

Water Department FY 2020

Budget Presentation



Mission:

Provide a safe, reliable, and adequate supply of drinking water for our customers at the lowest practical cost.

FY18 Output Summary

- **Population Served: 54,746 (17,200 Active Accounts)**
- **Number of Employees – 45 FTE's and 4 Seasonal:**
 - Administration – 4 FTE's
 - Water Superintendent
 - Management & Administrative Assistant – 2
 - Utility Systems Technician
 - Engineering – 3 FTE's
 - Water Engineer
 - Engineering Techs -2
 - Pumping & Purification – 6 FTE's
 - Operations Supervisor
 - Pump & Purification Technicians - 5
 - Transmission & Distribution – 28 FTE's
 - Plumbing Supervisor
 - Mainline Supervisor
 - Plumbing Crews - 6
 - Lead Plumbers - 6
 - Heavy Equipment Operators - 7
 - Equipment Operators (Truck Drivers) - 6
 - Day/Night Service Workers - 4
 - Construction Workers - 4
 - Support Personnel – 4 FTE's
 - Warehouseman
 - Mechanics - 2
 - Welder

FY18 Output Summary



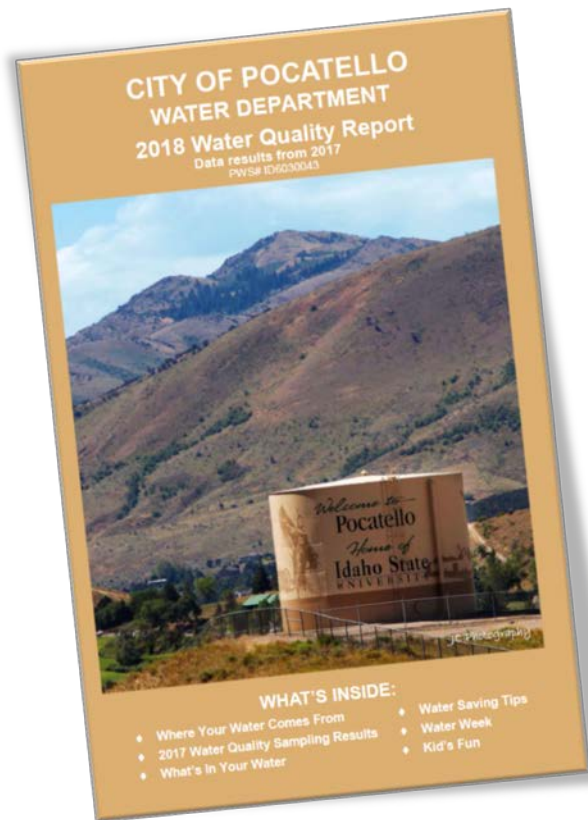
Water System – Capital Assets	Quantity
Water Distribution Mains	278 Miles
Wells (Active)	21
Storage Tanks	16 (23.6 MG Capacity)
Booster Stations	12 (29 pumps)
Pressure Reducing Valves	47
Fire Hydrants	2,085
Main Line Valves	4,409
Service Lines	20,095
Backup Generators	6
Vehicles & Equipment	72

FY18 Service Summary

Key Services provided

Output	FY 2018	FY 2017
Water Production	4.8 Billion Gallons	4.5 Billion Gallons
Water Quality Samples	1,977	1,513
Service Requests	5,719	5,608
Service Repairs/Renewals	390	462
Water Main Breaks/Leaks	30	28
Valves Exercised	1,138	964
Hydrants Flushed/Inspected	2,065	1,380
Meters Replaced/Upgraded	2,264	2,005
Water Main Replaced	9,633 ft	10,604 ft

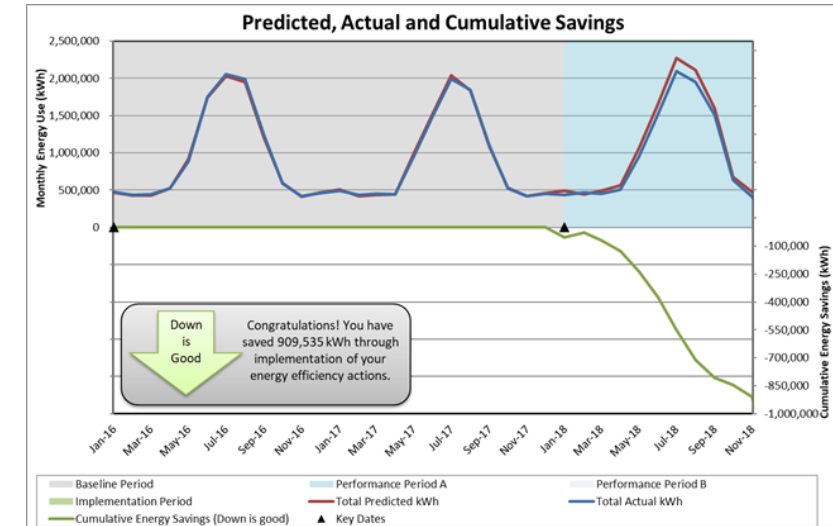
Measures of Effectiveness, Key Accomplishments:



