



UTILITIES DEPARTMENT

Operations & Maintenance Budget

**FY 2012-13
Budget Worksession**

July 17, 2012



Presentation Outline

- **Organization Chart**
- **Proposed FY 2012-13 Budget**
- **Accomplishments**
- **Budget Challenges**
- **Summary**



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Organization Chart

Director – Raymond E. Hanson, P.E.

**Deputy Director
Ron Nielsen**

**Solid Waste
Jim Becker**

**Customer Service
Tim Armstrong**

**Fiscal &
Operational Support
Glenn Kramer**

**Deputy Director
Jason Herrick, P.E.**

**Water
Jackie Torbert**

**Water Reclamation
William Hurley, P.E.**

**Field Services
Troy Layton**

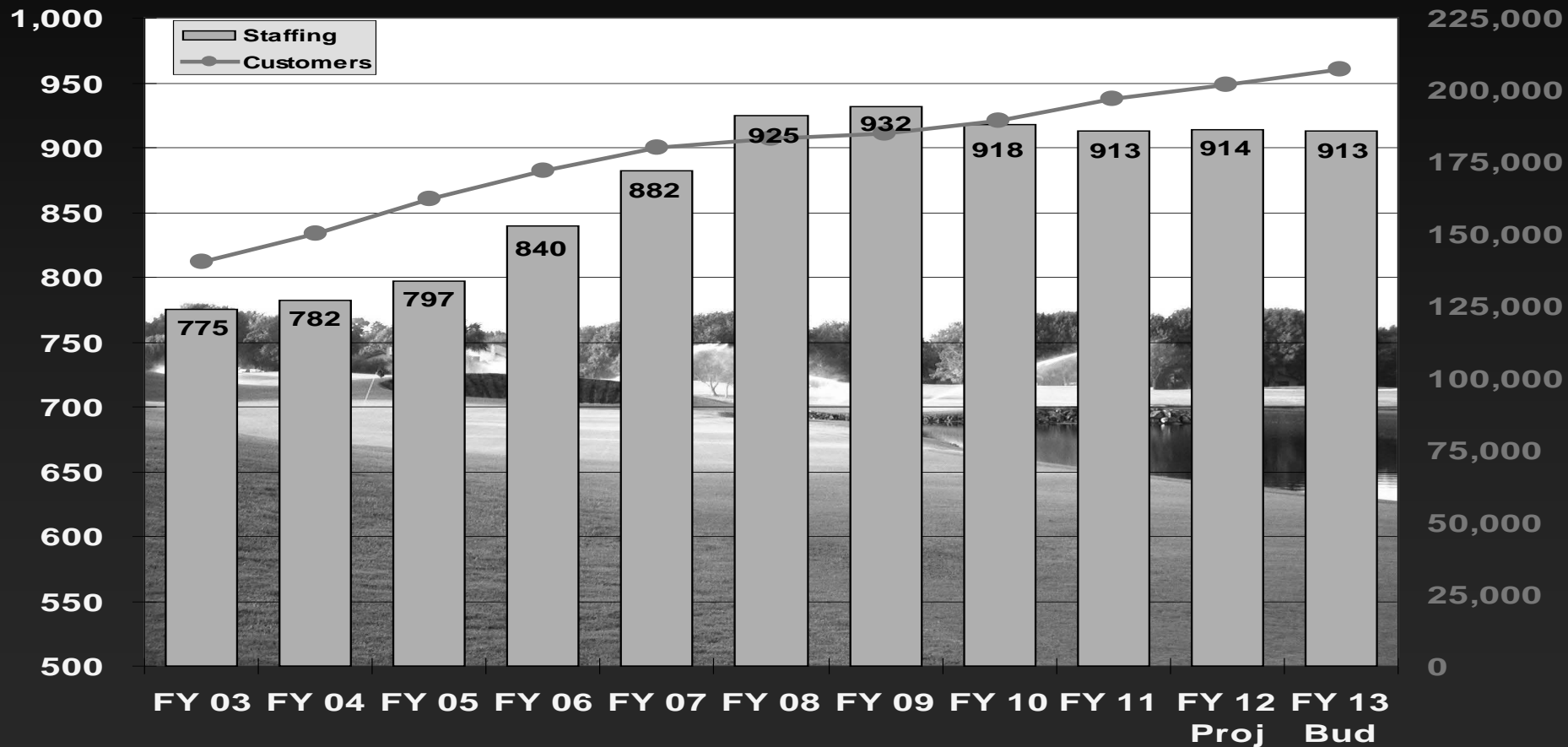
**Engineering
Andres Salcedo, P.E.**

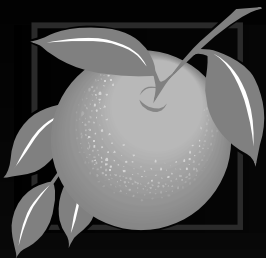
**Deputy Director
Teresa Remudo-Fries, P.E.
Strategic Planning
Regional Partnerships
Intergovernmental Relations**



