

Care of Recalcitrant Tuberculosis Patients—Continued

RECOMMENDATIONS

Amounted budgeted	\$131,500
Legislative Auditor's recommendation	131,500
Reduction	None

ANALYSIS

The Department of Public Health is authorized to lease necessary facilities to care for persons afflicted with active contagious tuberculosis and who violate the quarantine or isolation orders of a health officer (Section 330.4, Health and Safety Code).

An agreement has been entered into with the Department of Corrections to care for a limited number of these persons. Additional beds have been made available at the new Medical Facility at Vacaville, which will provide for the increased demands for maximum security medical treatment. In 1957-58 a maximum of 65 beds will be provided with the proposed expenditure computed at an average annual occupancy of 50 beds, an increase of 15 over 1956-57.

This program serves to reduce the spread of tuberculosis by recalcitrants, and is, we believe, a desirable enforcement program.

We recommend approval.

**Department of Public Works
DEPARTMENTAL ADMINISTRATION**

ITEM 202 of the Budget Bill

Budget page 796
Budget line No. 7

FOR SUPPORT OF DEPARTMENTAL ADMINISTRATION FROM THE GENERAL FUND

Amount requested	\$24,212
Estimated to be expended in 1956-57 Fiscal Year	23,907
Increase (1.3 percent)	\$305

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$3,054	\$3,054	--	-- --
Less increased reimbursement	2,749	2,749	--	-- --
Total	\$305	\$305	--	-- --

RECOMMENDATIONS

Amount budgeted	\$24,212
Legislative Auditor's recommendation	24,212
Reduction	None

ANALYSIS

The request of the Department of Public Works for the support of its departmental administration function for the budget year is substantially the same as is expected to be expended for the current fiscal year.

Departmental Administration—Continued

There is a minor increase of \$305 which results from merit salary adjustments being partially offset by increased reimbursements.

The bulk of the work load for departmental administration has always been in connection with the general over-all direction and staff services incidental to the operations of the Division of Highways. Since the Division of Water Resources was removed from the Department of Public Works and given departmental status practically 90 percent of the work of departmental administration is concerned with the Division of Highways. The other 10 percent is concerned with the only other division in the department, that of the Division of Architecture. Hence this budget item represents the pro rata share of the Division of Architecture in the costs of general departmental overhead consisting mainly of the services of the director of the department, his deputy, assistants, clerical help and the services of the controller and his assistants. Approval of this item is recommended as requested.

**Department of Public Works
DIVISION OF ARCHITECTURE**

ITEM 203 of the Budget Bill

Budget page 799
Budget line No. 7

**FOR SUPPORT OF DIVISION OF ARCHITECTURE FROM THE
GENERAL FUND**

Amount requested	\$153,570
Estimated to be expended in 1956-57 Fiscal Year.....	110,823
Increase (38.6 percent)	\$42,747

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$4,115	\$4,115	---	800 35
Operating expense	34,182	3,682	\$30,500	800 56
Add decrease in reimbursement	4,450	4,450	---	800 71
Total	\$42,747	\$12,247	\$30,500	800 73

RECOMMENDATIONS

Amount budgeted	\$153,570
Legislative Auditor's recommendation	153,570
Reduction	None

GENERAL SUMMARY

The Division of Architecture functions as a full scale architectural office with its own architects, designers, draftsmen, landscape architects, mechanical engineers, electrical engineers, structural engineers, sanitary engineers and every professional, sub-professional, technical and semi-skilled calling identified with the general practice of architecture. From the very inception of a project to its final completion and utilization, the division undertakes site surveys, soil analyses, master plans, individual building designs, working drawings, specifications and cost

Division of Architecture—Continued

estimates. The Division of Architecture is also responsible for choosing, by the bidding process, the various contractors required to start, construct and complete all projects authorized by the State. Under certain conditions it also undertakes actual construction of projects by construction craftsmen in its direct employ. In either case the division maintains continuous inspection of the work in progress to completion.

