BOISE, IDAHO
Public Works Commission Agenda
March 6, 2019
4:00 PM
City Hall - Maryanne Jordan City Council Chambers

I. CALL TO ORDER

II. MINUTES APPROVAL

1. Public Works Commission - Regular Meeting - Feb 6, 2019 4:00 PM

III. AGENDA ITEMS

1. 2019 Minimum Commodities Price List
   Presenter: Ben Nydegger
   Estimated Time: 30 Min
   ACTION REQUESTED: Approval

2. Livability Ambassadors Update
   Presenter: Jami Goldman
   Estimated Time: 20 Min
   ACTION REQUESTED: Information Only

3. Water Renewal Utility Plan Update Investment Options 1-4
   Presenter: Haley Falconer
   Estimated Time: 25 Min
   ACTION REQUESTED: Information Only

4. FY 2020 O&M Budget
   Presenter: Heather Buchanan
   Estimated Time: 30 Min
   ACTION REQUESTED: Information Only

IV. ADJOURNMENT
I. Call to Order

1. Statement

Commissioner Gravatt left at 5:06 PM

PRESENT: Crowley, Quick, Reading, Robbins, Gravatt, Hilton
ABSENT: Thorne, Nink

II. Minutes Approval

1. Public Works Commission - Regular Meeting - Jan 14, 2019 4:00 PM

Commissioner Quick moved to approve minutes from the January 14, 2019 meeting. Commissioner Gravatt seconded and the motion carried unanimously.

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Renee Quick, Commissioner
SECONDER: Crispin Gravatt, Commissioner
AYES: Crowley, Quick, Reading, Robbins, Gravatt, Hilton
ABSENT: Thorne, Nink

III. Agenda Items

1. FY 2020 Capital Budget

Heather Buchanan, Support Systems Senior Manager, introduced Michael Comeskey, Water Renewal CIP Manager, to explain how the utility planning process is merging into and revising the budget development process. Mr. Comeskey detailed the improvements made to the capital budgeting process including the decision to extend the capital plan to ten years. Steve Burgos, Public Works Director, commented that the cost estimates being made now are subject to change and we are working to update our business processes to account for variables.
Mr. Comeskey added that estimating nine or ten years in the future is
difficult, and as projects get closer to being budgeted, the estimates
will be re-evaluated.

- Commissioner Quick asked if we receive information from regulatory
  agencies informing us of issues that might affect our processes and
  budget. Mr. Burgos answered that we do receive information from
  Department of Environmental Quality (DEQ) and the Water Quality
  Group is tracking national trends on rule-making that could impact our
  permit.

Ms. Buchanan briefed the Commission on projects budgeted in the
Water Renewal Fund. Ms. Buchanan asked Mr. Comeskey to update
the Commission on the projects at the Lander Street Water Renewal
Facility (LSWRF). Mr. Comeskey provided an update on LSWRF
projects. He explained that to better align with the project drivers of
condition, capacity, and regulatory needs, projects will be reported on
individually, rather than in a multi-year Phase 1 group.

- Commissioner Crowley asked what category the Tertiary Phosphorus
  project is in. Mr. Comeskey answered it is a regulatory requirement.

Ms. Buchanan asked Haley Falconer, Environmental Senior Manager,
to brief the Commission on the Temperature Mitigation - 316(a) project
at the City’s Water Renewal Facilities. If approved to be included in
our IPDES permit, the City of Boise will be the first municipal discharger
with a 316(a) thermal variance.

- Commissioner Robbins asked if the project includes discharges other
  than the City of Boise. Ms. Falconer answered that the requirement
  applies only to the City of Boise.

Ms. Buchanan reviewed the budgets for Administration, Operations
and Capacity, and Repair and Maintenance projects that include
Twenty Mile South Farm, Dixie Drain and Utility Maintenance for the first
time.

Ms. Buchanan presented information on the General Fund budget for
FY 2020. The budget includes Facilities Services and Operations, and
street light projects.