Staffing

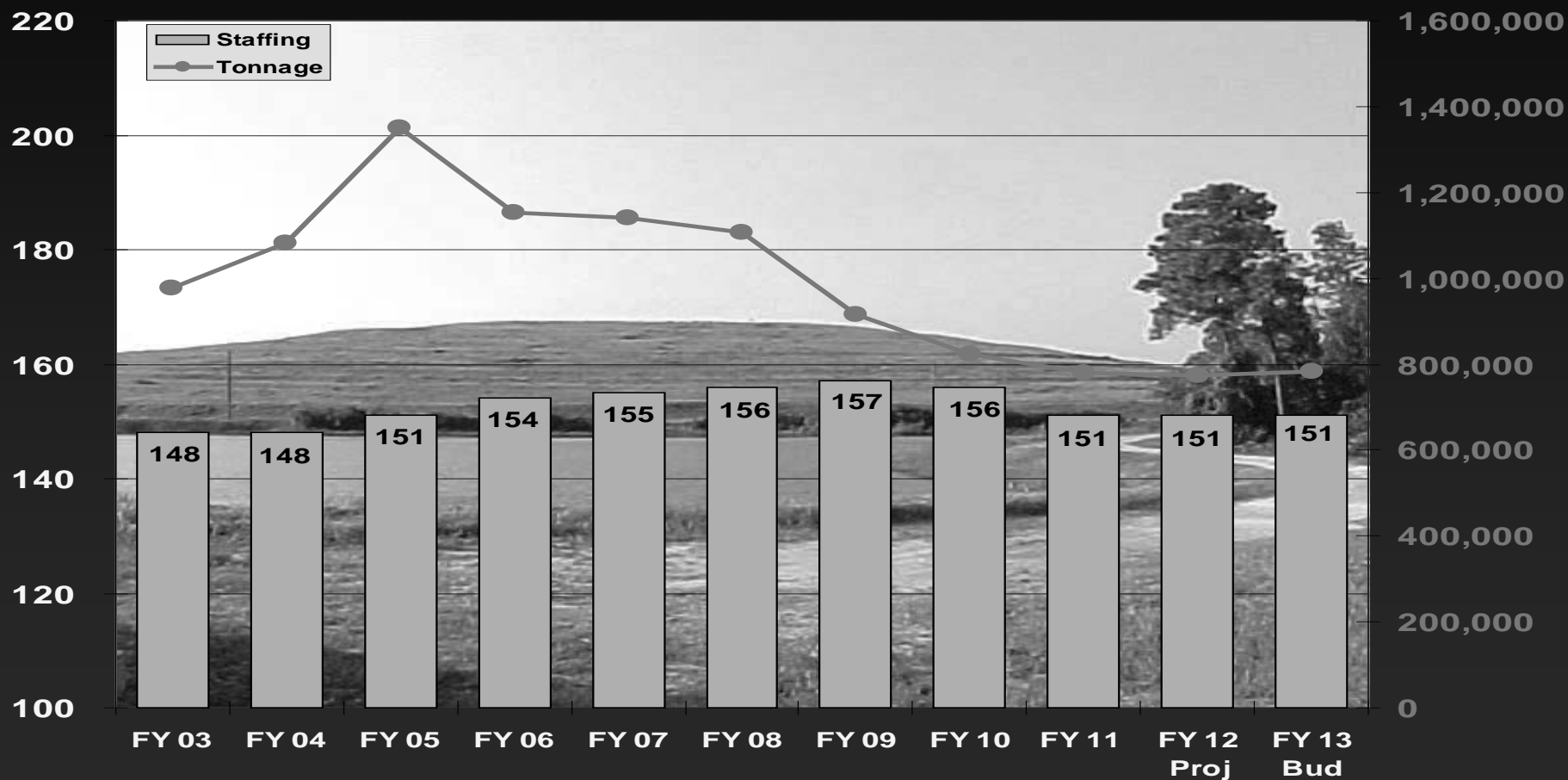
Utilities Department Staffing





Staffing

Solid Waste Staffing





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Proposed FY 2012-13 Budget

Water & Wastewater Fund

	Current <u>FY 12</u>	<u>\$ Change</u>	Proposed <u>FY 13</u>
Personal Services	\$43.6M	\$0.8M	\$44.4M
Operating Budget	<u>79.4M</u>	<u>(6.9M)</u>	<u>72.5M</u>
Total	\$123.0M	(\$6.1M)	\$116.9M
Budget Change			(5.0%)

Staffing

763

(1)

762





