacement

- Finding: District pull out of the vehicle replacement fund or receive a full accounting of the fund.
- Action: The initiative was approved up to the County Manager who disapproved the pullout due to a study, which to the District's knowledge, has never been completed. The District has requested a monthly accounting of the fund balance. The accounting has not been provided.

#### 3. Procurement

- a. Finding: Minimize duplication of procurement efforts.  
Action: A meeting was held with Materials Management staff. A consensus was reached whereby it was agreed that some of the duplication noted was necessary.

- b. Finding: Increase CAPA program limits to \$3,000.  
Action: Materials Management had already been in the process of increasing the limit to \$1,000. The limit is still \$1,000 for commodities and limited services procurement but not for fixed asset procurement. This has improved service to our customers and has reduced procurement time. The District still believes the limit should be raised to \$3,000.
- c. Finding: Restructure Materials Management Department cost recovery system.  
Action: Completed. The result has been a more equitable charge for services rendered.

#### 4. Accounts Payable

- a. Finding: Division authorization for payment of accounts payable should be annotated on delivery slips.  
Action: Completed. The result is that less time is required to process the requests for payment (warrants).
- b. Finding: Warrant requests should be submitted to the Finance Department on magnetic tape.  
Action: The District is still waiting for the LGFS to come on-line.
- c. Finding: Eliminate need for Materials Management approval for supplies and services change orders.  
Action: Materials Management has approved this change up to a limit of 10% above the original quote. The result has been decreased workload both for the District and Materials Management.

#### 5. Contracts and Accounts Payable Tracking

- a. Finding: Stop duplicating payable information in various databases.  
Action: This has been an on-going process. An in-house system is scheduled to be available within one month. In addition, LGFS is scheduled to come on-line shortly.
- b. Finding: District appoint a section or branch to be responsible for tracking contract encumbrances and expenditures.  
Action: Same as 5a, above.

#### 6. Payroll

- a. Finding: District should submit payroll to Finance Department via magnetic tape.  
Action: Although the Department of Transportation has authority to do so, the District is still unable to submit payroll on tape.
- b. Finding: District require employees to submit accurate time sheets.  
Action: An on-going effort. New employee training on payroll time sheets has improved accuracy.
- c. Finding: Department of Finance should conduct training on the County's payroll system for all County departments.  
Action: The recommendation was forwarded to Finance. Finance stated insufficient time was available to provide training.

7. Performance Measures

Finding: District should evaluate a "pay for performance" plan.  
Action: The County has implemented this plan.

8. Budget Packages

Finding: District should evaluate the need for two separate spreadsheets in internal budget packages.  
Action: Completed. The result has been reduced time and improved availability of information.

9. Budget vs Actual Variances

Finding: Variance column should be added to internal budget packages.  
Action: Completed.

10. Information Services Strategic Plan

Finding: Information Services section should create a written strategic plan.  
Action: Partially completed. Goals and objectives have been identified but specific objectives and action plan are, as yet, incomplete.

11. Computer Software Applications

Finding: The District should adopt selected software applications that are supported by MIS personnel.  
Action: Completed. The result is improved interoperability and cost savings in

software procurement.

12. Payroll Direct Deposit

- a. Finding: District should encourage employees to participate in payroll direct deposit.  
Action: Completed. Part of the problem was that the County did not serve all banking institutions.
- b. Finding: District should consider eliminating the practice of hand delivering payroll to employees.  
Action: Not adopted. It is less costly to hand deliver the payroll than having to place the checks in envelopes and then mail the envelopes or have them delivered via internal mail.