- ✓ Consumer Confidence Report - No violations of drinking water quality standards (Benchmark = 100% Compliance).
- ✓ Minimal interruptions in water service - Integrity of the water system near median percentile @ 10.8 leaks/breaks per 100 miles of pipe (compared to 10.1 leaks/breaks in 2017): AWWA 2017 Benchmarking Performance Indicators.
- ✓ Reasonable water rates when compared locally.

Measures of Effectiveness, Key Accomplishments:

- Strategic Energy Management
 - Achieved 7.7% Energy Savings or 947,715 kWh (Initial Goal of 5%)
 - System adjustments, motor replacements, soft-start controls, leak detection, & LED lighting projects
- Airport Well #35 Reconfiguration - Installed new pump, motor & variable frequency drive (VFD)
- Pressure Management - Johnny Creek & Highland Pressure Zone Improvements
 - (4) New pressure regulating valve stations
 - Comply with IDAPA operating range (40-100 psi)



Measures of Effectiveness, Key Accomplishments:



- Water Main Replacement Projects
 - Replaced aging water mains and services:
 - Ridge, Hwy 30 & Zener St.
 - Johnny Creek Neighborhood – Mahogany, Chokecherry, Pinyon, Aspen & Cedar Ln
 - S. Johnson St. – Halliday to Fremont
- Meter Replacement/Upgrade Program (4th Year)
 - Upgraded 2,264 meters to remote read technology (Drive-by radio reading)

Issues and Concerns:

- **Maintain Reasonable Water Rates**
 - Sustain capital replacement of aging infrastructure & support future growth
- **Highland Bench - Supply Redundancy**
 - Provide additional supply and system redundancy to the Highland Bench
 - Area test well study indicates water quality not optimal for culinary use
 - Additional supply sources or increase capacity of existing wells
- **Nitrate Influence at Groundwater Sources**
 - High cost of removal or treatment
- **Regulatory Changes**
 - CCR Reports – Reporting twice a year
 - American Water Infrastructure Act (AWIA)- Vulnerability Assessment & Response Plan

Budget Comparison FY19 to FY20 – Personnel

Water Fund	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Personnel (wages, all types)	\$2,347,680	\$2,406,062	\$58,382	2.49%	
Benefits, Medical	\$620,546	\$628,134	\$7,588	1.22%	
Benefits, Other	\$628,008	\$684,046	\$56,038	8.92%	\$122,008

Water	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Labor / Operating Split				
Labor (wages + all benefits)	\$3,596,234	\$3,718,242	\$122,008	3.39%
% of budget to labor	26.66%	20.33%		
Remainder (operating & capital)	\$9,892,911	\$14,573,457	\$4,680,546	47.31%
Employees	Budgeted FY19	Budgeted FY20	Difference	% change
Full Time	45	43	-2	-4.44%
Part-Time	\$65,824	\$68,481	\$2,657	4.04%

Budget Comparison FY19 to FY20 – Operating

Water Fund	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Supplies	\$891,925	\$817,775	-\$74,150	-8.31%	
Professional Services	\$727,620	\$696,240	-\$31,380	-4.31%	
Repair Services	\$199,030	\$127,096	-\$71,934	-36.14%	
Utilities	\$1,156,352	\$1,190,188	\$33,836	2.93%	
Property Services	\$106,350	\$105,450	-\$900	-0.85%	
Purchased Services	\$41,119	\$42,126	\$1,007	2.45%	
Loans	\$0	\$0	\$0		
Capital Outlay	\$4,122,000	\$8,701,565	\$4,579,565	111.10%	
Debt Service	\$0	\$0	\$0		\$4,436,044