Organizationally the Division of Architecture has a dual nature in that a permanent executive cadre of 14 positions together with necessary operating expenses and equipment is supported by direct appropriation from the General Fund, while upwards of 900 positions comprising the professional and other groups mentioned above are supported by appropriate assessments made against the planning and construction funds provided for each project by the Legislature. This is done through the medium of the "Architectural Revolving Fund" into which individual appropriations, or portions of appropriations, are transferred to come under the disbursement control of the Division of Architecture. All manner of charges, including the State's Retirement Fund contributions, incidental to the functioning of this large group of positions are proportionately assessed against each project as work is performed in behalf of it. This method results in architectural service fees which average substantially below the 6 percent standard fee usually charged by private architects to private clients. This average includes situations in which the costs to an individual project substantially exceed 6 percent as well as situations where the costs fall well below the average. For purposes of establishing a figure for the budget for a given project the division generally includes 6 percent for plans, working drawings and specifications, 2½ percent for supervision and construction and 10 percent for contingencies. However, as pointed out above only actual costs incurred are finally charged to each project, and surpluses which may result are then returned to the source of appropriation.

During the latter part of the 1955-56 Fiscal Year the Division of Architecture undertook certain organizational and procedural changes primarily for the purpose of speeding up the elapsed time between appropriation for and final completion and utilization of a given project. The specific goal was to provide during the 1956-57 Fiscal Year, for presentation to the 1957 Legislative Session, preliminary plans of such completeness and detail and finality of design as to enable them to be used for presentation to the Public Works Board immediately upon legislative approval and appropriation. The achievement of this goal presupposed a sufficiently early start and the early receipt of finalized design programs from the various agencies to enable the spacing of the work over a fairly long period instead of the abrupt peak work loads that occurred in prior years. Unfortunately this goal has not been entirely attained, for two major reasons. One is the fact that it has been difficult to get complete and finalized functional and utilization programs from the various agencies and the other is the fact that the total program contemplated for the 1957-58 Fiscal Year is the most massive

Division of Architecture—Continued

ever attempted for any one year since the close of World War II. The latter fact has caused a pile up of work within a short space of time which has resulted in inadequate preliminary plans, specifications and estimates for quite a number of projects. However, we are still firmly of the belief that this new approach will work out and that the preliminary work for the projects to be presented to the 1958 Legislature will go much more smoothly than it has to date.

ANALYSIS

For the 1957-58 Fiscal Year the Division of Architecture is asking for authorization to expend, in supporting its fixed cadre of 14 positions, \$153,570 which is approximately \$42,000 or 38.6 percent more than the amount estimated to be expended for the current fiscal year. This increase is almost entirely in the category of operating expenses and primarily because of an item of \$30,000 for materials and methods studies (page 800, line 52). In a strict sense this does not represent a new type of expenditure. In the current fiscal year \$15,000 was authorized for this purpose but as capital outlay rather than support. It is now proposed to double this amount and to make it a regular support activity. In the past we questioned this approach primarily because of uncertainties about the way it would be handled. We are now assured that the Department of Finance will retain strict control of the expenditure of this item to assure maximum results. There is no question that such continuing studies are necessary in a market which is producing new items and introducing new kinds of materials almost daily. The need is even more justified in view of the tremendous capital outlay programs which the State will probably undertake for the next five or 10 years.

Two other new categories of operating expense might be mentioned, even though they are comparatively minor in terms of dollars. One is an item of \$500 for building up a public school building plans library (page 800, line 50) in accordance with the directives of Chapter 1835, Statutes of 1955, which were intended to provide access to fairly standard and reproducible plans to those small school districts desiring to take advantage of them. It is anticipated that this expenditure and ultimate additional expenditures will be self-liquidating by fees charged to the school districts making requests.

The other new expenditure is an item of \$2,370 for accounting services (page 800, line 49) for the financial activities involved in the support of the 14 cadre positions. Heretofore these accounting services were provided by the accounting section of the Department of Public Works. The entire accounting function for the design and construction activities of the division has now been released from the accounting section of the Department of Public Works and turned over to the Division of Architecture to handle by itself. It was thought then that it would be appropriate to turn over to this same accounting function this small service for the special group. In a strict sense of the word,

Division of Architecture—Continued

this does not represent a new service, it merely represents a restatement or redelineation of an existing service.

Increases in salaries and wages are contemplated as being comparatively minor and will reflect merit salary adjustments and the full year's employment of several positions which in the current year were not fully employed. We believe that as a whole this budget as presented merits approval and we so recommend.