Proposed FY 2012-13 Budget

- **Budget Reductions**
 - Contractual Services (\$4.0M)
 - Research & Studies (\$0.9M)
 - HSA/FSA Contribution (0.9M)
 - Maintenance of Equipment (\$0.9M)
 - Rolling Stock (\$0.6M)
 - Equipment (\$0.6M)





Proposed FY 2012-13 Budget

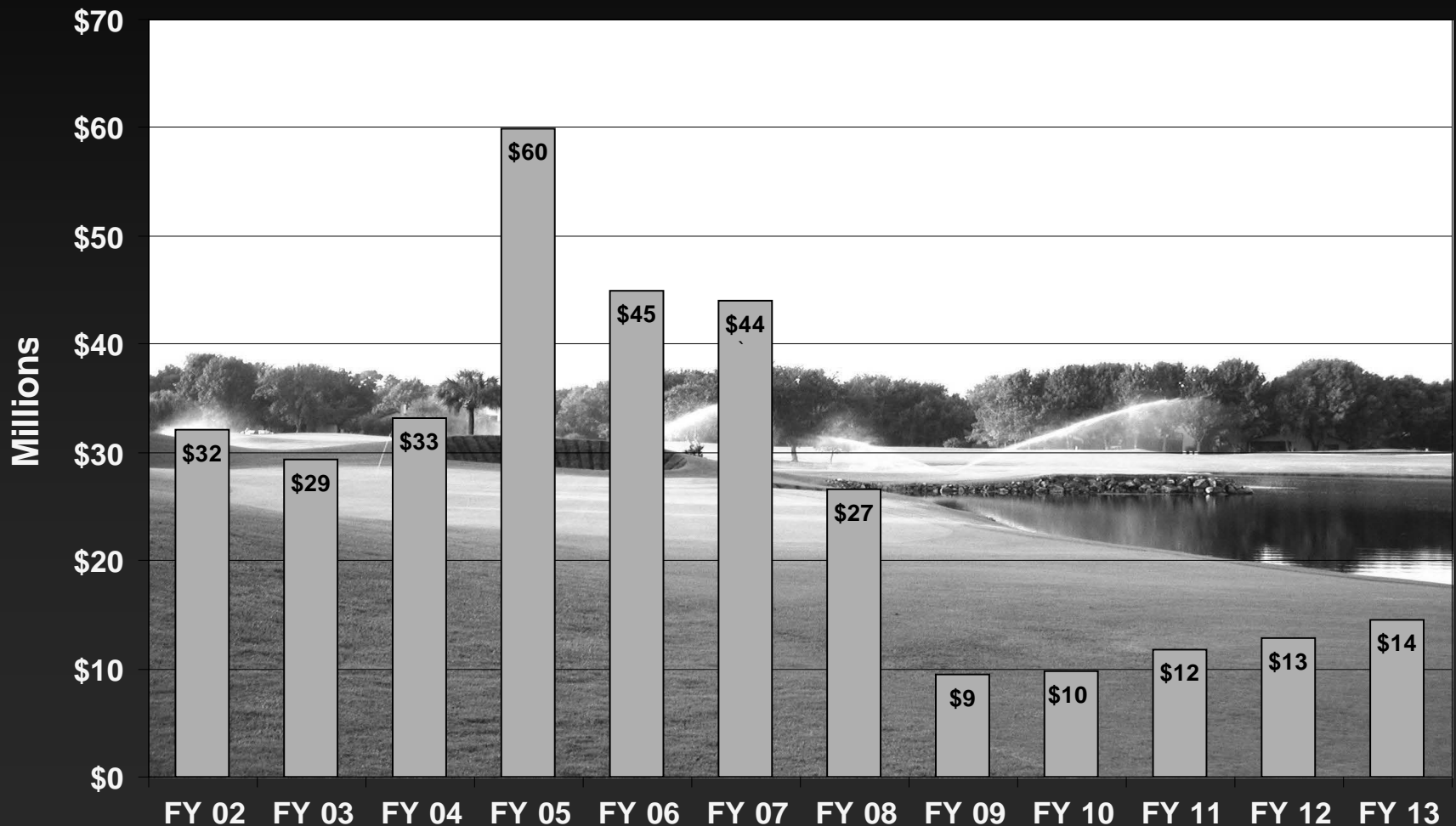
- **Offsetting Budget Increases**
 - Regular Salaries & Wages \$1.0M
 - Heavy Equipment \$0.5M
 - Self Insurance \$0.5M
 - Fleet Management Charges \$0.4M





