

**CITY OF FRANKLIN
SANITARY SEWER FUND
61-731**

PROGRAM MANAGER(S): Director of Public Works & Superintendent of Water/Sewer

PROGRAM DESCRIPTION:

The Sanitary Sewer Division is accounted for in an Enterprise Fund that accounts for the activities of the sanitary sewer operations of the City. Revenue comes from direct charges to those customers that use the system. Sewer bills are based on either on the amount of sewer usage when metered or when not metered are based upon the amount of water usage provided from the Franklin Water Utility with all residential customers receiving a flat charge. The City is part of the Milwaukee Metropolitan Sewerage District, which provides interceptor sewers and charges the City for treatment of the sanitary sewage generated in the City. Sewer activities handled by City personnel include maintenance and cleaning of collection sewers and monitoring of the sanitary sewer system located within the City. Employee costs of sewer and water department are allocated between water and sewer operations based on the activities performed. The Sanitary Sewer Fund receives no property tax levy support.

SERVICES:

- Clean City sewers on an ongoing basis plus trouble spots.
- Inspect City sewers for diagnostic purposes and possible replacement.
- Locate sewer lines for construction and Digger's Hotline.
- Respond to sewer backup calls and customer questions and other related problems.
- Maintain 4 sanitary lift stations to include emergency equipment.
- Televisе mainline sewers and laterals to detect defects and set up rehab schedule.
- Perform sewer rehab to include manholes, laterals and mainline.

STAFFING: Sewer Division and Water Utility share employees. The percentage varies yearly based on activities performed. For 2012 it is anticipated at 50%:

Authorized Positions (FTE)	2008	2009	2010	2011	2012	2013
Sewer Superintendent	.50	.50	.50	.50	.50	.50
Operator II	1.00	1.00	1.00	1.00	1.00	1.00
Operator I	.50	.50	.50	.50	.50	.50
Sewer Technician	3.50	3.50	3.50	3.00	3.00	3.00
Clerk/Typist	.62	.62	.62	.62	.62	.62
Seasonal Maintenance	.30	.15	.15	.15	.15	.15
Total Sewer	6.42	6.27	6.27	5.77	5.77	5.77
Total of Water & Sewer	12.85	12.55	12.55	11.55	11.55	11.55

ACTIVITY MEASURES:

Activity	2008	2009	2010	2011	2012*	2013*
Miles of Sanitary Sewer	182.0	184.75	185	185	185	185
Avg.No.-Sewer Service Customers	9,853	9,883	9,775	9,970	10,010	10,060
Estimated Number of Manholes	4,562	4,563	4,564	4,700	4,700	4700
Feet of Sewer Cleaned	264,000	250,000	218,000	217,000	250,000	250,000

* Forecast

BUDGET SUMMARY:

<u>2013 Capital Equipment</u>	61.731.0000	<u>\$1,819.350</u>
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A. Tools & Shop Supplies. \$258,100

Replacement cables for lateral camera. \$3,000. "Lets" lateral camera. This piece of equipment uses two (2) cables. One hard or push cable and one Flex cable. These cables are coming to the end of their useful life expectancy. These should be replaced.

Main line cable for televising unit. \$6,700 This cable is needed to operate the main line televising unit. After the daily rigors of the sanitary sewer and storm sewer televising, these cables eventually wear out.

Repair of televising trailer. \$2,700. This trailer houses the complete camera televising equipment for the inspection of the sanitary sewer system. This trailer needs structural repairs to maintain its integrity on the road.

Tractor cables. \$1,200 These cables are used to attach to the main cables which motorize the main tractor camera. These cables are worn.

Recording unit replacement. \$7,000. This would replace the outdated VHS format of recording to digital form of recording. All viewing formats today are in a digital form.

Total Replacement Sewer Television Inspection System. \$235,000. The televising unit in service now was purchased in the year 2004 and was a two year old demonstration model at the time. This equipment is on the verge of being irreparable. Due to the advancements in equipment and technology virtually all replacement parts are special order. Equipment proposal and component list available with budget. If a new televising unit is approved, the money for replacement parts could be saved.