**Department of Public Works
DIVISION OF ARCHITECTURE**

ITEM 204 of the Budget Bill

Budget page 799
Budget line No. 22

FOR SUPPORT OF DIVISION OF ARCHITECTURE FROM THE DIVISION OF ARCHITECTURE PUBLIC BUILDING FUND

Amount requested	\$1,015,656
Estimated to be expended in 1956-57 Fiscal Year	885,002
Increase (14.8 percent)	\$130,654

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$52,355	\$52,355	--	801 52
Operating expense	73,383	23,383	\$50,000	801 79
Equipment	4,916	4,916	--	802 12
Total	\$130,654	\$80,654	\$50,000	802 14

RECOMMENDATIONS

Amount budgeted	\$1,015,656
Legislative Auditor's recommendation	1,015,656
Reduction	None

GENERAL SUMMARY

The second major function of the Division of Architecture was assigned to it primarily as a result of the Long Beach earthquake in 1933, following which the Legislature passed the "Field Act" which added certain sections to the Education Code giving to the Division of Architecture the responsibility for checking the design, construction, and reconstruction of elementary, secondary and junior college buildings to insure that adequate lateral stability and vertical load capacity are incorporated to withstand high winds and earthquakes. In addition the division also checks such plans for fire safety features required by the State Fire Marshal.

The above functions are carried out under a subunit known as the Schoolhouse Plans Checking Section. The support for this section comes entirely from the Division of Architecture Public Building Fund which, in turn, receives revenues in the form of fees assessed against each set of plans checked, on a sliding scale percentage basis. In the past these revenues have been sufficient to defray the total support cost of this section and to have built up over a number of years a fairly substantial

Division of Architecture—Continued

surplus. However, it now appears that for the 1957-58 Fiscal Year total revenues, including interest from the Surplus Money Investment Fund, will for the first time fall below the total anticipated expenditures by approximately \$100,000. Fortunately, an available surplus of \$750,000 will serve to cover the deficit.

The current work load of the section expressed in terms of the dollar value of the construction cost of the projects to be checked is approximately \$245,000,000. For the budget year it is anticipated that this will rise to \$260,000,000 and possibly more. This points up that the deficit mentioned above may require a change in the fee scale in order to assure an income at least equivalent to the cost of operation.

ANALYSIS

For the 1957-58 Fiscal Year the Division of Architecture is proposing to expend \$1,015,656 in its schoolhouse plans checking work, which is approximately \$130,000 or 14.8 percent more than is anticipated to be spent for the current fiscal year. This increase results from two main factors. The first is the need to increase the technical staff because of the ever-increasing work load imposed by the acute shortage of structural engineers which makes necessary a staff expansion on what might be termed a "substitution" basis. That is to say, that since engineers are difficult to obtain, the approach must be to relieve the existing engineering positions of every possible nonengineering function. To this end it is proposed to establish three "administrative assistant grade I" positions (Budget page 801, line 49) which will serve to relieve the engineering staff to the extent, presumably, that they would be able to accomplish as much additional engineering work as though they had hired three additional engineers. In addition, it is proposed to establish one supervising structural engineer (Budget page 801, line 48) to supervise the program of diversified structural research being carried out under contract at several different points, and to assure that research findings are provided in proper form for use by the profession at large.

The second major factor in the increased support cost for this section is the fact that the item for "materials and methods structural research" (Budget page 801, line 73) which for the current fiscal year was authorized at \$50,000 is being proposed to be increased to \$100,000 in the budget year. In the past the results of earlier research have proven highly useful and have actually resulted in reduced costs in certain structural features, particularly of frame type school buildings. Consequently, it appears that an accelerated research program, in view of the expanding schoolhouse construction program, is desirable and justified.

In view of the foregoing we recommend approval of the budget of the Schoolhouse Plans Checking Section as requested.

AERONAUTICS COMMISSION

ITEM 205 of the Budget Bill

Budget page 815
Budget line No. 7

FOR SUPPORT OF AERONAUTICS COMMISSION FROM THE GENERAL FUND

Amount requested	\$87,079
Estimated to be expended in 1956-57 Fiscal Year	52,191
Increase (66.8 percent)	\$34,888

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$8,981	\$8,981	---	815 49
Operating expense	8,499	5,699	\$2,800	815 70
Equipment	17,408	758	16,650	816 7
Total increase	\$34,888	\$15,438	\$19,450	816 14

RECOMMENDATIONS

Amount budgeted	\$87,079
Legislative Auditor's recommendation	67,629
Reduction	\$19,450

Summary of Recommended Reductions

Operating expenses:	
Reduce airplane operation (Budget page 815, line 62)	\$2,800
Equipment:	
Delete airplane replacement (Budget page 816, line 5)	16,650
Total reductions	\$19,450

