

Dept. of Public Works Sewer Maintenance Fund

Presentation to the Finance
& Personnel Committee on the
2020 Proposed Executive Budget
October 11, 2019

Objectives

Measure	2018 Actual	2019 Projected	2020 Planned
Sanitary sewer overflows	32	0	0
Number of basement backups reported	33	17	0
Miles of sewer replaced or relined	23	32	26

2020 Budget Summary

	2019 Adopted Budget	2020 Proposed Budget	Difference (amount, %)
FTEs – O&M	101.15	101.30	0.15, (0.2%)
FTEs - Other	13.05	13.00	-0.05, (-0.4%)
Salaries & Wages	\$4,646,918	\$4,539,762	-\$107,156, (-2.3%)
Fringe Benefits	3,485,189	3,404,822	-80,367, (-2.3%)
Operating Expenditures	7,273,000	7,053,000	-220,000, (-3.0%)
Equipment	903,000	1,061,000	-158,000, (17.0%)
Special Funds	54,897,637	56,852,994	1,955,357, (3.6%)
O&M TOTAL	\$71,205,744	\$72,911,578	\$1,705,834, (2.4%)
Capital	\$33,950,000	\$34,150,000	\$200,000, (0.6%)
Total	\$105,155,744	\$107,061,578	\$1,905,834, (1.8%)

Revenues

	2019 Adopted Budget	2020 Proposed Budget	Difference (amount, %)
Local Sewerage Charge	\$31,956,653	\$32,371,573	\$414,920 (1.3%)
Stormwater Management Fee	34,120,814	36,685,114	2,564,300, (7.5%)
Charges for Services	1,673,500	1,706,600	33,100, (2.0%)
Interest Revenue	137,000	185,200	48,200, (35.2%)
Proceeds from Borrowing	29,300,000	29,300,000	0, (0.0%)
Grant and Aid	3,650,000	3,650,000	0, (0.0%)
Withdrawal from Retained Earnings	4,317,777	3,163,091	-1,154,686, (-26.7%)
Total	\$105,155,744	\$107,061,578	\$1,905,834, (1.8%)

Special Funds Summary

1. General Fund Transfer: \$23.0 million
2. Capital Fund Transfer: \$3.2 million
3. Debt Service: \$29.3 million

Rate Plan

Fee	2019	2020	Difference	% Change
Local Sewerage Charge (per billable CCF)	\$1.49	\$1.53	\$0.04	3.0%
Stormwater Management Fee (per ERU)	\$21.41	\$22.05	\$0.64	3.0%

Average Residential User	2019	2020	Difference	% Change
Local Sewerage Charge	\$97.77	\$100.70	\$2.93	3.0%
Stormwater Management Fee	\$85.64	\$88.20	\$2.56	3.0%
Total	\$183.41	\$188.90	\$5.49	3.0%

Capital Budget

Project	2019 Adopted Budget	2020 Proposed Budget	Difference (amount, %)
Sewer Relay	\$25,000,000	\$25,000,000	\$0, (0.0%)
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	0	200,000	200,000, (0.0%)
Downspout Disconnection Program	2,000,000	2,000,000	0, (0.0%)
Total	\$33,950,000	\$34,150,000	\$200,000, (0.6%)