Replacement of Non-Compliant Portable Radios. \$1,250. On January 1, 2013, all public safety and business industrial land mobile radio systems operating in the 150-512 MHz radio bands must cease operating using 25 KHz efficiency technology. This deadline is the result of an FCC effort that began almost two decades ago to ensure more efficient use of the spectrum and greater spectrum access for public safety and non-public safety users. Migration to 12.5 kHz efficiency technology (once referred to as refarming, but now referred to as narrowbanding) will allow the creation of additional channel capacity within the same radio spectrum, and support more users.

After January 1, 2013, licensees not operating at 12.5 KHz efficiency will be in violation of the commission's rules and could be subject to FCC enforcement

action, which may include admonishment, monetary fines, or loss of license. This cost will be shared for 1 base unit.

RTU /Battery Replacement. \$1,250. This cost would be to replace batteries in the sewer utilities (Remote Telemetry Units) RTU's. This replacement is on a (2) two year replacement cycle.

B. Sewer/Water Building Development. \$1,400,000

Design Development and Construction Document Services for Sewer/Water Building. \$49,000. Submitted by Graef – USA Inc. \$98,000 - 50% from Sewer Department This proposal is for professional services for the design development, construction documents, and construction administration for the proposed new City of Franklin Sewer and Water Utility Operations Building. This is a carryover cost estimate from 2012.

Building Construction Costs for Sewer/Water Building. \$1,351,000. Estimated construction cost of \$2,702,000 - 50% from Sewer Department This proposal is for construction documents, and the construction cost for the proposed new City of Franklin Sewer and Water Utility Operations Building. This is a carryover cost from 2012

C. Safety and Security Equipment. \$ 9,450

Industrial Park Lift Station Cathodic Protection. The Industrial Park lift station is to stay in service, the cathodic protection for the station should be replaced. Due to project schedules for 2012 the Department was not able to complete the replacement. An estimate of approximately \$5,000 was obtained last year and assuming rising costs, we are requesting **\$5,250.**

Internal Security & External Work Lights Briarwood. \$1,200. Briarwood lift station at this time has no type of internal security protection. Since this station is vital to the subdivision it serves, some type of early detection system to the utility would be invaluable. External work lights for after hour emergencies or maintenance also would prove to be invaluable since this station butts up to a wooded parcel and all work performed is done outside in the elements.

Cooling Equipment for Briarwood Control center. \$3,000 This would be to install a panel cooling unit on the main control panel for this lift station. This summer has been particularly hard on the electronics in this panel. The utility had to construct a temporary shelter over the panel this summer because of the extreme heat. This would be a **Pro** active move to extend the life cycle of the internal controls inside this panel.

D. Office/Computer Equipment. \$1,800

Workstation & Peripherals. Superintendent's machine to replace existing Dell, keeping in line with recommended 5 year replacement policy. Fifty percent (50%) would be contributed from sewer department.

E. Sewer Rehab. \$150,000

Field Repairs & Estimates. Sewer rehab should be scheduled for the 2013 work year. Estimates are based on Department televised surveys of Franklin's system and the repair needed. Televising has been in progress for about 11 years, and several areas are in need of upgrade/repair. Unsealed manholes are being done on an on-going basis and as road programs continue, manholes and seals are done before new pavement is installed. (3) Three major items are: Candlestick Lane at Mission Drive, S. 28th St. and Hale Park Highlands. Both Candlestick and 28th Street have sags and back-pitch and are on a monthly cleaning schedule to prevent backups and damage to the homes. Areas such as these hamper cleaning efforts on the regular 5 year schedule. Hale Park has more than 40 risers with Tee handled plugs that are rusting and ultimately the plug will fall into the active sewer laterals causing back-ups. The Sewer Department is participating in an ongoing pilot project in conjunction with MMSD to correct/repair laterals that may be contributing to the I&I in the city of Franklin. Although the project is funded by the MMSD, collateral costs for lining mainline pipe, etc. may come to bear.

