

Public Works

2014 Budget Hearing

Department found on pages E157 – E210 in budget book

Presentation to Ways and Means/Budget Committee
September 30, 2013

Public Works 2014 Mayor's Recommended Budget Summary of Presentation

- 1. Department Overview**
- 2. General Fund**
- 3. Enterprise Funds**
- 4. Internal Services**



Public Works 2014 Mayor's Recommended Budget

Mission

To be effective stewards of the public infrastructure, & provide valued city services that contribute to public safety, economic vitality & neighborhood livability in Minneapolis.

Business Lines

Internal Services

The Internal Services business line is comprised of services that are provided primarily to internal City departments & are funded mostly within formal Internal Service funds. Fees for these services are intended to recover the costs incurred for providing each service. Fleet Services is the only division in the Internal Services business line.

Utilities

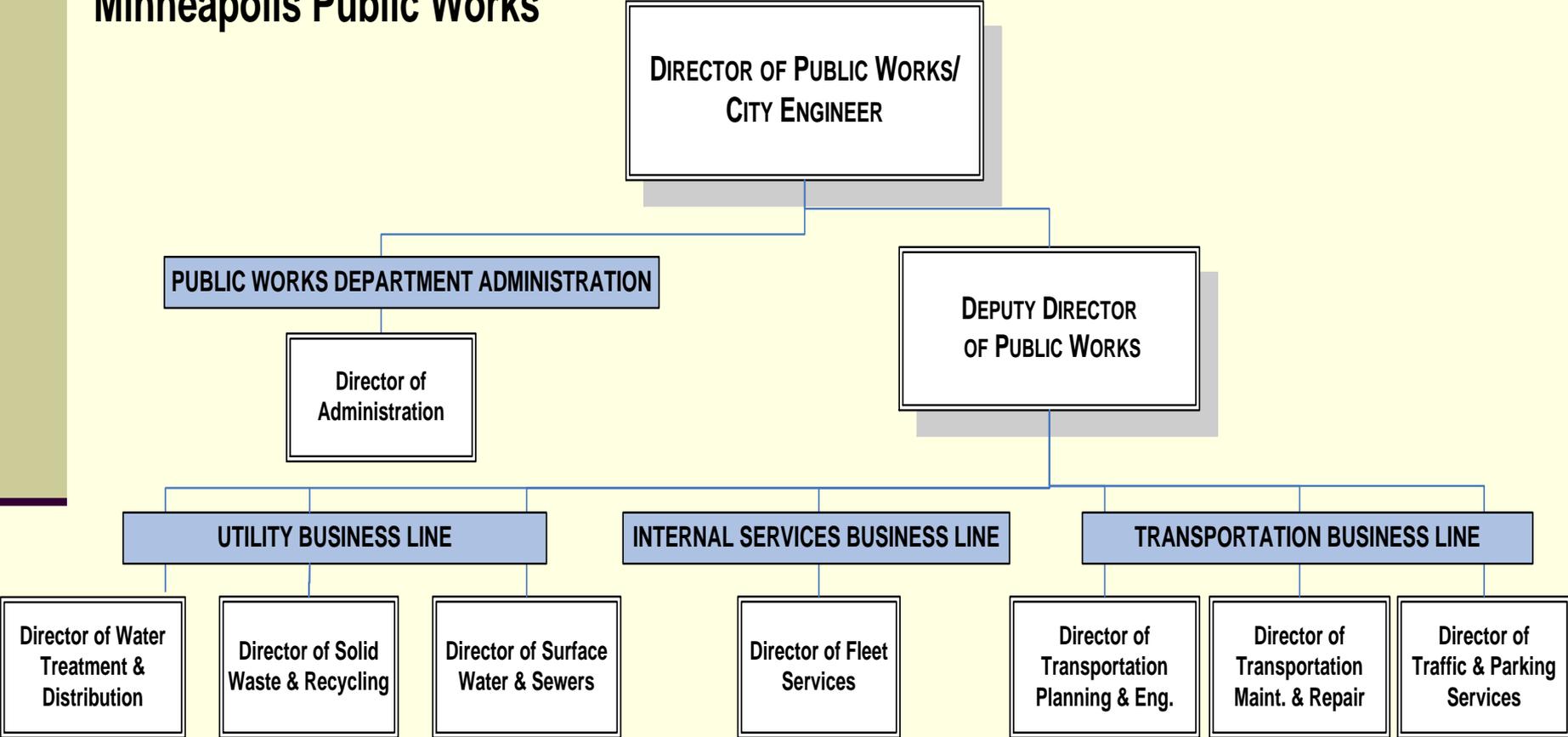
This business line provides services that promote the health & safety of people & property by providing potable water, managing non-potable water, & maintaining a clean city through the collection & disposal of solid waste, recyclables, problem materials, yard waste, & coordination of Clean City activities. The three divisions of the Utilities business line are Surface Water & Sewers, Water Treatment & Distribution, & Solid Waste & Recycling Services.

