

SEWER DEPARTMENT BUDGET WORKSHOP



FY2020/21 RECOMMENDED
BUDGET

March 12, 2020

SEWER DEPARTMENT

FY2020/21 Recommended Budget

Plant Effluent Comparison Performance Before and After the Comprehensive WWTP Upgrade

	Flow (MGD)	TSS (mg/l)	BOD5 (mg/l)	T-Nitrogen (lbs/day)	T-Phosphorus (lbs/day)	Purchase\Sell Nitrogen Credits
2010 Monthly Average	6.1	5	2.8	860	86	\$160,000.00
2016 Monthly Average	4.9	1.25	1.5	176	2.9	\$67,209.00
2017 Monthly Average	5.03	1.4	1.7	151	7.7	\$25,524.00
2018 Monthly Average	6.08	1.5	1.9	267	8.83	\$8,079.60
2019 Monthly Average	6.54	3.1	2.3	271	7.66	\$31,114.00
Permit Limit	16	30	30	312	13.21	

SEWER DEPARTMENT FY2020/21 Recommended Budget Sewer Fund Summary

Total Recommended Expenditures - \$9,911,207

- **The net increase expenditures totals \$236,725 (2.4%) above FY2019/20 Budget**
- **Operating expenditures increased by \$102,017, or 2.0%,**
- **Non-operating expenses increased by \$134,708 or 2.9%, which due increases in debt service (\$81,234) and inter-fund transfers (\$53,474)**

SEWER DEPARTMENT FY2020/21 Recommended Budget Expenditure Summary

Major Expense Overview

- **Personal Services and Employee Benefits**
increased \$52,200 (1.7%)
- **Purchased Services and Supplies increased \$49,817 (2.6%)**
 - Utilities decreased \$11,914
 - Chemicals decreased \$33,810
 - Sewer Line and Manhole Maintenance increased \$27,368
 - Sewer Flow to Other Towns increased \$17,698
 - Our Share of Vernon WWTP Upgrade \$65,000
- **Inter-fund Transfers increased \$53,474 (3.8%)**
Mostly due to an increase in capital budget spending \$35,000
- **Debt Service increase - \$81,234 (2.6%)**

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FY2020/21 Recommended Budget Transfer to Reserve Summary

Recommended transfer to Sewer Reserve \$560,000

Capital List

Cost

- **Meters – Annual purchase** **\$ 50,000**
Annual purchase for replacement meters and MXU's (sewer portion)
- **Aeration Blower Service Plan** **\$ 75,000**
Preventative maintenance program for four HIS turbo blowers
- **Generator PLC Upgrade** **\$150,000**
Replace obsolete generator PLC (will be obsolete in 2023)
- **Video Truck Replacement** **\$215,000**
Second of two installments
- **Lab Hood** **\$ 30,000**
The current laboratory hoods have reached their useful life and no longer meets current safety standards
- **Vehicle Replacement – Wastewater Treatment** **\$ 40,000**
2008 SUV

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FY2020/21 Recommended Budget
Note-Funded Capital Projects

<u>Sanitary Sewer Improvement Program (SSIP)</u>	<u>Total Cost</u>
Infrastructure Improvements	\$600,000

- For sewer pipe rehabilitation and/or replacement
- In general, replacement projects target areas that contribute large amounts of Inflow and Infiltration (I/I) to the sanitary collection system or areas where problems have been known to exist
- Work accomplished through previous SSIP appropriations have resulted in significant improvements to the sanitary collection system

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FY2020/21 Recommended Budget
Note-Funded Capital Projects

<u>Infrastructure Improvements</u>	<u>Total Cost</u>
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Infrastructure Improvements	\$600,000
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- **For sewer pipe rehabilitation and/or replacement in conjunction with Public Works Projects**
- **In general, replacement projects targets areas not necessarily a priority based on the SSES however old enough to warrant the improvements**
- **These improvement projects continue our efforts to coordinate with Public Works in order to provide a comprehensive approach to roadway reconstruction**

<u>Sanitary Sewer System Extension</u>	\$500,000
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SEWER DEPARTMENT FY2020/21 Recommended Budget Revenue Summary

- **Total Recommended Revenue - \$9,689,069**
 - **Revenue from regular sewer service charges are estimated to be \$7,123,931 (This reflects a 3.5% rate adjustment)**
 - **Revenues derived from Eighth Utilities District based on a formula in the agreement and estimated to be \$1,546,316 ≈ \$4.18/HCF**
 - **Revenues derived from Bolton Lakes Regional Sewer are estimated to be \$62,012**
 - **Water Department use fee \$671,810**
 - **Nitrogen Credits of \$15,000**
 - **Miscellaneous revenue \$270,000**

The use of Retained Earning in the amount of \$222,138 is necessary to meet our Recommended Expenditures

The FY21 Budget maintains a level of working capital equal to 180 days of operating expense