CITY OF FRANKLIN 2013 BUDGET		2010 Actual	2011 Actual	2012 Adopted	2012 Amended	2012 Estimate	2013 Proposed	2013 Adopted	Change Pr fr Adopted
SEWER FUND									
REVENUE									
CHARGES FOR SERVICES									
METERED SALES-RESIDENTIAL	61.0000.4461	\$1,753,761	\$1,792,900	\$1,906,000	\$1,906,000	\$1,806,000	1,863,180	\$1,863,180	-2.2%
METERED SALES-COMMERCIAL	61.0000.4462	811,369	816,592	820,000	820,000	820,000	844,600	844,600	3.0%
METERED SALES-INDUSTRIAL	61.0000.4463	262,407	310,552	268,000	268,000	268,000	276,040	276,040	3.0%
PUBLIC AUTHORITY	61.0000.4465	194,086	161,927	206,000	206,000	206,000	212,180	212,180	3.0%
PENALTY-FORFEITED DISCOUNT	61.0000.4466	40,863	42,815	40,000	40,000	40,000	40,000	40,000	0.0%
PROPERTY STATUS REPORTS	61.0000.4413	1,690	1,491	2,000	2,000	2,000	2,000	2,000	0.0%
Total Charges for Services		3,064,177	3,126,277	3,242,000	3,242,000	3,142,000	3,238,000	3,238,000	-0.1%
Increase over prior year									
MISCELLANEOUS REVENUE									
INTEREST ON INVESTMENTS	61.0000.4711	20,946	20,984	20,000	20,000	20,000	13,000	13,000	
INVESTMENT GAINS/LOSSES	61.0000.4713	-2,921	2,118	-5,000	-5,000	-5,000	-5,000	-5,000	
PROPERTY SALE	61.0000.4751	1,000	1,725	0	0	0	0	0	
SALE OF RECYCLABLES	61.0000.4761	0	680	0	0	0	0	0	
REFUNDS/REIMBURSEMENTS	61.0000.4781	2,688	11,724	1,000	1,000	1,000	1,000	1,000	
Total Miscellaneous Revenue		21,713	37,230	16,000	16,000	16,000	9,000	9,000	-43.8%
TOTAL SEWER FUND REVENUE		3,085,889	3,163,507	3,258,000	3,258,000	3,158,000	3,247,000	3,247,000	-0.3%
SEWER FUND EXPENDITURES									
PERSONAL SERVICES									
SALARIES-FT	61.731.0000.5111	223,865	195,903	196,254	196,254	196,254	200,643	200,643	
SALARIES-ADMIN	61.731.0000.5112	33,978	34,494	27,809	27,809	27,809	28,310	28,310	
SALARIES-PT	61.731.0000.5113	12,552	13,077	15,717	15,717	15,717	16,269	16,269	
SALARIES-TEMP	61.731.0000.5115	3,801	4,514	2,900	2,900	2,900	3,008	3,008	
SALARIES-ALLOCATED	61.731.0000.5116	10,159	10,309	22,808	22,808	22,808	23,217	23,217	
SALARIES-OT	61.731.0000.5117	5,038	6,782	20,000	20,000	20,000	20,000	20,000	
COMPTIME TAKEN	61.731.0000.5118	4,888	5,486	3,054	3,054	3,054	3,109	3,109	
LONGEVITY	61.731.0000.5133	835	730	748	748	748	910	910	
HOLIDAY PAY	61.731.0000.5134	16,165	11,558	16,389	16,389	16,389	16,507	16,507	
VACATION PAY	61.731.0000.5135	17,281	16,160	21,084	21,084	21,084	21,472	21,472	
FICA	61.731.0000.5151	23,356	21,286	24,997	24,997	24,997	25,509	25,509	
RETIREMENT	61.731.0000.5152	42,818	40,418	28,403	28,403	28,403	28,760	28,760	
RETIREE GROUP HEALTH	61.731.0000.5153	16,255	15,116	14,297	14,297	14,297	14,685	14,685	
GROUP HEALTH & DENTAL	61.731.0000.5154	84,278	77,765	84,705	84,705	84,705	81,283	81,283	
LIFE INSURANCE	61.731.0000.5155	1,059	1,040	1,204	1,204	1,204	1,230	1,230	
WORKERS COMPENSATION INS	61.731.0000.5156	11,804	10,023	10,038	10,038	10,038	9,785	9,785	
Sub-total		507,933	464,662	490,405	490,405	490,405	492,677	492,677	0.5%
Percent of Department Total		57.5%	54.0%	47.9%	47.9%	50.3%	47.8%	47.8%	
CONTRACTUAL SERVICES									
AUDITING	61.731.0000.5213	4,000	4,100	4,200	4,200	4,200	4,326	4,326	
EQUIPMENT MAINTENANCE	61.731.0000.5242	16,190	9,729	12,400	12,400	12,400	12,772	12,772	
SOFTWARE MAINTENANCE	61.731.0000.5257	8,271	8,733	9,300	9,300	9,300	9,579	9,579	
HAZARDOUS WASTE DISPOSAL COST	61.731.0000.5287	38,979	40,366	41,600	41,600	41,600	43,264	43,264	
SUNDRY CONTRACTORS	61.731.0000.5299	9,902	13,550	15,000	15,000	15,000	15,450	15,450	
Sub-total		77,343	76,478	82,500	82,500	82,500	85,391	85,391	3.5%