Transportation

The Transportation Business Line within the Department of Public Works exists to offer people a variety of safe, convenient options for moving throughout the City & within the region. Transportation options enhance the aesthetics of the environment, improving livability, while contributing to economic vitality through the safe, efficient movement of people & goods. The three divisions in the Transportation business line are Traffic & Parking Services, Transportation Planning & Engineering, & Transportation Maintenance & Repair.

Public Works 2014 Mayor's Recommended Budget Organization Chart

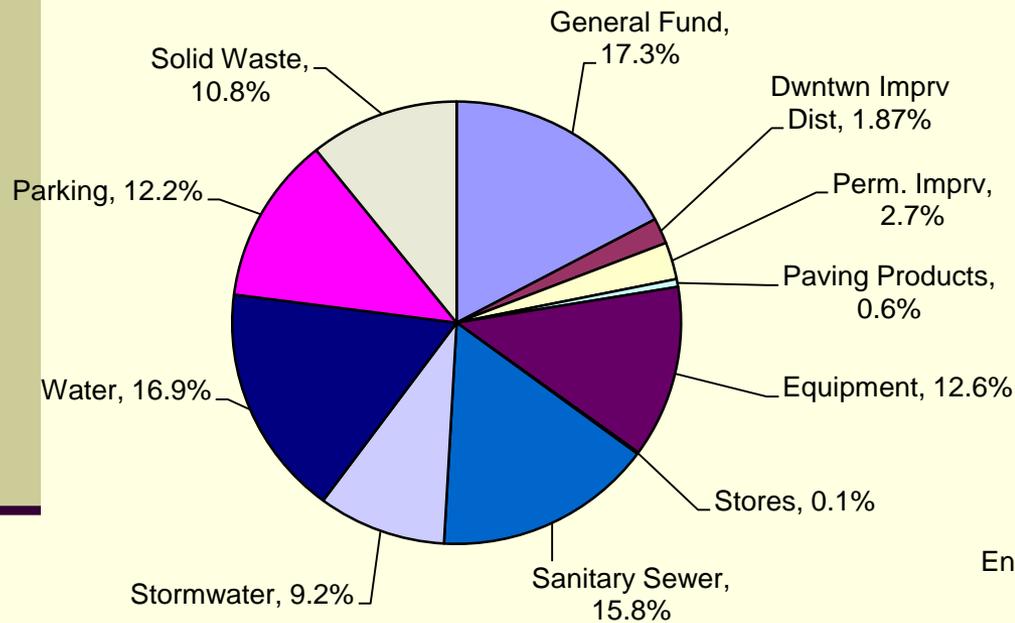
Minneapolis Public Works



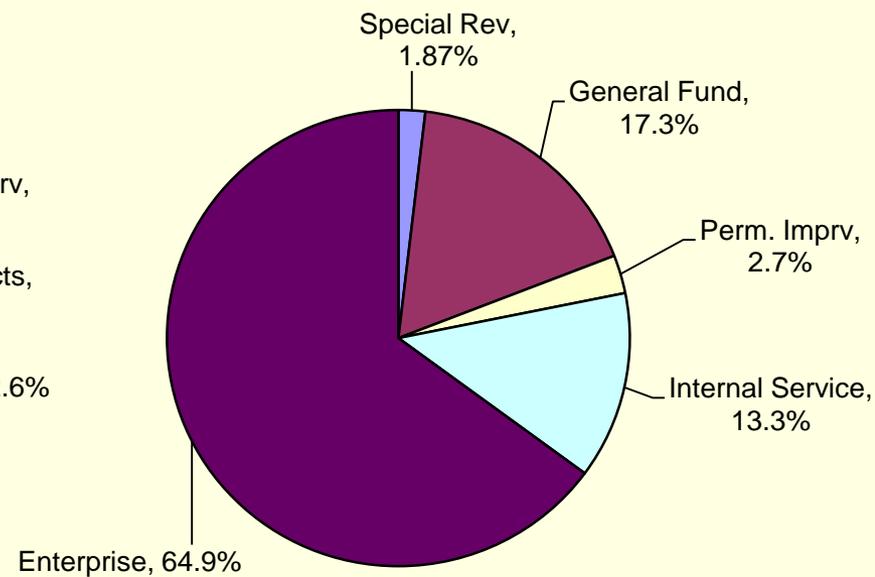
Public Works 2014 Mayor's Recommended Budget