- Commissioner Crowley asked if there are any geothermal projects
  planned. Ms. Buchanan answered there aren’t any geothermal or
  solid waste projects included in the FY 2020 budget at this time.
Commissioner Quick asked for an explanation why this budget does not address recent issues in the geothermal system. Ms. Buchanan explained a strategic plan is being formulated to address those issues.

Commissioner Crowley asked how the funding that supports projects in the General Fund and Water Renewal Fund are incurred. Ms. Buchanan answered that Water Renewal projects in the 2020 budget are funded through the Water Renewal fund balance. We are looking at other funding options for future water renewal projects. For the General Fund, the funds are allocated from the city-wide pool of revenue from various revenue sources such as property tax, sales tax, etc.

RESULT: DISCUSSED

2. Water Renewal Utility Plan Cost of Service Study

Mr. Comeskey briefed the Commission on the Cost of Service Study (COSS) being done for the Water Renewal Utility Plan.

Commissioner Crowley asked how much existing debt is in the fund now. Matt Millis, Public Works Enterprise Revenue Manager, answered approximately $2.9 million remains for the next 4-5 years. Commissioner Crowley asked what we look at to arrive at a cost of capital for municipal and enterprise operations. Mr. Comeskey will follow-up with that information to the Commission and it will be covered in more detail later in the budget process. Commissioner Crowley asked what portion of the costs are fixed and variable. Mr. Comeskey answered that the marginal costs associated with the variable rate are probably not a primary driver in rate settings. The COSS will address setting of fixed and variable portions of the rate as a final step in rate making recommendations.

Commissioner Reading asked for an explanation of a “workbank”. Mr. Comeskey explained the intent of the workbank is to track identified needs and apply a business process to prioritize items and determine funding. Projects not funded in the current fiscal year or in the 10-year CIP are not discarded but rather remain in the workbank for further evaluation and consideration.

Commissioner Robbins asked how input to the workbank is controlled and who will monitor it. Mr. Comeskey answered that we are in the initial phases of developing the workbank and will further develop the
process as we gain a better understanding of the needs. Mr. Burgos added that Mr. Comeskey’s title, CIP Manager, is a new title in the organization and it was created to prioritize and track CIP needs within the organization as our needs become more complex.

RESULT: DISCUSSED

IV. Adjournment

1. Director’s Announcements
   • Mr. Burgos informed the Commission that Public Works intervened in two items on the Public Utilities Commission’s docket related to Idaho Power:
     o Net metering and the value of exported energy
     o The fixed costs dockets
   • The energy survey sent to citizens will be included in the discussion on renewable energy goals that will be presented to the Commission in April; responses were very favorable
   • The fourth-floor remodel will start in April and will create a more open, collaborative work environment
   • Commissioner Quick expressed her appreciation for the dredging of the retaining pond on Shenandoah

2. Motion to Adjourn 5:42 PM

RESULT: APPROVED [UNANIMOUS]
MOVER: Jacob Nink, Commissioner
SECONDER: Renee Quick, Commissioner
AYES: Crowley, Nink, Quick, Reading, Robbins, Gravatt, Hilton
ABSENT: Thorne
TO: Public Works Commission  
FROM: Ben Nydegger, Biosolids Program Manager  
DATE: February 22, 2019  
RE: Minimum Commodity Price List 2019

ISSUE

Establishing minimum commodity prices and authorizing sale of crops grown at the Twenty Mile South Farm (TMSF) for the 2019 crop season.

BACKGROUND

The TMSF has developed a plan to sell commodities based on the letters of interest received. This plan will meet our objectives which include selling all crops produced at or near market value and meeting regulatory requirements associated with biosolids application. We are currently in the second year of a three-year allocation agreement with our customers. All commodities produced at the TMSF are allocated through the 2020 crop season. The TMSF will solicit letters of interest for the 2021 through 2023 crop seasons in the winter of 2019/2020.

Several local and regional sources were referenced to develop the minimum commodity prices in Exhibit 1, including market news reports published by the United States Department of Agriculture (USDA), the Hoyt Report published by Seth Hoyt, local crop insurance brokers, and conversations with other regional producers and buyers. The values in Exhibit 1 have been reduced by approximately 10-50% to allow for possible decreased market prices in the future, or to allow for climatic conditions that could adversely impact the value of commodities. These prices are comparable to minimum prices that the City has realized for past commodity sales.