Proposed FY 2012-13 Budget

Water & Wastewater Capital Charge Revenue





Proposed FY 2012-13 Budget

- **Debt Assumptions**
 - Capital Improvements Program can no longer be funded by cash
 - State Revolving Fund Loans projected total \$34.3M
 - Revenue Bonds
 - Approximately \$78M bond issue
 - Will be issued when cash balances fall to target level





Proposed FY 2012-13 Budget

Water & Wastewater Rates

- **Automatic 3% Indexing**
 - Water
 - Wastewater
 - Reclaimed Water
 - Capacity Maintenance Fees
- **Providing additional funds for Capital Improvement Program**
- **Small periodic rate adjustments help prevent rate spikes**





Proposed FY 2012-13 Budget

Water & Wastewater Rates

- **Other Central Florida Utilities FY 2011-12**
 - Altamonte Springs - 5.1% Water & WW
 - Ocoee – 6.1% Water & WW
 - Orlando – 8.0% WW only
 - Melbourne – 10.2% Water, 10.3% WW
 - Casselberry – 10.25% Water, 21% WW
 - Apopka – 18.6% Water, 6.1% WW



Proposed FY 2012-13 Budget

Water & Wastewater Rates

- **Other Central Florida Utilities
Proposed for FY 2012-13**
 - Volusia County – 1.0% Water, 3.0% WW
 - Seminole County – 3.0% Water & WW
 - Cocoa – 5.0% Water Only
 - Orlando – 5.0% Water Only
 - Toho Water Authority – 5.0% Water & WW



Proposed FY 2012-13 Budget

Solid Waste Division

	Current		Proposed
	<u>FY 12</u>	<u>\$ Change</u>	<u>FY 13</u>
Personal Services	\$8.3M	(\$0.1M)	\$8.2M
Operating Budget	<u>66.4M</u>	<u>(0.4M)</u>	<u>66.0M</u>
Total	\$74.7M	(\$0.5M)	\$74.2M
Budget Change			(0.7%)

Staffing

151

0

151





Proposed FY 2012-13 Budget

- **Budget Reductions**
 - Provision for Closure Cost (\$2.5M)
- **Offsetting Budget Increases**
 - Payment to the Franchise Haulers \$1.6M
 - Heavy Equipment \$0.7M





Proposed FY 2012-13 Budget

Solid Waste Disposal Rates

- **Solid Waste Tipping Fees**
 - No increase planned in FY 2013
 - Resolution to repeal 3% automatic rate indexing
 - Solid Waste Study in progress





Proposed FY 2012-13 Budget

Solid Waste Collection Rates

- **Mandatory Refuse and Residential Recycling MSBU**
 - No increase for calendar year 2013
 - MSBU remains at \$235.00
 - Hauler Contract
 - Current 7-year contract expires in 2015