Total Operating Expenditures by Fund [\$310.3 million]

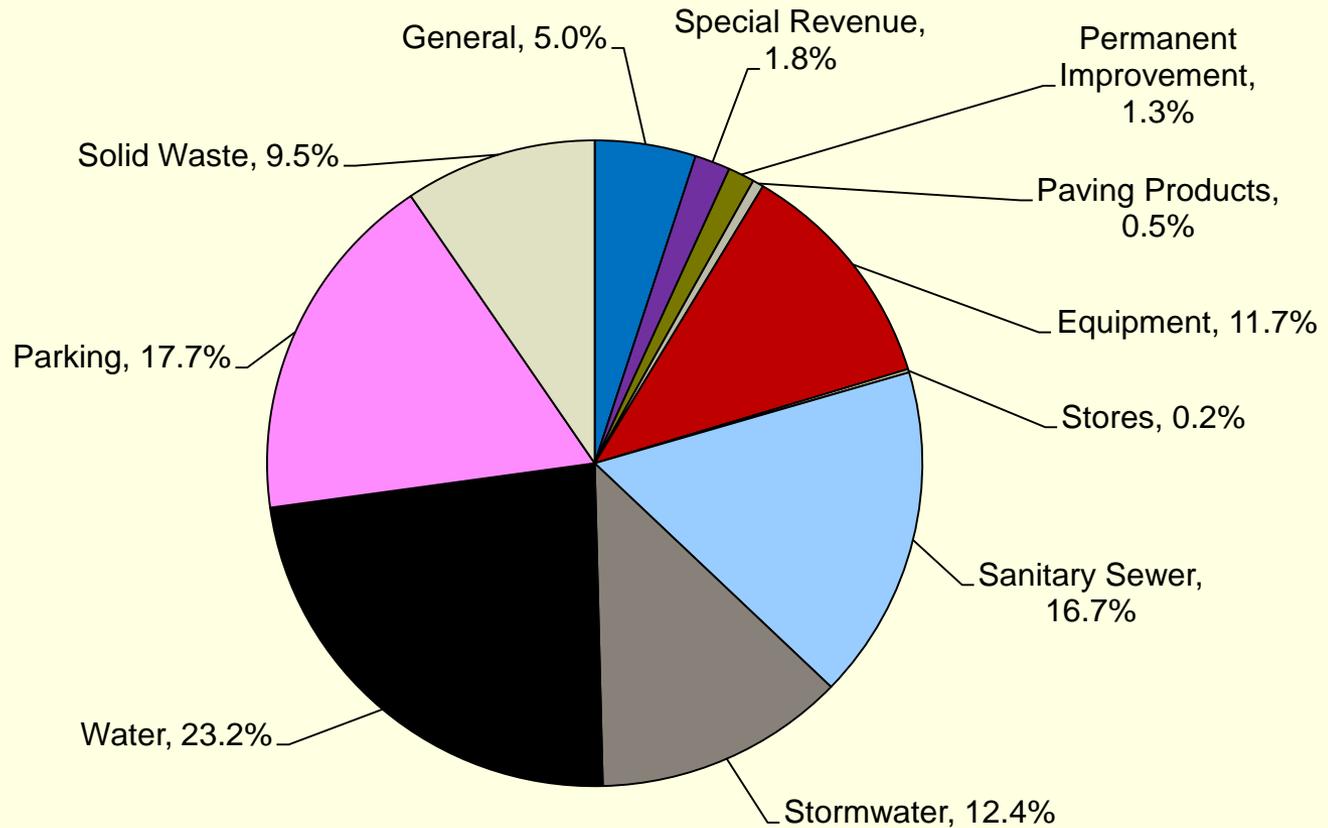
All Public Works Funds



Fund Categories