CITY OF FRANKLIN 2013 BUDGET		2010 Actual	2011 Actual	2012 Adopted	2012 Amended	2012 Estimate	2013 Proposed	2013 Adopted	Change Pr fr Adopted
SUPPLIES									
POSTAGE	61.731.0000.5311	9,088	9,653	8,500	8,500	8,500	8,500	8,500	
OFFICE SUPPLIES	61.731.0000.5312	742	147	500	500	500	500	500	
PRINTING	61.731.0000.5313	3,228	3,055	5,000	5,000	5,000	5,000	5,000	
UNIFORMS	61.731.0000.5326	2,750	2,418	2,750	2,750	2,750	2,500	2,500	
OPERATING SUPPLIES-OTHER	61.731.0000.5329	820	214	1,000	1,000	1,000	1,000	1,000	
FUELLUBRICANTS	61.731.0000.5331	12,966	19,208	26,400	26,400	26,400	22,000	22,000	
VEHICLE SUPPORT	61.731.0000.5332	6,383	6,874	8,000	8,000	8,000	8,000	8,000	
EQUIPMENT SUPPLIES	61.731.0000.5333	34,423	38,181	30,000	30,000	30,000	30,000	30,000	
TELEVISIONING SUPPLIES	61.731.0000.5336	12,667	6,325	10,000	10,000	10,000	13,000	13,000	
Subtotal		83,047	86,075	92,150	92,150	92,150	90,500	90,500	-1.8%
Ratio of City of Franklin costs to MMSD charges		46.1%	44.5%	54.2%	51.0%	50.4%	51.2%	51.2%	
Ratio of Customer revenue to MMSD charges		163.2%	165.0%	164.9%	164.9%	166.2%	164.4%	164.4%	
SERVICES AND CHARGES									
SEWER SERVICE CHARGES	61.731.0000.5413	1,877,406	1,895,258	1,965,800	1,965,800	1,890,800	1,969,432	1,969,432	0.2%
TELEPHONE	61.731.0000.5415	5,338	5,300	8,100	8,100	8,100	8,100	8,100	
METER READING COSTS	61.731.0000.5416	6,532	6,876	10,000	10,000	10,000	10,000	10,000	
UNCOLLECTIBLE ACCOUNTS	61.731.0000.5417		1,951	0	0	0	0	0	
CONFERENCES & SCHOOLS	61.731.0000.5425	1,382	2,384	4,000	4,000	4,000	4,000	4,000	
ALLOCATED INSURANCE COST	61.731.0000.5428	8,200	8,400	8,550	8,550	8,550	8,500	8,500	
MILEAGE	61.731.0000.5432	260	287	500	500	500	500	500	
EQUIPMENT RENTAL	61.731.0000.5433	0	0	1,000	1,000	1,000	1,000	1,000	
LOCK BOX CHARGES	61.731.0000.5493	6,233	6,004	6,095	6,095	6,095	6,095	6,095	
Sub-total		1,905,331	1,926,440	2,004,045	2,004,045	1,929,045	2,007,627	2,007,627	0.2%
FACILITY CHARGES									
DEPRECIATION	61.731.0000.5541	69,623	71,064	70,200	70,200	70,200	73,008	73,008	
WATER	61.731.0000.5551	421	409	1,000	1,000	1,000	1,000	1,000	
ELECTRICITY	61.731.0000.5552	37,037	34,642	35,100	35,100	35,100	36,504	36,504	
SEWER	61.731.0000.5553	221	243	250	250	250	280	280	
NATURAL GAS	61.731.0000.5554	4,023	4,491	6,500	6,500	6,500	6,780	6,780	
BUILDING MAINTENANCE	61.731.0000.5559	2,181	1,803	2,100	2,100	2,100	3,000	3,000	