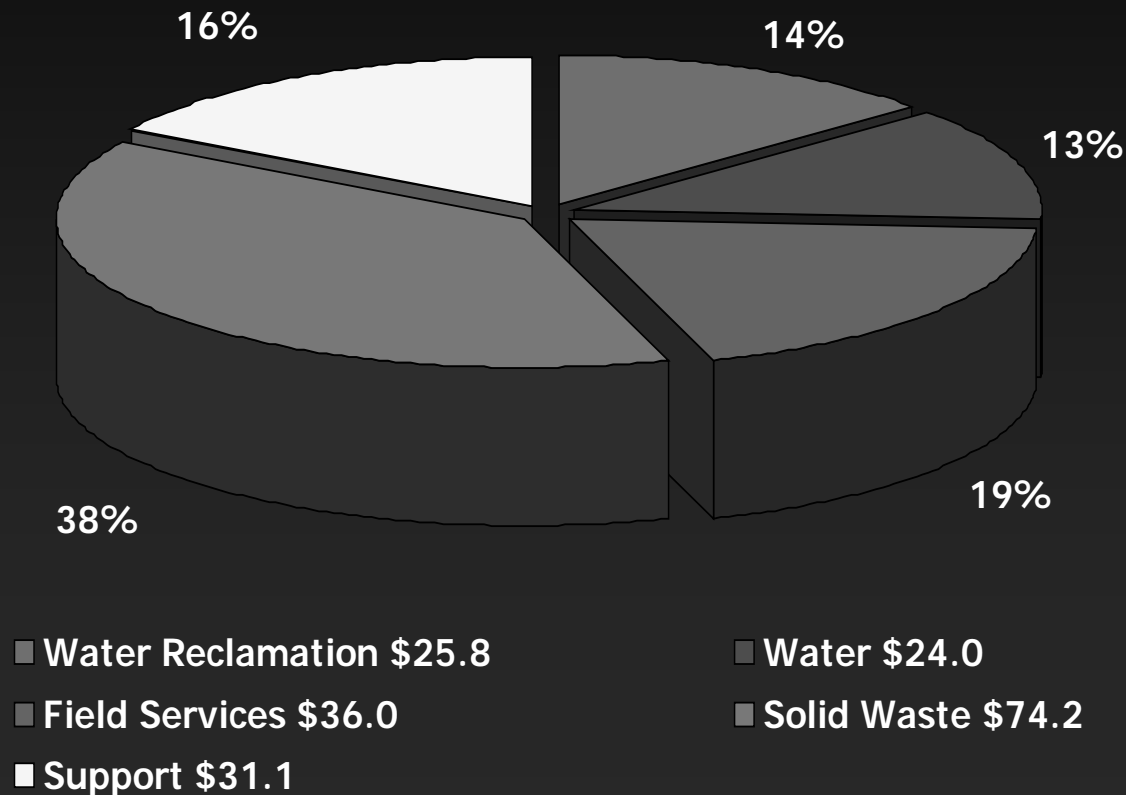




Proposed FY 2012-13 Budget

Proposed FY 2012-13

Total Utilities Operating Budget \$191.0M





Presentation Outline

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Accomplishments

- **Provided over 21.6 billion gallons of drinking water**
- **Treated 19.5 billion gallons of wastewater**
- **Began operating the Southern Regional Water Supply Facility with no increase in staffing**





Accomplishments

- Began direct sale of landfill gas to OUC's Stanton Energy Center
- Solid Waste of North America's Gold Excellence Award for landfill gas utilization
- Utilities Department recognized by Central Florida Engineers' Week as Public Organization of the Year





Accomplishments

- **Collected over 34 tons of household hazardous waste and 58 tons of electronics at four community collection events**
- **Energy management program at Eastern Regional Water Supply Facility saved over \$200K**





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Budget Challenges

- **Tonnage Reduction**
 - Competition
 - Recycling initiatives
- **Solid Waste Study to evaluate tipping fees and services provided**





Budget Challenges

- **Water & Wastewater Capital Improvement Funding**
 - Connection fee balances remaining near zero
 - Need to borrow to fund Capital Improvements





Budget Challenges

- **Water Supply**
 - Working with partners to develop, manage and implement long-term water supply and water resource solutions
 - Slow down in growth has given us more time to address issues





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Summary

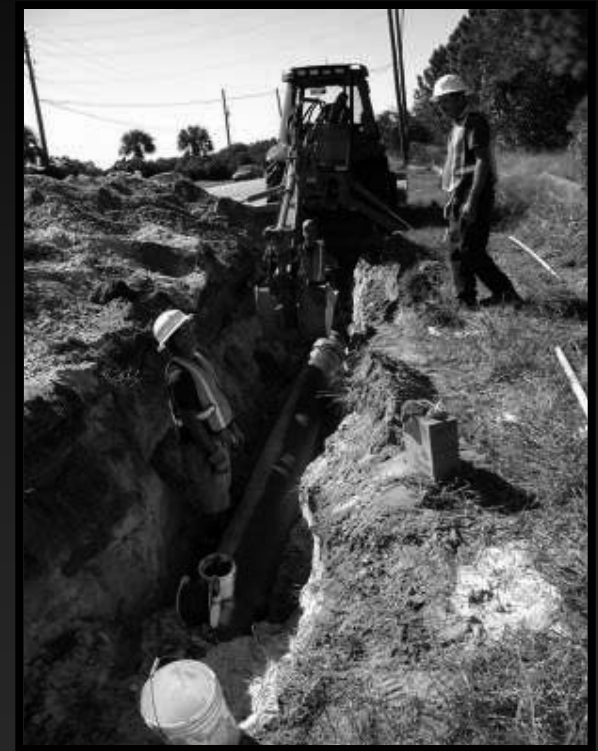
- **Proposed FY 2012-13 budget reflects:**
 - Reduction in Water and Wastewater O&M due to reduction in contract services
 - Reduction in Solid Waste O&M due to the provision for closure costs
 - 3% Water and Wastewater rate indexing