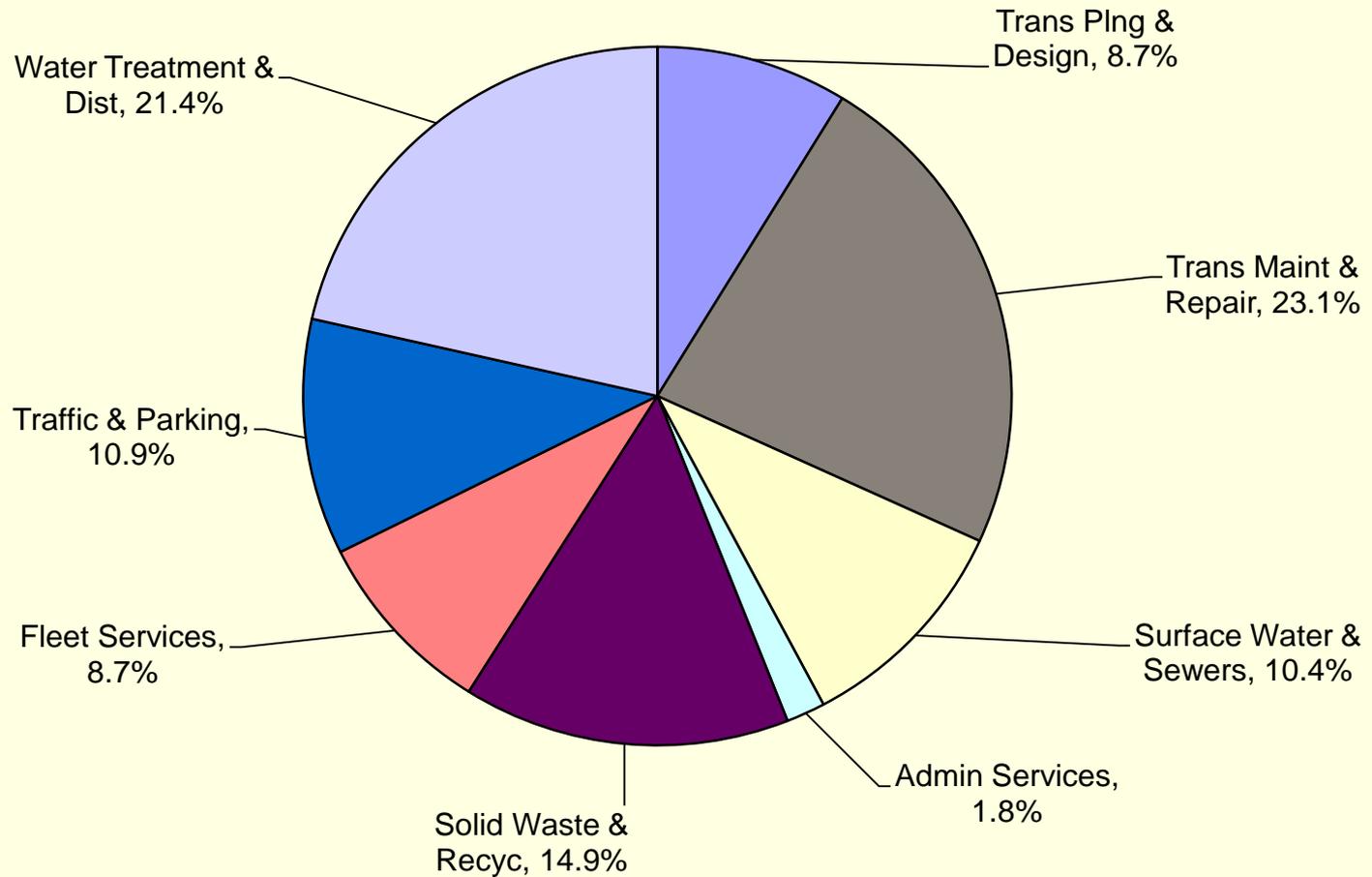


Public Works 2014 Mayor's Recommended Budget Direct Revenues by Fund [\$330.7 million]