Budget Comparison FY19 to FY20 – Revenue

Water Fund	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Rentals & Leases	\$14,800	\$15,040	\$240	1.62%
Charges for Service	\$12,150,829	\$13,414,646	\$1,263,817	10.40%
Miscellaneous	\$27,000	\$74,595	\$47,595	176.28%
Other Financing Sources	\$30,000	\$79,631	\$49,631	165.44%
Total	\$12,222,629	\$13,583,912	\$1,361,283	11.14%

Budget Comparison FY19 to FY20 – Capacity Fees

Water Capacity Fund	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Charges for Service	\$374,254	\$536,098	\$161,844	43.24%
Total	\$374,254	\$536,098	\$161,844	43.24%

Budget Comparison FY19 to FY20 – Debt Service

Water Debt Service	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Debt Service	\$617,412	\$618,329	\$917	
Interfund Charges	\$177,971	\$5,990	-\$171,981	
Total	\$795,383	\$624,319	-\$171,064	

Water Debt Service	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Other Financing Sources	\$795,383	\$624,319	-\$171,064	
Total	\$795,383	\$624,319	-\$171,064	

Budget Authority Increase per Rate Study:

Revenue

+ \$1,314,044

- Revenue Increase per Rate Study (3.5% + 0.05% growth)

Admin

(- \$91,901)

- 3001.40-99 – Other Professional Services
 - Financial Planning (Rate) Study

(- \$36,000)

Transmission & Distribution

+ \$29,288

- 3008.11-01 – Overtime increase
- 3008.26-06 – Water Operator Licensure Incentive
- 3008.32-24 - Equipment
 - Tapping Machine
 - Air Compressor Trailer (Replace 25-yr old units)
- 3008.52-06 - Motor Vehicle Repairs
- 3008.52-09 – Tires
- 3008.500.80-06 – Meters
- 3008.500.82 - Vehicles, Machinery & Heavy Equipment
 - Asphalt Reclaimer (Replace 22-yr old unit)
 - Dump Truck (Replace 15-yr old unit)
 - Wheeled Loader (Replace 25-yr old unit/Lease Purchase Option)

+ \$5,014

+ \$10,500

(- \$27,300)

(- \$46,000)

(- \$22,000)

(- \$190,000)

+ \$281,000

Pump, Purification & Storage

+ \$4,477,169

- 3008.11-01 – Overtime/On-Call/Call-out Increases
- 3008.26-06 – Water Operator Licensure Incentive
- 3009.53 – Utility Services (Gas, Waste Water, Electricity)
- 3009.80-07 – Pumps and Storage
 - Highland Booster & Transmission Line

+ \$3,319

+ \$10,000

+ \$33,836

+ \$4,402,000

Proposed Fee Increases:

Base Service Charge Fees

Service Charge (line size), \$ per bill:	Current FY19	Proposed FY20 (Inside City)	Proposed FY20 (Outside City 1.5 x)
¾"	\$10.05	\$10.62	\$15.93
1"	\$13.95	\$14.97	\$22.46
1 ½"	\$24.80	\$26.08	\$39.12
2"	\$36.90	\$39.19	\$58.79
3"	\$80.20	\$81.89	\$122.84
4"	\$131.10	\$136.51	\$204.77
6"	\$265.00	\$278.69	\$418.04
8"	\$379.00	\$400.48	\$600.72
10"	\$608.00	\$642.86	\$964.29
12"	\$900.00	\$951.28	\$1426.92

Proposed Fee Increases:

