



# Dept. of Public Works – Sewer Maintenance Fund

2021 Budget Overview

Finance & Personnel Committee

October 9, 2020

# Objectives

| Measure                             | 2019 Actual | 2020 Projected | 2021 Planned |
|-------------------------------------|-------------|----------------|--------------|
| Sanitary sewer overflows            | 1           | 11             | 0            |
| Number of basement backups reported | 30          | 18             | 0            |
| Miles of sewer replaced or relined  | 31          | 25             | 25           |

# 2021 Budget Summary

|                        | <b>2020<br/>Adopted<br/>Budget</b> | <b>2021<br/>Proposed<br/>Budget</b> | <b>Amount<br/>Change</b> | <b>Percent<br/>Change</b> |
|------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| FTEs – O&M             | 101.30                             | 108.30                              | 7.00                     | 6.9%                      |
| FTEs - Other           | 13.00                              | 15.70                               | 2.70                     | 20.8%                     |
|                        |                                    |                                     |                          |                           |
| Salaries & Wages       | \$4,539,762                        | \$5,046,407                         | \$506,645                | 11.2%                     |
| Fringe Benefits        | 3,404,822                          | 3,784,806                           | 379,984                  | 11.2%                     |
| Operating Expenditures | 7,053,000                          | 6,381,748                           | -671,252                 | -9.5%                     |
| Equipment              | 1,061,000                          | 993,000                             | -68,000                  | -6.4%                     |
| Special Funds          | 57,286,594                         | 58,398,298                          | 1,111,704                | 1.9%                      |
| <b>TOTAL</b>           | <b>\$73,345,178</b>                | <b>\$74,604,259</b>                 | <b>\$1,259,081</b>       | <b>1.7%</b>               |

# Special Funds

| <b>Account</b>        | <b>2020<br/>Adopted<br/>Budget</b> | <b>2021<br/>Proposed<br/>Budget</b> | <b>Amount<br/>Change</b> | <b>Percent<br/>Change</b> |
|-----------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| General Fund Transfer | \$23,433,600                       | \$24,370,944                        | \$937,344                | 4.0%                      |
| Capital Fund Transfer | 3,185,000                          | 3,010,000                           | -175,000                 | -5.5%                     |
| Debt Service          | 28,068,419                         | 28,659,354                          | 590,935                  | 2.1%                      |
| <b>TOTAL</b>          | <b>\$54,687,019</b>                | <b>\$56,040,298</b>                 | <b>\$1,353,279</b>       | <b>2.5%</b>               |

# Revenues

| <b>Category</b>                      | <b>2020<br/>Adopted<br/>Budget</b> | <b>2021<br/>Proposed<br/>Budget</b> | <b>Amount<br/>Change</b> | <b>Percent<br/>Change</b> |
|--------------------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| Sewer Maintenance Fee                | \$32,371,573                       | \$33,258,160                        | \$886,587                | 2.7%                      |
| Stormwater<br>Management Fee         | 37,118,714                         | 38,809,680                          | 1,690,966                | 4.6%                      |
| Charges for Services                 | 1,706,600                          | 1,688,200                           | -18,400                  | -1.1%                     |
| Interest Revenue                     | 185,200                            | 144,300                             | -40,900                  | -22.1%                    |
| Developer Financed                   | 0                                  | 1,000,000                           | 1,000,000                |                           |
| Proceeds from<br>Borrowing           | 29,300,000                         | 34,500,000                          | 5,200,000                | 17.7%                     |
| Grant and Aid                        | 3,650,000                          | 3,650,000                           | 0                        | 0.0%                      |
| Withdrawal from<br>Retained Earnings | 3,163,091                          | 1,903,919                           | -1,259,172               | -39.8%                    |
| <b>TOTAL</b>                         | <b>\$107,495,178</b>               | <b>\$114,954,259</b>                | <b>\$7,459,081</b>       | <b>6.9%</b>               |

# Capital Improvements Budget

| <b>Project</b>                     | <b>2020<br/>Adopted<br/>Budget</b> | <b>2021<br/>Proposed<br/>Budget</b> | <b>Amount<br/>Change</b> | <b>Percent<br/>Change</b> |
|------------------------------------|------------------------------------|-------------------------------------|--------------------------|---------------------------|
| Sewer Relay                        | \$25,000,000                       | \$27,000,000                        | \$2,000,000              | 8.0%                      |
| I & I Reduction                    | 3,650,000                          | 3,650,000                           | 0                        | 0.0%                      |
| Water Quality projects             | 2,800,000                          | 2,800,000                           | 0                        | 0.0%                      |
| Pump Facility Rehab                | 500,000                            | 500,000                             | 0                        | 0.0%                      |
| Channel Restoration                | 200,000                            | 200,000                             | 0                        | 0.0%                      |
| Downspout Disconnection<br>Program | 2,000,000                          | 1,200,000                           | -800,000                 | -40.0%                    |
| Flood Mitigation                   | 0                                  | 5,000,000                           | 5,000,000                |                           |
| <b>TOTAL</b>                       | <b>\$34,150,000</b>                | <b>\$40,350,000</b>                 | <b>\$6,200,000</b>       | <b>18.2%</b>              |

# 2021 Capital Budget Highlights

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- Sewer Relay & Lining Program:
  - Planning 14 miles of relay and lining of sanitary, storm, and combined sewers ranging between 8 inches to 96 inches in diameter
- I & I Reduction Program:
  - Planning 11 miles of sanitary sewer relay and lining
  - Planning 297 homes of PPII (Private Property Inflow and Infiltration reduction)
- Downspout Disconnection Program
  - Project Entering Phase 2 in 2021
- Water Quality Projects to meet water quality DNR requirements:
  - \$2.8 budgeted to construct green infrastructure practices