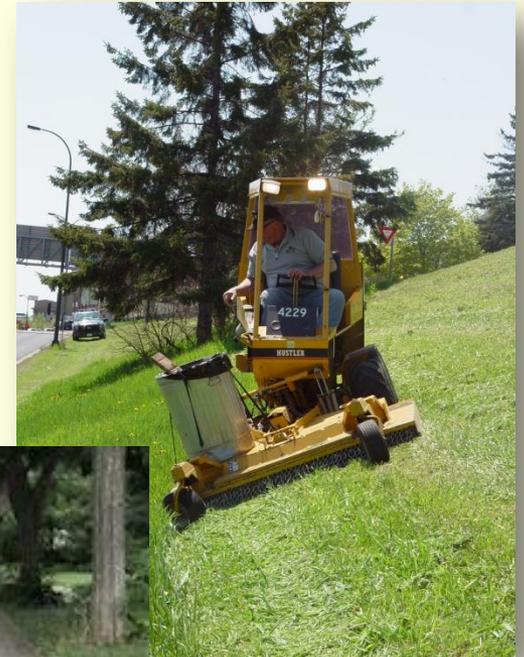
Public Works 2014 Mayor's Recommended Budget

Total Operating FTEs [898]



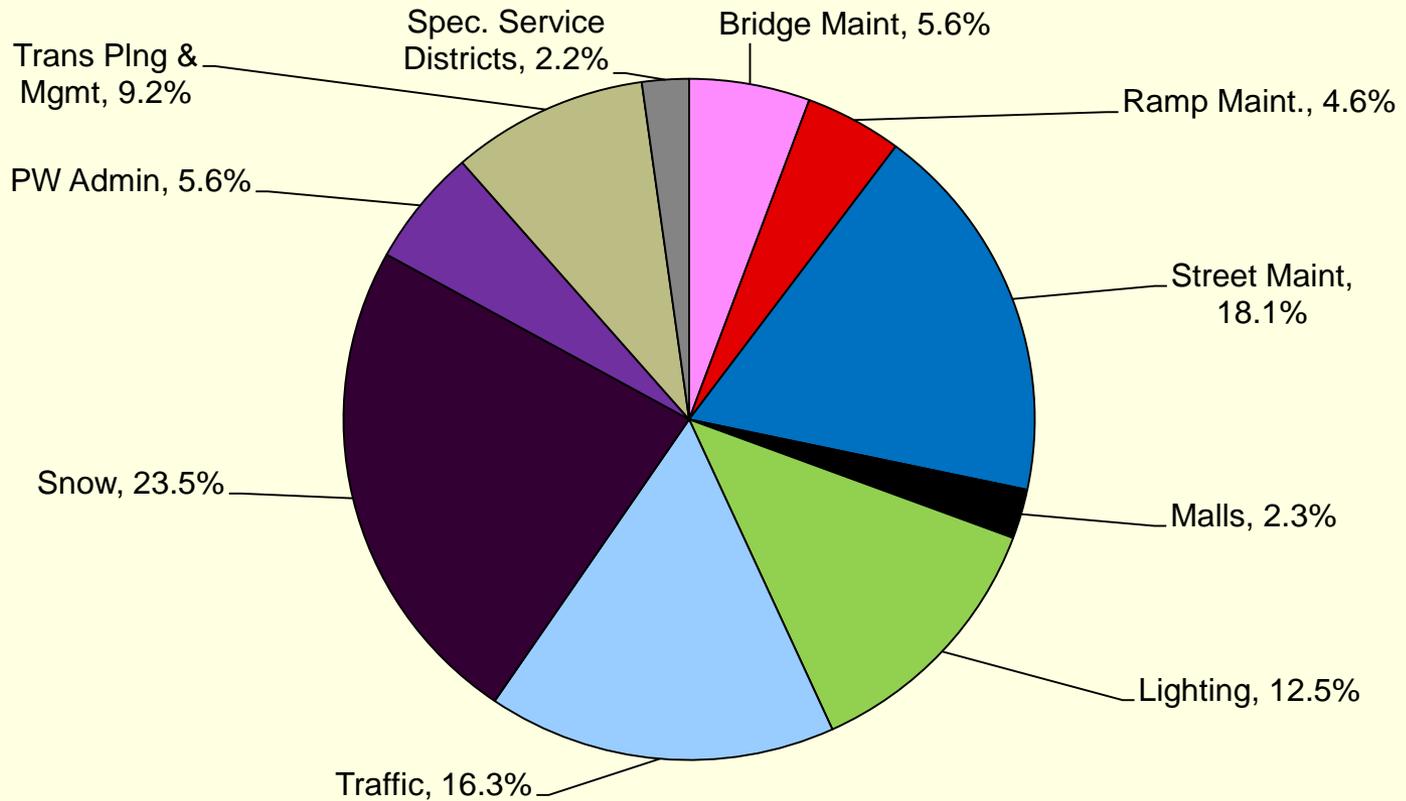
2014 Mayor's Recommended Operating Budget

