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# **2015 Overview: Sewer Maintenance Fund**

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Finance & Personnel Committee  
October 14, 2014

# Objectives

Measure	2013 Actual	2014 Projected	2015 Planned
Sanitary sewer overflows	3	11	0
Number of basement backups reported	25	22	0
Miles of sewer replaced or relined	51	54	32

# 2015 Budget Summary

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
<b>FTEs – O&amp;M</b>	100.05	103.05	3.00, (3.0%)
<b>FTEs - Other</b>	14.95	11.95	-3.00, (-20.1%)
<b>Salaries &amp; Wages</b>	\$4,603,485	\$4,908,218	\$304,733, (6.6%)
<b>Fringe Benefits</b>	2,163,638	2,306,862	143,224, (6.6%)
<b>Operating Expenditures</b>	6,430,000	6,904,000	474,000, (7.4%)
<b>Equipment</b>	460,000	730,000	270,000, (58.7%)
<b>Special Funds</b>	41,759,074	44,936,410	3,177,336, (7.6%)
<b>O&amp;M TOTAL</b>	\$55,416,197	\$59,785,490	\$4,369,293, (7.9%)
<b>Capital</b>	\$44,550,000	\$44,200,000	\$-350,000, (-0.8%)
<b>Total</b>	\$99,966,197	\$103,985,490	\$4,019,293, (4.0%)

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# Budget Highlights

## 1. Fund Transfers

## 2. Capital Program

- Continues commitment to a 90-year replacement program
- Results of Infiltration and Inflow projects

## 3. Rate Plan

- Increases in both fees relates to the commitment to 90-year replacement program

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# Special Funds Summary

1. General Fund Transfer - \$16.0 million
  - Brush & leave collection -\$2.7 million
  - Street sweeping - \$2.7 million
  - Tree care - \$10.6 million
2. Capital Fund Transfer - \$3.0 million
  - EAB - \$1.1 million
  - Tree production - \$1.5 million
  - Stump Removal - \$360,000
  - Environmental Remediation - \$50,000
3. Debt Service - \$24.1 million

# Capital Budget

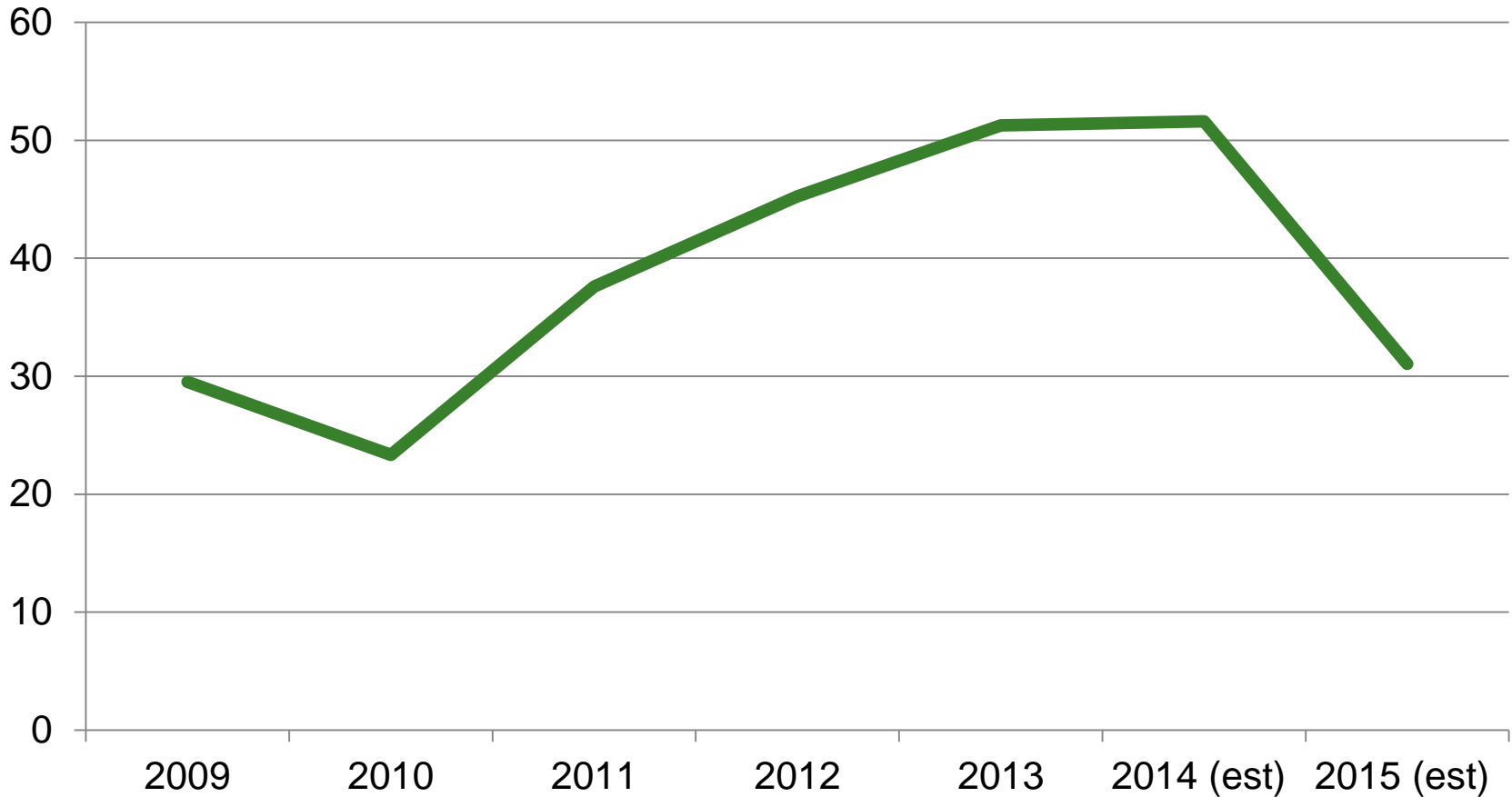
Project	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
Sewer Relay	\$33,900,000	\$32,800,000	-\$1,100,000, (-3.2%)
I & I Reduction	8,650,000	6,650,000	-2,000,000, (-23.1%)
Water Quality projects	1,000,000	1,000,000	0, (0.0%)
Pump Facility Rehab	700,000	700,000	0, (0.0%)
Channel Restoration	200,000	200,000	0, (0.0%)
Flood Mitigation	0	2,750,000	2,750,000 (NA)
Developer Out of Program Agreement	100,000	0	-100,000 (-100.0%)
<b>TOTAL</b>	<b>\$44,550,000</b>	<b>\$44,200,000</b>	<b>-\$350,000, (-0.8%)</b>