Summary

- **Proposed FY 2012-13 budget reflects:**
 - No increases for
 - Solid Waste Tipping Fees
 - Mandatory Refuse and Residential Recycling MSBU Rate
 - Reduction in personal services of 1 FTE





UTILITIES DEPARTMENT

Operations & Maintenance Budget

**FY 2012-13
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UTILITIES DEPARTMENT

Capital Improvement Program

**FY 2012-13
Budget Worksession**

July 17, 2012



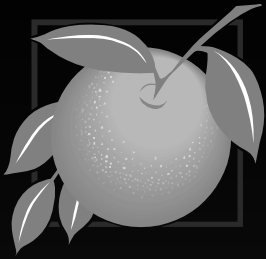
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Background

- **Water & Wastewater System Statistics**
 - Over 200,000 customers
 - Assets worth \$1.1 billion
 - 3,898 miles of pipe
 - 707 pump stations
 - 16 water facilities
 - 3 wastewater facilities





Background

- **Core responsibilities**
 - Maintain our level of service
 - Provide clean, safe potable water
 - Provide reliable wastewater service
 - Provide solid waste disposal services
 - Plan for growth
- **The CIP program is an essential element in meeting our core responsibilities**



Presentation Outline

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Proposed FY 2012-13 Budget

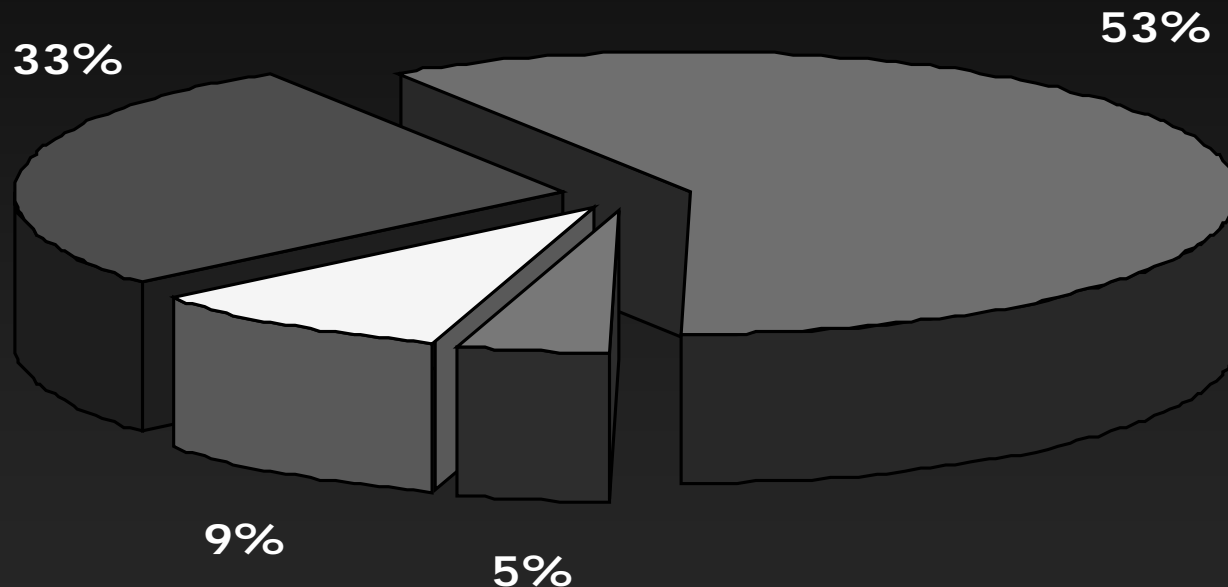
	Approved		Proposed
	<u>FY 12</u>	<u>\$ Change</u>	<u>FY 13</u>
Capital Improvement Projects	\$124.6M	\$8.9M	\$133.5M
Budget Change			7.1%