Public Works General Fund



General Fund

2014 Mayor's Recommended Operating Budget General Fund Programs within Public Works



\$53.5 M

General Fund

2014 Mayor's Recommended Operating Budget

Public Works Administrative Services

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
PW Administration	\$2,870,538	\$2,975,098	3.26%

- Initiatives
 - Business Process Improvement
 - Financial Management
 - Employee Safety

2014 Mayor's Recommended Operating Budget

Public Works Service Worker

Current Positions

- Equipment Operators
- Truck Drivers
- Construction Maintenance Labor
- Solid Waste & Recycling Worker



New Positions

- **Public Works Service Worker I** : Truck Drivers, Construction Maintenance Labor, Solid Waste & Recycling Worker
- **Public Works Service Worker II** : Equipment Operators, Truck Drivers, Construction Maintenance Labor

2014 Mayor's Recommended Operating Budget

Transportation Planning & Engineering

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
Transportation Planning & Engineering	\$2,739,596	\$2,805,931	2.4%
2014 One time-funding		\$2,125,000	

- Trends & challenges
 - Projects with unfunded engineering project costs.
 - Funding of large projects / initiatives.

2014 Mayor's Recommended Operating Budget

Transportation Maintenance & Repair

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
Bridge Maintenance & Repair	\$2,547,243	\$3,025,126	18.7%
Special Service Districts	\$745,080	\$1,174,750	57.6 %
Street Maintenance & Repair	\$8,647,162	\$9,698,763	12.2 %
Snow & Ice Control	\$11,877,340	\$12,599,063	6.1 %
Malls & Plazas Maintenance	\$1,365,892	\$1,256,751	-7.9 %
Ramp Maintenance & Repair	\$2,502,046	\$2,436,615	-2.6 %
Total for TM & R (all GF Programs)	\$27,684,763	\$30,191,068	9.0 %

2014 Mayor's Recommended Operating Budget

Transportation Maintenance & Repair

- Trends & challenges:
 - Pavement Maintenance
 - Green Space Maintenance
 - Snow and Ice Control

- Initiatives:
 - Policy discussion on cycle track maintenance.
 - Improved winter pedestrian access.

2014 Mayor's Recommended Operating Budget Traffic & Parking Services (General Fund)

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
Street Lighting	\$6,542,652	\$6,713,047	2.6 %
Traffic	\$7,691,593	\$8,735,137	13.6 %
Total for T&PS (all GF Programs)	\$14,234,245	\$15,448,184	8.5 %

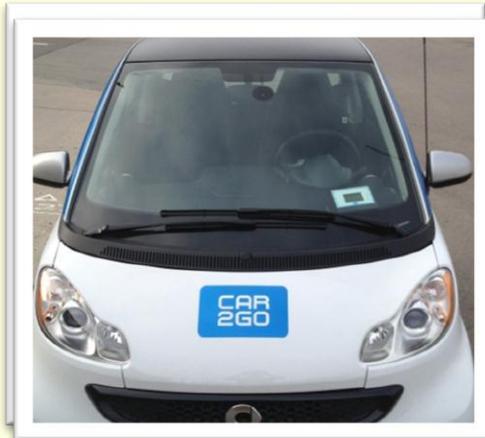
2014 Mayor's Recommended Operating Budget Traffic & Parking Services (General Fund)

- Trends & challenges:
 - Non-motorized transportation
 - Maintenance
 - 100,000 signs in the city
 - 210 miles of lane markings, 1,200 lane symbols and over 4,000 crosswalks

- Initiatives:
 - Continue successful signal retiming projects.
 - LED street light implementation plan.