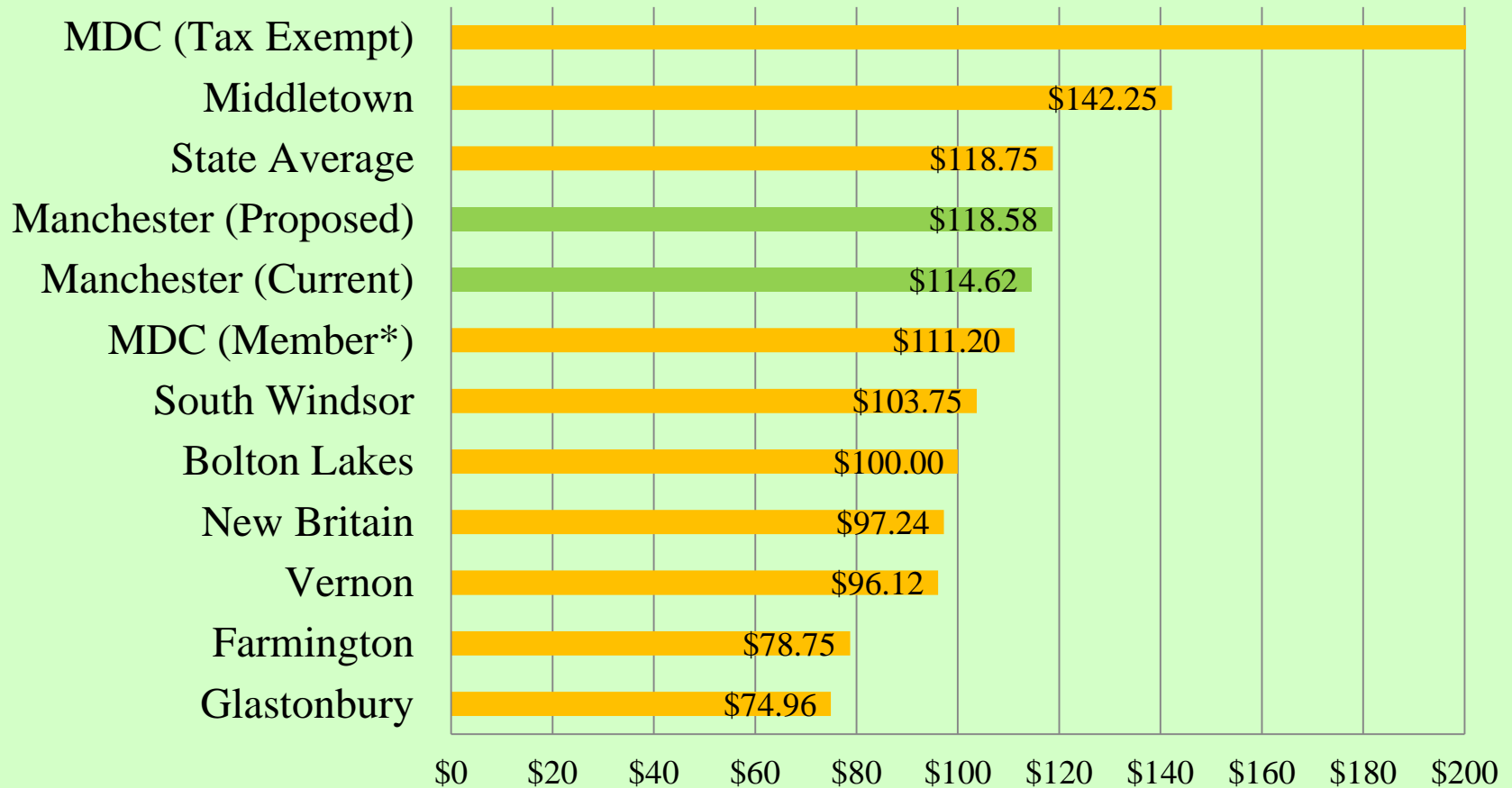
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FY2020/21 Recommended Budget Value Comparison

- **Sewer use cost is based on average use of 2,200 cubic feet/per quarter**
 - **Current usage rate is \$5.21/HCF (Hundred Cubic Feet)**
 - **Manchester's average sewer use bill is currently \$38.21 per month (\$114.62 per quarter) or \$458.48 per year**
- **Proposed sewer usage rate is \$5.39HCF**
 - **A 3.5% rate adjustment would increase the average sewer bill by \$1.38 per month (\$4.13/quarter) or \$16.52 per year**
 - **That equals \approx \$0.0072 for every gallon of wastewater a customer discharges (equivalent to about \$0.0144 per flush)**

SEWER DEPARTMENT FY2020/21 Recommended Budget

Quarterly Sewer Bill Comparison



*In addition to the ad valorem tax to the member town

Bolton Lakes' change to a flat rate per Equivalent Dwelling Units

Vernon's costs do not include capital costs as they are obtained from the general fund

**SEWER DEPARTMENT
FY2020/21 Recommended
Budget
Rate Comparison**

Location	Equalized rate Based on unit cost, surcharges and other applicable fees	Quarterly cost per household for usage of 2,200 cubic feet/quarter based equalized rate calculation
Manchester – current	\$5.21/HCF	\$114.62/Q (FY21) = \$458/yr
Manchester - recommended (2.0%)	\$5.39/HCF	\$118.75/Q (Rec'd FY21) = \$474/yr
State average	Based on 2019 survey	\$475/yr for typical homeowner
Norwich	\$7.433/HCF (+\$8.69/mo. min chg) Plus \$0.643/HCF Upgrade chg	\$203.75/Q (2018 rate) = \$815/yr
Stonington	\$5.84/HCF (variable min chg)	\$128.48/Q (2019 rate) = \$473/yr
Bridgeport	\$5.945/HCF	\$130.79/Q (2018 rate) = \$523/yr
Darien	\$5.65/HCF	\$124.30/Q (2019 rate) = \$497/yr
Portland	\$6.31/HCF (+\$30.00 QTR min chg)	\$168.82/Q (2018 rate) = \$675/yr

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FY2020/21 Recommended Budget

Thank You