GENERAL SUMMARY

The Aeronautics Commission was created by Chapter 1379, Statutes of 1947. Its purpose was to provide consultive services to various public agencies in solving aviation problems. The function of the commission is largely promotional in attempting to expand private and commercial aviation throughout the State. Another function that is noteworthy is that of issuing permits to airports. This requires commission personnel to check the approach pattern and the condition of the field for safety. Chapter 1451 of the Statutes of 1955 added the responsibility of inspecting proposed school sites that are located within two miles of an airport, for the purpose of determining unsafe conditions or noise problems that could ultimately hamper the educational program of a school. The following table sets forth work load data from the year 1948-49, which is the first representative year that can be considered, and the 1956-57 Fiscal Year.

	1948-49	1956-57	Percent change
Work index:			
Airports licensed	406	495	21.9
New airport site studies	10	7	-30.0
School site studies	---	45	---
Authorized positions	16	4	-75.0
Expenditures	\$129,768	\$52,191	-59.8

Aeronautics Commission—Continued

It will be noted in the table above that Chapter 1451 of the Statutes of 1955 has imposed additional work load upon the staff in order to cover the 45 school site studies that are estimated for the current fiscal year. Since this program was instituted by the Legislature, we feel that it was intended that staff be provided for the commission to carry out this work.

ANALYSIS

The Aeronautics Commission proposes to increase its level of service over that available in the current fiscal year, as the budget request is \$87,079, whereas it is estimated to expend \$52,191 in 1956-57. This is a \$34,888 increase, or 66.8 percent. While only one additional position is being requested, it is proposed to up-grade the position of assistant field representative to that of field representative and to provide \$1,000 additional in temporary help. The balance of the increase in salaries and wages is due to normal merit salary adjustments. Operating expenses show an increase of \$7,499 by providing for the additional position and the increase in airplane operation because of the new aircraft being requested. The \$17,400 increase in equipment is due to providing some additional and replacement office equipment and the airplane mentioned above.

These increases will be discussed in detail below.

1 Assistant field representative (Budget page 815, line 46)----- \$5,232

This position is being requested to handle the work occasioned by Chapter 1451, Statutes of 1955. It is estimated that four or five days is required for each school site investigation, which would require approximately one man year of time based on the number of investigations expected. It would appear that the Legislature in the 1955 Session indicated its approval of this program as a duty of the Aeronautics Commission. We therefore recommend that the position be allowed as requested.

For the most part the increases in operating expenses are a result of the additional position. After reviewing these increases we are of the opinion that they are reasonable for the program being conducted. However, we question the amount being allowed for airplane operation, and recommend that it be adjusted downward as explained in our recommendation on the purchase of a new airplane.

Airplane replacement (Budget page 816, line 5)----- \$16,650

The Aeronautics Commission proposes to replace an airplane lost in an accident in 1953 since the remaining aircraft lands too fast to be used in inspecting marginal airports and is costly to operate. It is proposed to buy an airplane of higher performance for this purpose and to meet the additional needs for transportation occasioned by school site investigation work.

We have not received data from the commission which would justify the purchase of a second airplane and we further question the necessity of using air travel primarily, as it appears that a major portion of the

Aeronautics Commission—Continued

shorter field trips could be made by other means at less cost. Should the second plane be authorized, it is our opinion that the one contemplated is more expensive than would be necessary to do the job. The following tables show a comparison of the budgeted aircraft with a less costly type designated "A" and "B" respectively.

Table I—Specifications

	A	B
Horsepower	230	150
Cruising speed	155	130
Range	655	520
Rate of climb	1,030	725
Empty weight	1,560	1,100
Pay load	1,090	900
Stall speed	55	55
Take-off	990	800

Table II—Direct Operating Costs Per Hour

	A	B
Gas and oil	\$4.37	\$3.28
Inspection and maintenance	1.40	.80
Engine reserve	1.50	1.00
	\$7.27	\$5.08

It will be noted that the main advantage of aircraft "A" over "B" is an additional 25 miles per hour of cruising speed, which does not appear to us to be a vital factor. Table II compares the operating cost of the two aircraft, which would indicate that aircraft "B" would allow considerable savings to be made in its operation. This would work out to direct operating costs per mile of \$0.047 for aircraft "A" and \$0.039 for aircraft "B."

If the commission should decide that it is necessary to replace the present airplane with one of greater versatility, we would recommend that it be replaced with one similar to "B" at considerable savings in initial investment and subsequent operating cost.