2014 Mayor's Recommended Operating Budget Public Works Enterprise Division / Funds

Enterprise Funds



Enterprise Funds

2014 Mayor's Recommended Operating Budget

Water Rates

Water – Mayor's Recommended Rates for Average Households				
Year	Fixed Rate	2014 Proposed Rate (cost per 100 Cubic feet)	2014 Cost per Month for avg household (Rate X 7 units + Fixed Rate)	Proposed % increase on avg monthly cost
2013	\$2.00	\$3.29	\$25.03	
2014	\$2.50	\$3.32	\$25.74	2.8%
2015	\$3.00	\$3.37	\$26.59	3.3%
2016	\$3.50	\$3.42	\$27.44	3.2%
2017	\$4.00	\$3.47	\$28.29	3.1%
2018	\$4.50	\$3.52	\$29.14	3.0%

- Assume 5/8" meter and 7 units average per month usage

2014 Mayor's Recommended Operating Budget

Water Treatment & Distribution - 2014

- Trends & challenges
 - Continued reduction in water sales.
 - Significant treatment capital investment needed.
 - Responsible treatment and distribution capital plan programmed within current rates.

- Initiatives
 - Upgrading Fridley Filter plant to eliminate taste and odor issues.
 - Developing plan for alternative water supply.
 - Controlling costs through operational improvements and asset management based decision making.

2014 Mayor's Recommended Operating Budget

Sanitary Sewer Rates

Sanitary Sewer - Recommended Rates for Average Households					
Year	Fixed Rate	2014 Mayor's Recommended Rate (cost per 100 Cubic feet)	2014 Mayor's Modified Rate (cost per 100 Cubic feet)	2014 Cost per Month for avg household (Rate X 6 units + Fixed Rate)	Proposed % increase on avg monthly cost
2013	\$3.00	\$3.14	\$3.14	\$21.84	
2014	\$3.40	\$3.21	\$3.14	\$22.24	1.8%
2015	\$3.80	\$3.28	\$3.21	\$23.06	3.7%
2016	\$4.20	\$3.35	\$3.28	\$23.88	3.6%
2017	\$4.60	\$3.42	\$3.35	\$24.70	3.4%
2018	\$5.00	\$3.49	\$3.42	\$25.52	3.3%

- Assume 5/8" meter and 6 units average per month usage

2014 Mayor's Recommended Operating Budget

Sanitary Sewer

- Trends & Challenges
 - Aging infrastructure.
 - Metropolitan Council municipal wastewater charge are a significant portion of our annual expenses.

- Initiatives
 - Increase televising to assess condition of system.
 - Implementation of Maximo for work order processes and asset management.

2014 Mayor's Recommended Operating Budget Stormwater Rates

Stormwater - Recommended Rates			
Year	Rate / ESU (Equivalent Stormwater Unit) = 1,530 square feet if impervious surface	Cost per Month for avg household	% increase
2013	\$11.82	\$11.82	
2014	\$11.94	\$11.94	1.0 %
2015	\$12.06	\$12.06	1.0 %
2016	\$12.18	\$12.18	1.0 %
2017	\$12.30	\$12.30	1.0 %
2018	\$12.52	\$12.52	1.8%

2014 Mayor's Recommended Operating Budget

Stormwater

■ Trends & Challenges

- Funding stream is stable.
- Increased capital spending on storm tunnels.
- Working towards a long-term solution for the 35W south storm tunnel.

■ Initiatives

- Televisе and assess the condition of the storm system.
- Improve maintenance for stormwater best management practices.

2014 Mayor's Recommended Operating Budget Solid Waste Program & Rates

Rate Table - Solid Waste & Recycling fees (per month, per dwelling unit)

	2013 Adopted Budget	2014 Mayor's Recommended Budget	% Change
Base fee for collecting garbage & recyclables	\$17.00	\$17.60	3.5%
Large cart fee	\$5.00	\$5.00	0%
Average total customer bill for large cart holder	\$22.00	\$22.60	2.7%

2014 Mayor's Recommended Operating Budget

Solid Waste & Recycling

- Trends & challenges
 - Increasing city's recycling percentages
 - Organics
 - Yardwaste – Processing

- Initiatives
 - Reduce Waste

2014 Mayor's Recommended Operating Budget

2014 Impact on Typical Household

Residential Average Monthly Bill

	Current 2013	Mayor Recommended 2014	Mayor's Modified 2014	Assumptions
Sanitary	\$21.84	\$22.66	\$22.24	Rate x6 Units + \$3.40 fixed charge
Storm	\$11.82	\$11.94	\$11.94	Rate x1
Water	\$25.03	\$25.74	\$25.74	Rate x7 Units + \$2.50 fixed charge
Solid Waste	\$22.00	\$22.60	\$22.60	Rate x1 + large cart recycling fee of \$5.00
Total	\$80.69	\$82.94	\$82.52	