Proposed FY 2012-13 Budget

Proposed FY 2012-13 Total CIP Budget \$133.5M



■ Water ■ Wastewater ■ Solid Waste ■ Other



Proposed FY 2012-13 Budget

- FY 2012–13 budget includes 230 CIP Projects
 - 79 Infrastructure projects
 - 34 Water and Wastewater Facilities projects
 - 90 Renewal and Replacement projects
 - 10 Solid Waste projects
 - 17 Other projects





Proposed FY 2012-13 Budget

- **Infrastructure projects include:**
 - **South Service Area Transmission Mains - \$5.0M**
 - **South to East Pipeline - \$8.6M**





Proposed FY 2012-13 Budget

- **Facility projects include:**
 - **NWRF Phase III Expansion - \$17.0M**
 - **EWRF Phase V Improvements - \$5.0M**
 - **ERWSF Phase IIIA Improvements - \$3.0M**





Proposed FY 2012-13 Budget

- **Renewal and Replacement projects include:**
 - Americana Boulevard Pump Station - \$1.2M
 - Meadow Woods Pump Station - \$1.4M
 - International Drive FM Rehab - \$3.0M





Proposed FY 2012-13 Budget

- **Solid Waste projects include:**
 - Cell 9 Closure - \$1.5M
 - Cell 9 Land Fill Gas System Expansion and Operation - \$0.7M





Proposed FY 2012-13 Budget

- **5-year CIP program includes:**
 - 1 Grant project
 - \$0.5M
 - 9 SRF Loan projects
 - \$34.3M





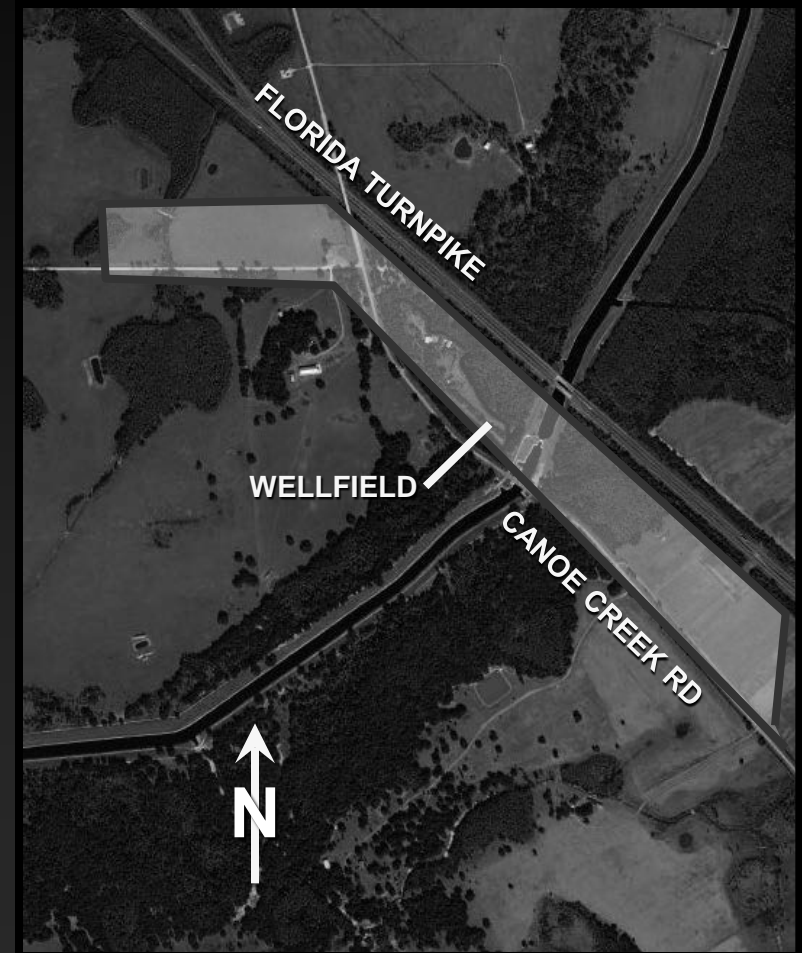
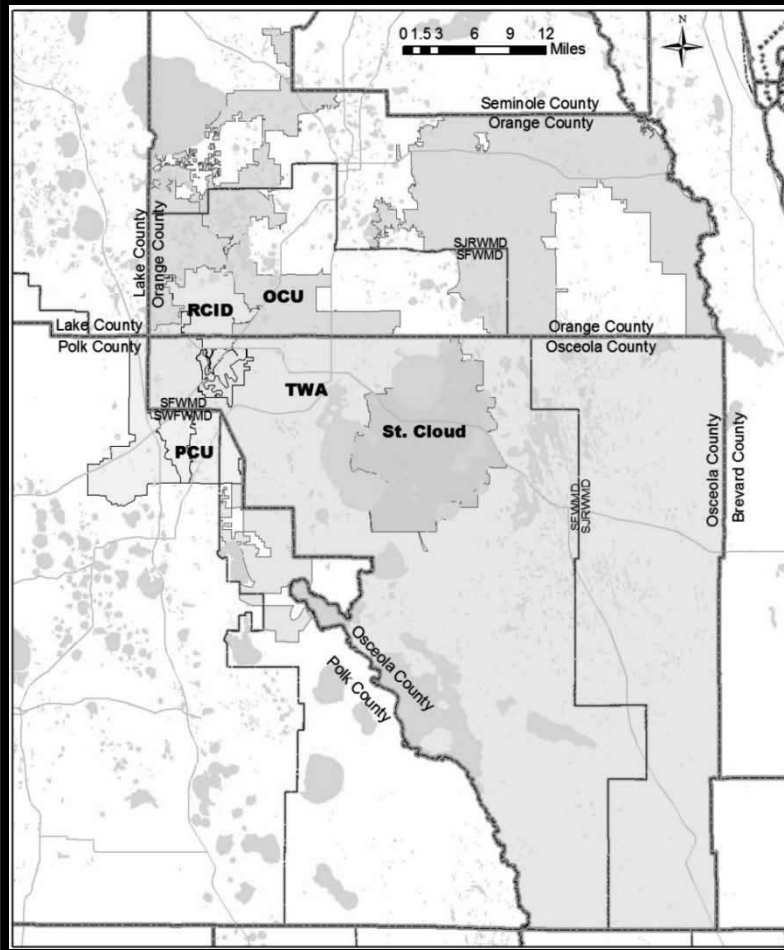
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Accomplishments