# Sewer Maintenance Fund Capital Improvement Allocation



In 2010, \$15.5 million of Federal stimulus money was available for the Sewer capital program. In 2011, \$2.8 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2012, \$2.6 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2013, \$2.6 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects. In 2014 and 2015, \$1.65 million of MMSD grant funds were budgeted for Infiltration and Inflow reduction projects.

# Sewer Maintenance Fund Miles Replaced or Relined





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# Impacts of I/I Projects

## ■ Cooper Park Project

- In 2011 - 12 the department lined public mains and private laterals
- Prior to the project 3 flow meters were installed to monitor the impacts of the project
- Data collected and analyzed show a 47% decrease in flows following the lining of both the public main sewers and private laterals in this study area

# Revenues

	<b>2014 ADOPTED BUDGET</b>	<b>2015 PROPOSED BUDGET</b>	<b>DIFFERENCE (amount, %)</b>
<b>Sewer Maintenance Fee</b>	\$28,934,192	\$29,802,218	\$868,026, (3.0%)
<b>Stormwater Maintenance Fee</b>	27,006,356	28,626,737	1,620,381, (6.0%)
<b>Charges for Services</b>	1,727,338	1,779,158	51,820, (3.0%)
<b>Interest Revenue</b>	163,813	163,813	0, (0%)
<b>Developer Out of Program Revenue</b>	100,000	0	-100,000 (-100.0%)
<b>Proceeds from Borrowing</b>	39,500,000	39,650,000	150,000, (0.4%)
<b>Grant and Aid</b>	1,650,000	1,650,000	0, (0.0%)
<b>Withdrawal from Retained Earnings</b>	884,498	2,313,564	1,429,066, (161.6%)
<b>TOTAL</b>	<b>\$99,966,197</b>	<b>\$103,985,490</b>	<b>\$4,019,293, (4.0%)</b>

# Rate Plan

Fee	2014	2015	Difference	%Change
Sewer Maintenance Fee (per billable CCF)	\$1.34	\$1.38	\$0.04	3.0%
Stormwater Fee per ERU	\$16.94	\$17.96	\$1.02	6.0%

Average Residential User	2014	2015	Difference	%Change
Sewer Maintenance Fee	\$90.57	\$93.28	\$2.71	3.0%
Stormwater Fee	\$67.76	\$71.84	\$4.08	6.0%
Total	\$158.33	\$165.12	\$6.79	4.3%