2014 Mayor's Recommended Operating Budget Traffic & Parking Services (Parking System)

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
On-Street Parking	\$2,856,203	\$2,946,676	3.2%
Off-Street Parking	\$30,866,768	\$29,789,461	-3.5%
Minneapolis Impound Lot	\$5,019,446	\$5,147,285	2.5%
Total for T&PS	\$38,742,417	\$37,883,422	-2.2%

**Parking Operating costs only and do not include debt or parking fund transfers

2014 Mayor's Recommended Operating Budget Traffic & Parking Services (Parking Fund)

- Trends & challenges:

- Economy
- Asset needs
- Customer Service
- Technology

- Initiatives:

- Continued improvement in short-term Parking Fund performance.
- Pay-by-phone, online mapping, and pricing strategies for on-street parking.
- Tow contract renewal, technology enhancements, and process improvements at the Impound Lot.

2014 Mayor's Recommended Operating Budget Fleet Services

Programs:	2013 Adopted Program Budget	2014 Mayor's Recommended Budget	% Change
Fleet Management	\$8,342,284	\$12,215,646	46.4%
Dispatch Operations	\$16,388,836	\$8,241,251	-49.7 %
Fleet Service Maintenance Operations	\$18,180,974	\$18,577,604	2.2 %
Total for Fleet Services	\$42,912,094	\$39,034,501	-9.0 %

2014 Mayor's Recommended Operating Budget

Fleet Services Trends and Challenges

- Trends & challenges:
 - Fluctuating fuel and part prices
 - Continued focus on reducing the environmental impact of the city's fleet.

- Initiatives:
 - Formalizing City of Minneapolis fleet policies.
 - Implementing EPA "Smartway" procurement practices.
 - Reduce greenhouse gases through clean burning engines and fuels.
 - Expanding pool of internal trainers and training programs.

Operating Capital Request

Public Works Division	2014	2015 - 2018
Fleet - Task Unit	2,762,988	6,085,033
Fleet - Fleet Services internal	22,500	446,302
Fleet - Transportation Maintenance and Repair	1,023,244	7,025,885
Fleet - Traffic	232,918	2,481,735
IT- Transp Maint Rep - Dispatching capabilities	75,000	
IT- Transp Maint Rep - Field Activity tracking and reporting		275,000
IT- Fleet Services- Migrate M5 from Oracle to SQL (city-wide strategy)		65,000
Prop Services – Transp Plan & Eng- reconfigure space		500,000

*Capital for Utilities (Water, Sewer, Stormwater, Solid Waste) are funded within financial plan and are not listed above

Thank You
Any Questions?

Public Works 2014 Mayor's Recommended Budget Department Programs by Goal

Program Name	2014 Mayor's Recommended	
	General Fund	Other Funds
A Safe Place to Call Home		
Solid Waste & Recycling (8 programs)		\$32,947,384
Mpls. Impound Lot		\$5,147,285
Eco-Focused		
Stormwater - Street Cleaning		\$9,264,226
Stormwater - Collection & Treatment		\$19,404,557
Source Separated Organics – Collection & Composting		\$430,662
Jobs & Economic Vitality		
Special Service Districts, including DID	\$1,174,750	\$5,800,000
Off-Street Parking		\$29,789,461
On-Street Parking		\$2,946,676
Livable Communities, Healthy Lives		
Transportation Planning & Management	\$4,930,932	\$254,948
Surface Transportation Capital		\$7,428,395
Construction Management		\$1,764,107
Sidewalk		\$712,953
Bridge Maintenance & Repair	\$3,025,126	
Street Maintenance & Repair	\$9,698,763	
Snow & Ice Control	\$12,599,063	
Malls & Plazas	\$1,256,751	
Ramp Maintenance & Repair	\$2,436,615	
Street Lighting	\$6,713,047	
Traffic	\$8,735,137	\$362,541
Sanitary - Collection & Treatment		\$49,023,949
Water - Potable Water Supply		\$52,424,040
A City that Works		
Public Works Administration	\$2,975,098	
Fleet Management		\$12,215,646
Dispatch Operations		\$8,241,251
Fleet Service Maintenance Operations		\$18,577,604
	\$53,545,282	\$256,735,685

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