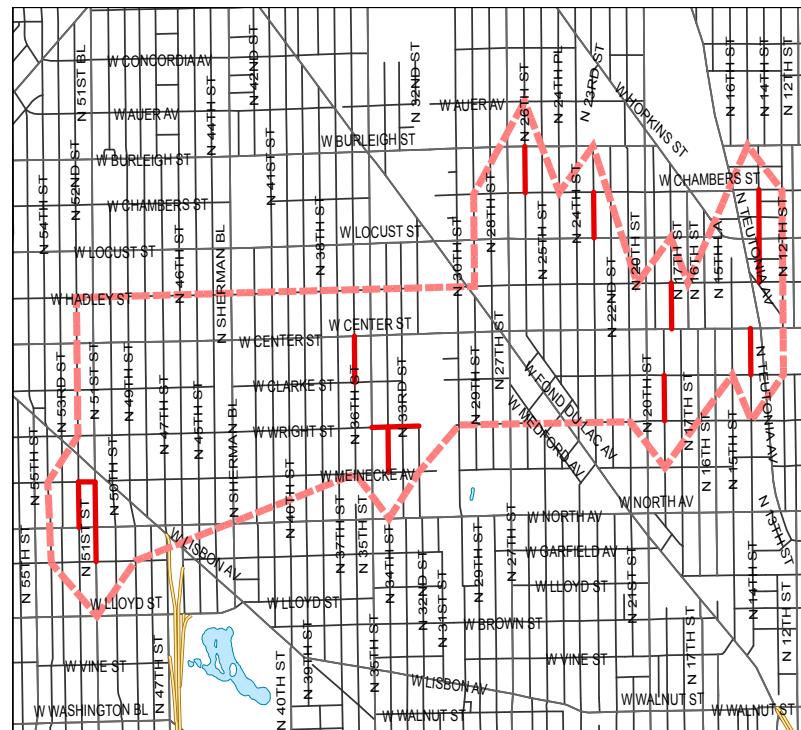
Capital Budget Highlights

- Sewer Relay Program
 - 2020 proposed = 15 miles
- I & I Reduction
 - 2020 proposed = 11 miles
- Downspout Disconnection Program
 - 2nd year of \$2,000,000
 - MMSD mandate to disconnect downspouts in combined sewer area.
- Water Quality Projects to meet TMDL requirements
 - \$2.0 MMSD grant + \$800,000 in City funds = \$2.8 million total

Sewer Maintenance Relay & Lining: \$25 Million

15 Miles of Sewer Relay and Lining - 2020 Major Projects

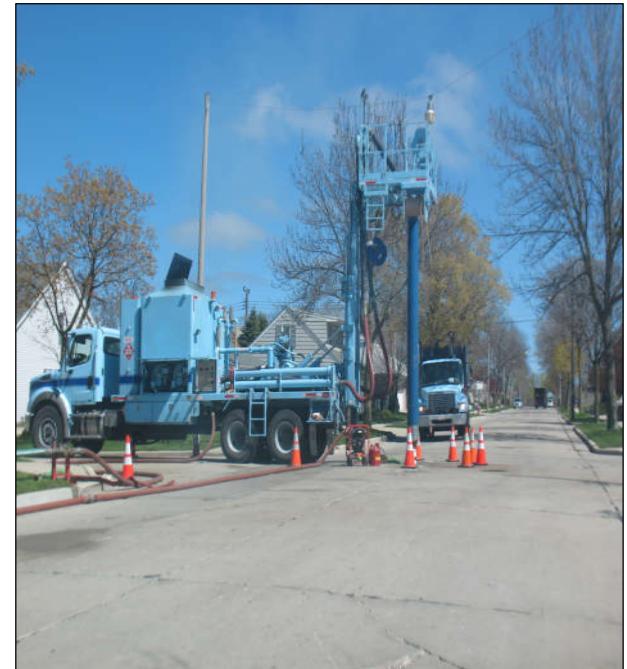
- Sewer Relays within area bounded by N. 14th St. to N. 52nd St. and W. Garfield Ave. to W. Burleigh St.
 - Sewer age ranges from 90 to 125 years old
 - 2 miles of 12" to 30" Sewer Relay \$3.4M
- St. Paul Ave. – N. 27th St. to N. 35th St.
 - Sewer age over 100 years old
 - 0.5 miles of 30" to 48" Sewer Relay \$1.8M



I & I Reduction Projects: \$3.65 Million

11 Miles of ABB Lining

- Area Bounded By N. 51st Blvd. to N. 65th St. and W. Hope Ave. to W. Hampton Ave.
 - 8" to 12" dia. public main sanitary sewer lining
- Area Bounded By S. 27th St. to S. 44th St. and W. Montana St. to W. Ohio Ave.
 - 8" to 21" dia. public main sanitary sewer lining
- Area Bounded By W. Capitol Dr. to W. Concordia Ave. and N. Sherman Blvd. to N. 35th St.
 - Private Property Inflow and Infiltration Reduction (Funded by MMSD)