Phase I Opportunities Not Addressed in the Audit

1. Finding: Creation of a job costing system for the District's Construction and Operations Division.  
Action: Completed. The result is that improved budgeting and cost information is now available.
2. Finding: Analyze the project process and reduce its complexity.  
Action: Completed. The change has resulted in a reduction of staff time.
3. Finding: HIS database. Creating a one stop shop for all data with regards to geographic areas located in Maricopa County.  
Action: Completed.
4. Finding: Public inquiry fees. Evaluate the cost of providing floodplain inquiry services to the public and consider charging a fee to offset these costs.  
Action: Not adopted. The recommendation runs counter to the purpose of the program.
5. Finding: Organization staffing. Analyze and reallocate vacant positions.  
Action: Not adopted. The District has closely managed any vacant positions.
6. Finding: The District should evaluate coordinating trips to sites by personnel from different divisions.  
Action: Not adopted. The finding was directed at duplication of visits by Property Management and Operations and Maintenance staff. Although some duplication could be and was eliminated the major problem was the fact that the two sections look at different aspects of the property. The Property Management section looks at compliance with licenses/permits, overall

condition of the property and potential liabilities. The Maintenance staff basically looks at the overall structural status.

7. Finding: District should evaluate methods to identify floodplain violators.  
Action: Not adopted. Currently, the District evaluates violators after a violation has been reported by a citizen or other person/agency. In order to conduct inspections, staff would have to rent an aircraft in order to see the floodplain from a viable perspective. The cost of the aircraft, the cost of the pilot and also the cost of staff time were believed not to offset the benefits derived.

## H. MUNICIPAL RETURN ON INVESTMENT

The following table presents a 17-year history (1978 through 1994) of District project expenditures, municipal contributions, and federal and state payments toward District projects. Care should be exercised in using the information in the table so that incomplete conclusions are not reached. For example, the data for the City of Phoenix indicates that the City contributed \$310,017,356. The table also indicates that the District contributed \$238,379,630 toward City projects. This could lead to the inaccurate conclusion that the City only received back approximately 77 percent of its investment in the District. The District, however, leveraged funds from both the State of Arizona and the federal government. The total project funds invested in the City is therefore \$463,648,699 or for every dollar the citizens of the City paid to the District, they received back \$1.496. It may be argued that the federal and state funds were also paid by the citizens and therefore should not be counted. However, without the leverage provided by the regional authority of the District, it is questionable whether the federal or the state government would have provided these funds to the City of Phoenix and, therefore, the citizens would have had no return on their investment with these agencies.

## I. DISTRICT RESTRUCTURING

On September 19, 1994, the District staff began an effort to restructure the organization. Unlike the County's restructuring, which was primarily aimed at cutting expenditures, the District's reorganization was focused upon providing cost effective and efficient service to our customers.

The reorganization effort was facilitated by a member of the Human Resources West Branch staff who specializes in organizational re-engineering. In addition, the effort received "outside" expertise on personnel issues from the Human Resources staff and on legal issues from the District Counsel. The effort resulted in a proposed plan that was approved without modification by the Chief Administrative Officer on November 21, 1994. The new structure became effective on December 15, 1994.

The restructuring made significant changes to the District's organization. The District's

largest division, Construction and Operations, besides being renamed to Construction and Maintenance to more correctly identify its function, had a complete change in its internal reporting structure which included the elimination of an intermediate level of supervision and an overall decrease of 14 FTEs. The Engineering and Hydrology Divisions were completely disassembled and reassembled with the focus that one division would provide all technical support for the District while the other division would be oriented to providing direct service to the public.

Overall, the District downsized from a previously authorized staff of 258 FTEs to a staff of 240 FTEs. In the process, 35 positions were abolished and 17 new positions were created resulting in the overall decrease of 18 FTEs and an estimated annual saving of \$444,000 while improving service. Subsequent to the restructuring, the District identified a position in the County Department of Transportation (MCDOT) that provided land acquisition services primarily to the District. The fees charged by MCDOT for this service were well in excess of standard personnel and benefits costs in that they included markups for overhead. The District, in coordination with MCDOT transferred this staff member to the District resulting in the saving of overhead costs paid to MCDOT. Therefore, the District staff total is currently 241 FTEs.