# Sewer Maintenance Relay & Lining - \$26 Million

14 Miles of Sewer Relay and Lining

Major projects at 2021 Major Projects:

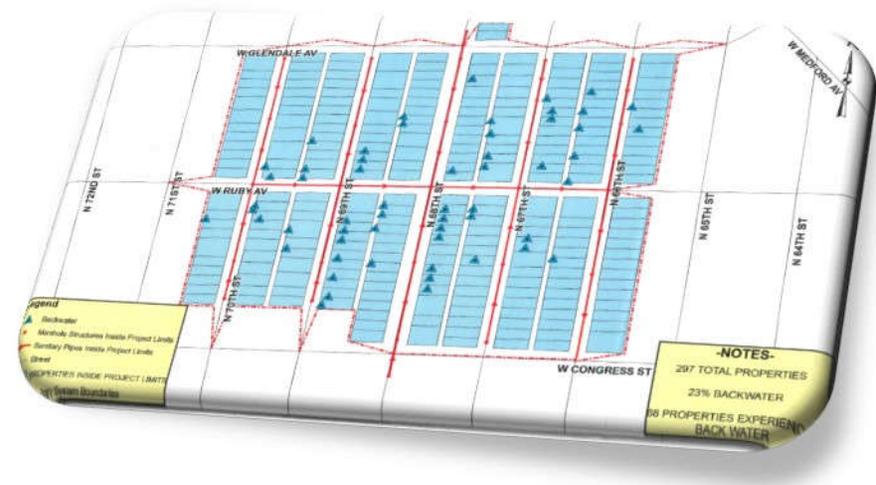
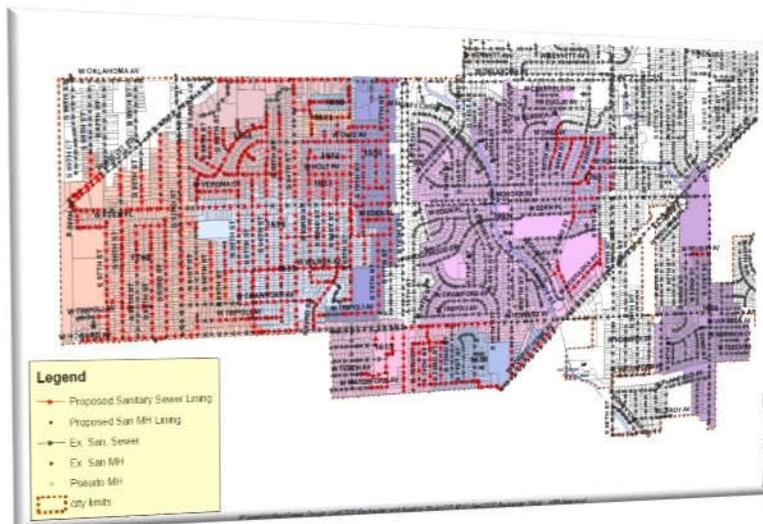
- N. 26<sup>th</sup> St. (W/S) –W. Meinecke Ave. to W. Brown St.
  - **≈3,450' of 12"-96" Sewer Relay \$3.5M**
- N. 26th St. (W/S) –W. Brown St. to W. Lloyd St.
  - **≈550' of 84" Sewer Slip Lining \$1M**



# I&I Reduction Projects – \$3.65 Million

## 11 Miles of ABB Lining & 297 Homes of PPII

- Area Bounded by S. 51st St. to S. 99th St. and W. Oklahoma Ave. to W. Waterford Ave.-\$2.0M
- Area Bounded by W. Glendale Ave. to W. Congress St. and N 71st St. to N 66th St.
  - Private Property Inflow and Infiltration Reduction (Funded by MMSD)



# I&I Reduction Projects (cont.)

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- Area Bounded by S. 51st St. to S. 99th St. and W. Oklahoma Ave. to W. Waterford Ave.-\$2.0M
- Area Bounded by W. Congress St. to W. Capitol Dr. and N. Sherman Blvd to N 35th St.  
Private Property Inflow and Infiltration Reduction (Funded by MMSD) - \$3.35M
- Area Bounded by W. Glendale Ave. to W. Congress St. and N 71st St. to N 66th St.  
Private Property Inflow and Infiltration Reduction (Funded by MMSD) - \$2.16M

# 2021 Water Quality Projects

\$2.0 million MMSD Green Solutions grant funding and \$800,000 in SMF funds for a total of \$2.8 million

- Green Streets Program was started in 2008 and to date we have constructed:
  - 258 Bioretention Beds
  - 29 Green Alleys
- For 2021:
  - 33 Bioretention beds are planned throughout the City
  - Installing stormwater trees at two locations:
    - N. 60th St. – W. Burleigh St. to W. Capitol Dr.
    - W. Burleigh St. – W. Appleton Ave. to W. Lisbon Ave.
- City contributing \$700,000 of MMSD Green Solutions funding towards MPS schools playgrounds



# Downspout Disconnection Program

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- This project will move to Phase 2 in 2021 with \$500,000 budgeted
- Phase 2: Start of 2021 to end of 2024.
  - The properties that did not complete disconnection work will be required to disconnect at their own cost with the Department of Neighborhood Services (DNS) sending notices and performing inspections according to DND protocols
- Ending Phase 1:
  - The City initially funded the program that included 27,000 homes for a two-year incentive period that will end in December 2020
  - During Phase 1:
    - Of the 27,000 homes, 10,853 homes responded and have been inspected
    - 9,033 inspected homes could not be disconnected based on Plumbing Code requirements
    - 1,402 homes will be (or have been) disconnected by City Contractor
    - 418 homes will be (or have been) disconnected by home owner
    - \$9,000 in gift cards will be or in the process of being distributed to 130 homeowners who chose the DIY option