



STAMFORDWPCA

2009-10 Budget Presentation Stamford Water Pollution Control Authority

1. Review of Budget Request

- a. The total funding request for 2009-2010 is \$22,693,858 which is an increase of 3.2% after a cut of \$224,000 by the WPCA Board. This represents a cost of \$0.0047 per gallon for conveyance, treatment and disposal.
- b. The increases in the budget are due primarily to increases in salary and contractual obligations, increase in insurance and benefit costs and increases in debt service. Maintenance accounts were kept at 0 % increase however the cost of spare parts has increase significantly over the past two years. The WPCA has a good preventive maintenance program which helps reduce some of the maintenance costs, however much of the equipment runs 24/7. The treatment plant has 46 pumps, 35 variable frequency drives, 22 mixers, 35 processing units, 32 in-line instruments, 2 generators and 100 electrical panels. There are 22 sanitary and 4 stormwater pumping stations which have a minimum of two pumps per station along with electrical panels.
- c. Some key budget changes are as follows:
 - i. Contractual, Insurance, OPEB, Cost Allocation, Social Security and other contractual and non-operating expenses +11%
 - ii. Training -50%
 - iii. Copying/Printing/Computers and Supplies 0%
 - iv. Interest, depreciation, other debt service +2.6%
 - v. Utilities and fuels -2.4%
 - vi. Solids Processing +2.9%
 - vii. Equipment and Facility Maintenance 0%
 - viii. Contingency 0%
 - ix. Miscellaneous Expenses -35%
 - x. Billing Services +12.1%

2. Human Capital/ Personnel Change

- a. Added one Plant Supervisor- this is a critical position which was approved three years ago but not filled. It is vital that this position is filled in the very near future.
- b. One Plant Operator-this position is needed to ensure every shift is covered with the right staffing level. The plant is a 24/7 operation and there is a minimum staffing level requirement. Currently it is necessary to cover one shift operator position with overtime.

3. Performance Measurement and Improvement 2008-2009

- a. Key performance metrics- Met or surpassed permit requirements 100% of year
- b. Had no sanitary sewer overflows
- c. Managed all plant residuals as required by permit
- d. Had no flooding incidents associated with stormwater pumping stations

4. Performance benchmarks

- a. Considered the best treatment plant in Connecticut
- b. Largest seller of Nitrogen Credits-earned almost \$940,000 in 2008
- c. Perform major pump repair in-house rather than outsourcing
- d. Machining parts in-house
- e. All operators certified
- f. All mechanics certified as collection system operators

5. Budget Management

- a. Established strict budget controls
 - 1. Every Purchase Order is scrutinized to ensure best price and need
 - 2. Continually update policy and procedures manual for the WPCA.

Objective:

- a. Control overtime spending
- b. Reduce number of call-outs

- c. Curtail excessive sick time use
 - d. Ensure proper vacation request procedures
3. Improved utility tracking spreadsheet.
- a. Objective: Better monitor and track utility expenditures at the WPCA.
 - b. Compare prior years month-to-month expenses in order to detect billing issues/problems
 - c. Use as accurate projection for future budgeting.
4. Conduct monthly Outstanding PO meetings.
- a. Objective: Identify and close out purchase orders no longer required thereby freeing up funds.
 - b. Ensure follow-up on outstanding purchases. Goal: to have all outstanding encumbrances reconciled & closed by May 15th.
 - c. Discuss budget concerns with entire staff at mandatory quarterly staff meetings

6. Cost Analysis and Spending Priorities

- a. The mission and legal requirement of the WPCA is to operate and maintain the treatment plant, collection system and pumping stations as per State and Federal regulations to protect public health and the environment.
- b. Fortunately, the cost of utilities has not increased as much as previous years so some of the operating costs are relatively stable.
- c. The major concern is maintenance. The new equipment installed with the upgrade of the treatment plant is now between 4 and 6 years old. The cost of spare parts is ever increasing and we have seen increases as high as 50% in one year. Maintenance is a priority not only at the treatment plant but through out the 350 miles of sanitary sewer line and 26 pumping stations.
- d. If the budget as presented is passed, the user of the system will be paying \$0.0047 per gallon of water for conveyance, treatment and disposal. The cost for Fiscal 08-09 is \$0.0045 per gallon.

- e. We are continuing to look for more revenues. We will be increasing the cost of septic disposal to be in-line with other users of the system. We continually optimize and refine process control to maximize the sale of nitrogen credits.
- f. There are no discretionary programs that can be cut. Any failure of equipment or systems will have a negative impact on the environment and public health and will subject us to fines.