2020 Water Quality Projects

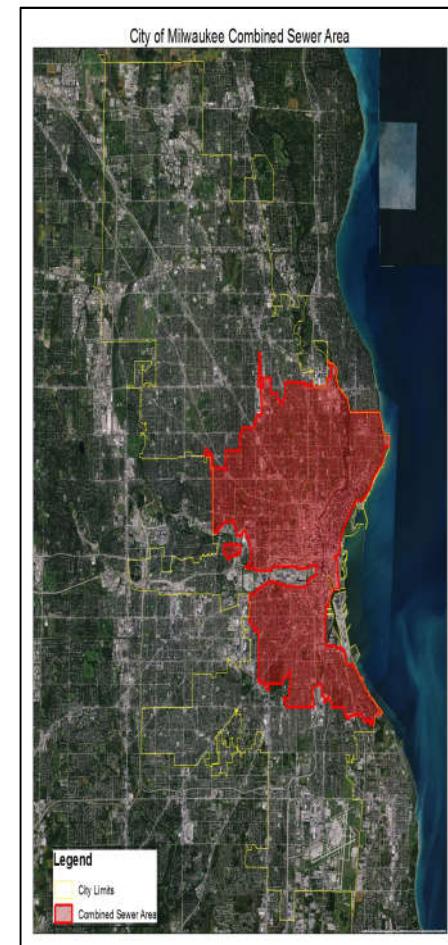
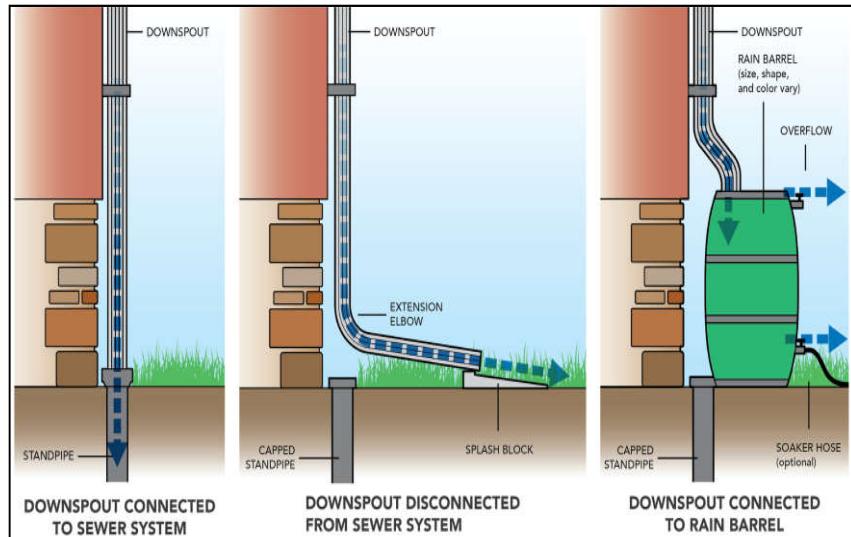
\$2.0 Million MMSD Green Solutions Funds + \$800,000 in City Funds = \$2.8 Million for 2020 Green Infrastructure Projects

- Green Streets Program was started in 2008:
 - 258 Bioretention Beds built to date
- 80 Planned Bioretention locations for 2020 throughout the City
- Design and install 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 \$600,000 of MMSD Green Solutions funding towards MPS schools playgrounds



Downspout Disconnection Program: \$2 Million

- Computer surveys were conducted on the 53,000 homes in the Combine Sewer Area to determine eligibility based on property constraints
 - Based on survey approximately 27,000 homes were able to participate
 - In Spring 2019:
 - Letters were sent to the homes that could not disconnect with MMSD rain barrel information
 - Letters and sign up forms were sent to the homes that could disconnect



Program Summary

- Phase 1: from January 2019 to end of 2020.
 - The City will initially fund all aspects of the program including the physical downspout disconnection work for a two-year “incentive period”
 - Total number of home owner responses from Spring 2019 mailing - 7,514:
 - 3,757 homes have been inspected with 3,690 more homes to be inspected before the end of 2019
 - 793 homes will be disconnected by City Contractor this year
 - 224 homes will be disconnected by home owner
 - 2,740 homes could not be disconnected based on Plumbing Code
 - A second letter will be sent in Spring 2020 to the home owners that have not responded
- Phase 2: from 2021 to December 31 2024.
 - After the two-year incentive period, 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
- Total Project cost estimate: \$7 million with \$2 million budgeted for 2020