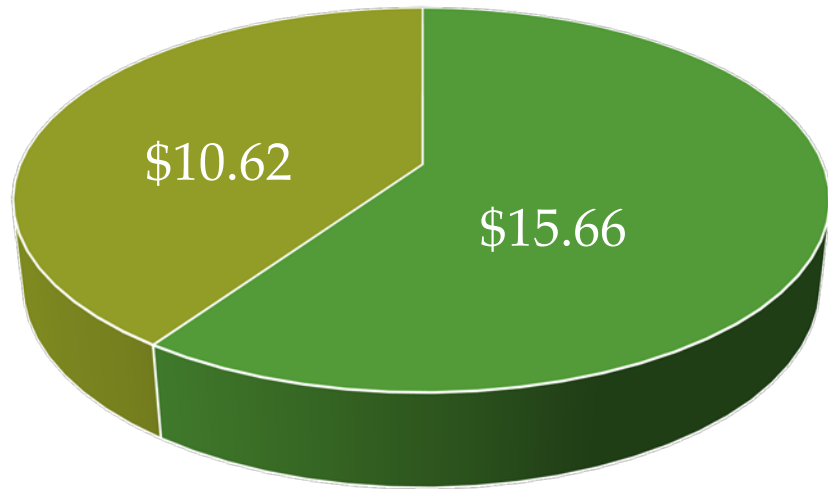
Volume Charges by Customer Class

Volume Charge (per thousand gallons)	Current FY19	Proposed FY20 (Inside City)	Proposed FY20 (Outside City 1.5 x)
Single Family (first 25,000 gal/mo.)	\$2.54	\$2.61	\$3.92
Single Family (over 25,000 gal/mo.) *	\$3.17	\$3.26	\$4.89
Multi-Unit	\$2.42	\$2.45	\$3.68
Non-Residential (Commercial/Industrial)	\$2.07	\$2.14	\$3.21
Summer-line	\$3.17	\$3.26	\$4.89
Hydrant Supplied water (Construction)	\$2.07	\$2.14	\$3.21

* The single family rate over 25,000 gal/mo. shall be charged only during the irrigation season of May, June, July, August, September, and October.

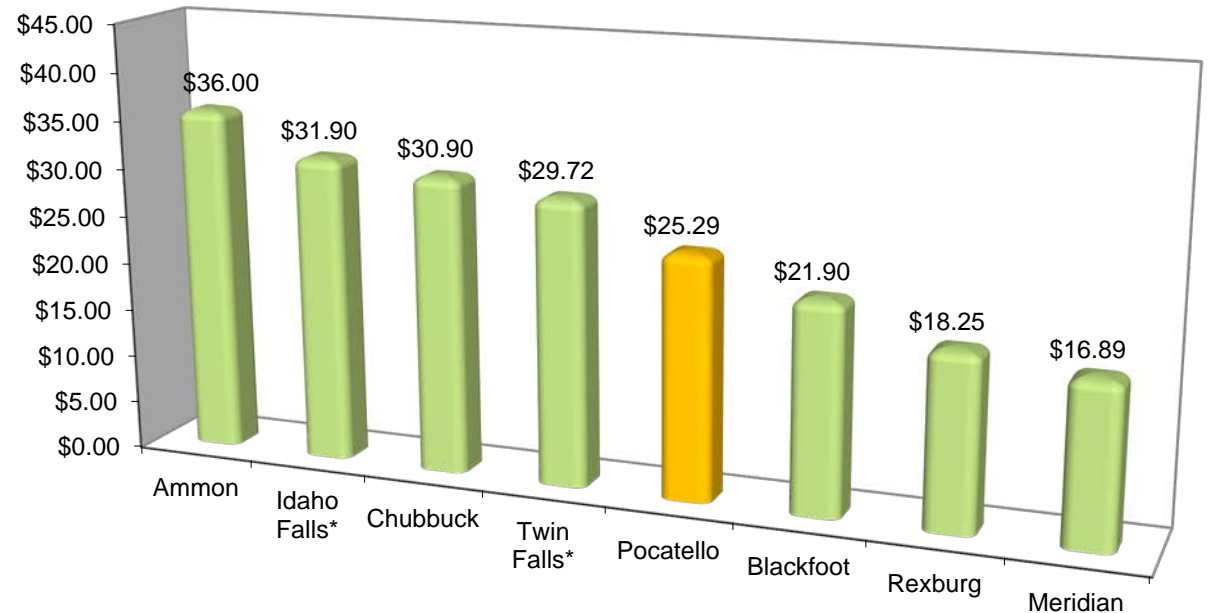
Proposed Fee Increases: Typical Single Family Monthly Water Bill

Proposed FY20 Median Single Family Bill of \$26.28 (6,000 gallons)



■ Usage Charge ■ Base Service Charge

Current FY19 Median Single Family Customer Monthly Bill (6,000 Gallons/Mo)



- Idaho Falls charges a flat rate of \$20.60 + \$11.05 (irrigation) + \$0.25 (DEQ fee) = \$31.90/mo
- Twin Falls charges an additional \$10.75 for arsenic treatment as of 7/1/2010

Proposed Fee Increases:

System Capacity Fees

Connection Size (inches)	Current FY19	Proposed FY20
1"	\$3,450	\$3,550
1 ½"	\$6,900	\$7,100
2"	\$11,040	\$11,360
3"	\$24,150	\$24,850
≥ 4"	Assessed on individual basis	

