



DATE: December 7, 2021

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Increase Appropriations in the Public Works Department Wastewater Fund**

RECOMMENDATION

Increase appropriations of \$200,000 in the Public Works Department Wastewater Fund. (Five votes required)

BACKGROUND

Over the past several years, the cost of operating and maintaining the City’s sewer system has increased without similar increases in the budget for these services. The primary areas in which expenses have exceeded budgeted amounts have related to contract services for sewer line televising and sewer pump inspection/repair, as shown in the table below:

Fiscal Year	Contract	Annual Budget	Annual Expense
2018-19	Sewer Line Televising	\$180,000	\$239,000
	Sewer Pump Inspections/Repair	\$18,000	\$120,000
2019-20	Sewer Line Televising	\$180,000	\$187,000
	Sewer Pump Inspections/Repair	\$18,000	\$115,000
2020-21	Sewer Line Televising	\$180,000	\$231,000
	Sewer Pump Inspections/Repair	\$18,000	\$100,000

The aging of the sewer infrastructure and the need to increase the amount of sewer lines televised annually to assess their condition and address problem areas proactively have contributed to these cost increases.

The pump station inspection and repair contract provides services to both the sewer pump station and the handful of storm pump stations that are reaching the end of their useful lives. Included in the sewer pump inspection/repair is work on the Supervisory Control and Data Acquisition (SCADA) system, which monitors and controls the pump stations and requires frequent maintenance and repair due to aging hardware further increasing costs.

ANALYSIS

The Public Works Department has an annual operating budget of approximately \$18.0 million for wastewater operations, of which \$15.1 million is for wastewater treatment contracting services and \$2.4 million is for personnel costs, which leaves about \$570,000 for other nonpersonnel costs. In the past couple of years, staff was able to use salary savings to cover additional costs in the nonpersonnel area. Currently, the salary savings are insufficient to handle the needs of the operation, including, but not limited to, the televising of sewer mains and inspecting and repairing pump stations. Wastewater operating funds need to be augmented by \$200,000 to maintain ongoing wastewater operations for the remainder of the fiscal year.

FISCAL IMPACT

The requested appropriation will increase the Fiscal Year 2021-22 Public Works Department Wastewater Fund Base Budget by \$200,000. There is sufficient available balance in the Wastewater Fund for the requested increase in appropriations for the current fiscal year.

ALTERNATIVES

1. Do not approve the appropriation.
2. Provide other direction.

PUBLIC NOTICING – Agenda posting.

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