Cypress Lake Wellfield Agreement with STOPR





Accomplishments

Reclaimed Water Agreement with City of Ocoee





Accomplishments

Southern Regional Water Supply Facility





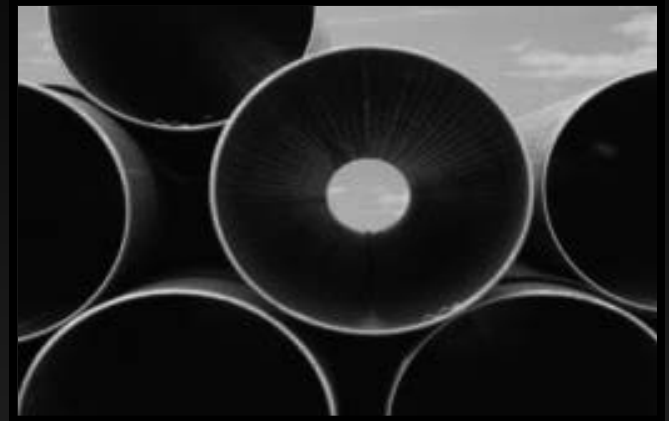
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Budget Challenges

- **Condition Assessments**
- **Future Water Supply**





Budget Challenges

- **Condition Assessments**
 - Being performed as part of the Renewal & Replacement program
 - Condition assessments for wastewater infrastructure are ongoing
 - So far approximately \$160M in work is projected
 - \$90M for pump stations
 - \$70M for gravity systems
 - Proposing to perform the work over 7 years at \$25M per year



Budget Challenges

- **Future Water Supply**
 - Develop, manage and implement long-term water supply and water resource solutions





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Summary

- **Proposed FY 2012-13 Budget:**
 - Five-year budget continues a trend of transition from expansion related projects to an infrastructure renewal program
 - Proposed budget shows continual investment in existing infrastructure
 - Most alternative water supply spending is beyond the five-year window



UTILITIES DEPARTMENT

Capital Improvement Program

**FY 2012-13
Budget Worksession**

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