CITY SUPPORT-ENG & ADMIN	61.731.0000.5561	93,200	94,000	97,750	97,750	97,750	96,000	96,000	
Sub-total		206,706	206,653	212,900	212,900	212,900	216,532	216,532	1.7%
CAPITAL OUTLAY (NOT CAPITALIZED)									
AUTO EQUIPMENT	61.731.0000.5811				0	0	0	0	
OFFICE EQUIPMENT	61.731.0000.5813				0	0	0	0	
OTHER CAPITAL EQUIPMENT	61.731.0000.5819				0	0	0	0	
BUILDING IMPROVEMENTS	61.731.0000.5822		4,965						
SEWER REHABILITATION	61.731.0000.5829	19,624	31,317	150,000	150,000	100,000	150,000	150,000	
COMPUTER EQUIPMENT	61.731.0000.5841				0	0	0	0	
SOFTWARE	61.731.0000.5843				0	0	0	0	
ABANDONMENT COST	61.731.0000.5849								
Sub-total		19,624	36,282	150,000	150,000	100,000	150,000	150,000	0.0%
TOTAL SEWER FUND LOCAL EXPENDITURES		883,599	860,966	1,024,600	1,024,800	974,600	1,030,031	1,030,031	0.5%
TOTAL SEWER FUND MMSD EXPENDITURES		1,918,386	1,935,624	2,007,400	2,007,400	1,932,400	2,012,696	2,012,696	0.3%
TOTAL SEWER FUND OPERATING EXPENDITURES		2,799,985	2,796,590	3,032,000	3,032,000	2,907,000	3,042,727	3,042,727	0.4%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS									
		285,904	366,917	228,000	228,000	251,000	204,273	204,273	
INTEREST INCOME - CLEAN WATER FUND	61.0000.4712				300,000	300,000	600,000	600,000	
INTEREST EXPENSE - CLEAN WATER FUND	61.731.0000.5821				-300,000	-300,000	-600,000	-600,000	
Net Interest Income (Expense)		0	0	0	0	0	0	0	
RETAINED EARNINGS, BEGINNING		1,346,116	1,036,614	2,011,257	2,011,257	2,011,257	2,181,807	2,181,807	
INVESTED IN CAPITAL ASSETS TRANSFER		-595,406	607,726	-1,430,450	-80,450	-80,450	-34,350	-34,350	
RETAINED EARNINGS, ENDING		1,036,614	2,011,257	606,807	2,156,807	2,181,807	2,351,730	2,351,730	
Ratio of City of Franklin costs to Retained Earnings		117.32%	233.60%	78.74%	210.50%	223.87%	228.32%	228.32%	
CLAIMS									
CAPITAL CONTRIBUTIONS	61.731.0000.5731			600,000	600,000	600,000	600,000	600,000	
LESS CIA&C DEPRECIATION	61.731.0000.5741	-579,428	-579,822	-586,000	-586,000	-586,000	-586,000	-586,000	
INVESTED IN CAPITAL ASSETS TRANSFER		595,406	-607,726	1,430,450	80,450	80,450	34,350	34,350	
INVESTED IN CAPITAL ASSETS, BEGINNING		45,338,000	45,433,289	46,256,998	46,256,998	46,256,998	48,533,255	48,533,255	
INVESTED IN CAPITAL ASSETS, ENDING		45,433,289	44,245,741	47,701,448	46,351,448	46,351,448	48,581,605	48,581,605	
NET ASSETS, ENDING		46,469,903	46,256,998	48,508,255	48,508,255	48,533,255	50,933,335	50,933,335	