We recommend that airplane operation be reduced by \$2,800 and airplane replacement in the amount of \$16,650 be deleted for a total savings of \$19,450, and that the balance of the budget request be approved for a total of \$67,629.

COLORADO RIVER BOUNDARY COMMISSION

ITEM 206 of the Budget Bill

Budget page 817
Budget line No. 7

**FOR SUPPORT OF COLORADO RIVER BOUNDARY COMMISSION
FROM THE STATE LANDS ACT FUND.**

Amount requested	\$25,000
Estimated to be expended in 1956-57 Fiscal Year	24,905
Increase (0.4 percent)	\$95

Colorado River Boundary Commission—Continued
Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages-----	\$442	\$442	--	--
Operating expense-----	347	347	--	--
Total increase-----	\$95	\$95	--	--

RECOMMENDATIONS

Amount budgeted-----	\$25,000
Legislative Auditor's recommendation-----	25,000
Reduction-----	None

GENERAL SUMMARY

The Colorado River Boundary Commission was created by Chapter 1693 of the Statutes of 1953, and was subsequently extended for a two-year period by Chapter 1679, Statutes of 1955. The purpose of the commission is to confer with a similar organization established in the State of Arizona to define common boundaries between the two states. This theoretically is the center line of the Colorado River, but due to the movement of the river channel over the years, a mutually agreeable boundary line has been difficult to establish. Negotiations are still being carried on between the two states and it is estimated that they will continue for some time.

When agreement is finally reached, an interstate compact must be prepared for legislative approval by both states and subsequent submission to the Congress of the United States. We wish to point out that this is the first time that the Colorado River Boundary Commission budget has appeared as part of the Governor's Budget since all the appropriations for this purpose in the past have been handled by special appropriation bills. Since existing law requires that a report be made to the 1957 Session of the Legislature, it would seem appropriate at that time for the Legislature to evaluate the necessity for continuing the negotiations between the two states.

ANALYSIS

The amount requested will continue the present level of activity of this commission. Subject to comments above we recommend approval as budgeted.

Department of Public Works

SAN FRANCISCO BAY AREA RAPID TRANSIT COMMISSION

ITEM 207 of the Budget Bill

Budget page 819
Budget line No. 7

FOR SUPPORT OF SAN FRANCISCO BAY AREA RAPID TRANSIT COMMISSION FROM THE GENERAL FUND

Amount requested-----	\$18,935
Estimated to be expended in 1956-57 Fiscal Year-----	47,845
Decrease (60.4 percent)-----	\$28,910

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages-----	—\$13,472	—\$13,472	--	819 62
Operating expense-----	—15,438	—15,438	--	820 19
Total increase-----	—\$28,910	—\$28,910	--	820 21

San Francisco Bay Rapid Transit—Continued

RECOMMENDATIONS

Amount budgeted -----	\$18,935
Legislative Auditor's recommendation -----	18,935
Reduction -----	None

SUMMARY

The San Francisco Bay Area Rapid Transit Commission was formed by Chapter 1760, Statutes of 1951, to study the problems of rapid movement of large numbers of people in the Bay area and to investigate methods of financing a rapid transit system to serve the bay counties.

Subsequently, in January, 1956, the commission submitted a report to the Legislature outlining the facilities felt to be necessary, and preliminary construction cost estimates, along with a financial study of anticipated revenues and operating costs.

It is apparent that a considerable amount of enabling legislation will be required in the 1957 or subsequent legislative sessions to allow the plan to become a reality. Consequently, investigations are currently under way to determine the extent and type of legislation that would be necessary to establish a local district empowered to organize, construct and operate such a system.

ANALYSIS

The authority of the commission will expire December 31, 1957, by statute, at which time the materials and information compiled will be turned over to a local district agency. Therefore, the budget requested is for only one-half year's operation necessary to insure an efficient transfer of the records.

Based on the foregoing we recommend approval of the amount requested.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

ITEM 208 of the Budget Bill

Budget page 821
Budget line No. 7

FOR SUPPORT OF DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL FROM THE GENERAL FUND

Amount requested -----	\$3,073,464
Estimated to be expended in 1956-57 Fiscal Year -----	2,976,481
Increase (3.3 percent) -----	\$96,983

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages -----	\$75,679	\$75,679	--	823 42
Operating expense -----	33,571	33,571	--	823 43
Equipment -----	-12,267	-12,267	--	823 44
Total increase -----	\$96,983	\$96,983	--	823 46