This resolution sets minimum commodity prices. The actual selling price is expected to be much greater than the prices listed in Exhibit 1. For alfalfa hay and wheat straw, 2019 sales will be based on the average market price at the time of sale as listed in the Idaho Weekly Hay Report (USDA) and the Hoyt Report. Wheat will be sold at market price at the time of sale or as specified in a forward contract. Prices for corn silage, haylage, and triticale for forage will be specified in buyer contracts based on expected 2019 values. For additional information on how the TMSF develops pricing for each commodity, please see Exhibit 1.
Legal staff has determined that according to Idaho Code 50-1032, to proceed with crop sale agreements with interested parties, City Council must approve the minimum prices for each of the commodities.

OPTIONS AND RECOMMENDATION

Staff recommend approval of the 2019 minimum commodity price list shown in Exhibit 1 and requests your recommendation to City Council for adoption of a resolution approving the price list. This will provide authorization for the Public Works Director or designee to enter into crop sales agreements.

SUGGESTED MOTION

I move that the 2019 minimum commodity prices shown in Exhibit 1 be approved and recommended to City Council for adoption to allow for the sale of crops grown at Twenty Mile South Farm in 2019.
## Exhibit 1
### 2019 TMSF Minimum Commodity Prices

<table>
<thead>
<tr>
<th>Crop</th>
<th>Approximate Acres</th>
<th>Minimum Price*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfalfa</td>
<td>1,592</td>
<td>$100/ton</td>
</tr>
<tr>
<td>Supreme</td>
<td></td>
<td>$100/ton</td>
</tr>
<tr>
<td>Premium</td>
<td></td>
<td>$80/ton</td>
</tr>
<tr>
<td>Good</td>
<td></td>
<td>$60/ton</td>
</tr>
<tr>
<td>Fair</td>
<td></td>
<td>$25/ton</td>
</tr>
<tr>
<td>Utility</td>
<td></td>
<td>$25/ton</td>
</tr>
<tr>
<td>Low quality, damaged</td>
<td></td>
<td>$25/ton</td>
</tr>
<tr>
<td>Haylage</td>
<td>1,592</td>
<td>$25/ton</td>
</tr>
<tr>
<td>Triticale (green chop)</td>
<td>0</td>
<td>No triticale for 2019</td>
</tr>
<tr>
<td>Oats or Barley (baled)</td>
<td>Up to 50</td>
<td>$30/ton</td>
</tr>
<tr>
<td>Corn Silage</td>
<td>697</td>
<td>$20/ton</td>
</tr>
<tr>
<td>Winter Wheat</td>
<td>1,017</td>
<td>$3.00/bu</td>
</tr>
<tr>
<td>Wheat Straw</td>
<td>1,017</td>
<td>$20/ton</td>
</tr>
</tbody>
</table>

* Represents minimum expected prices including a contingency to allow for possible decreased future market values, or to allow for climatic conditions that could adversely impact the value of commodities.
ATTACHMENT A

TMSF Crop Pricing Information
February, 2019

Background
The TMSF makes every attempt to use published prices for all commodities sold. The TMSF is very sensitive to impacts on the local market and we strive to set the most equitable prices possible. We reference published market news reports in addition to University crop pricing guides to determine how to calculate commodity pricing. The farm attempts to remain consistent with our pricing methodology, but very high or very low commodity prices have forced us to deviate occasionally. The guidelines for establishing commodity prices are outlined in an annual Excel spreadsheet that is updated prior to each crop season.

The TMSF has experienced a decline in revenue since the record 2013 crop season, when $3.48 million in gross revenue was received. The TMSF experienced similar good commodity prices in 2014 and 2015. Beginning in 2016, commodity prices took a downward turn and the TMSF was only able to gross $2.83 million. 2017 was similar to 2016, with continued depressed pricing for most of the commodities produced. In 2018, we started to see winter wheat and alfalfa prices rebound and we are hopeful that this trend will continue into 2019.
For the 2019 crop season, our two largest customers have requested a one-year reduction in the amount of corn that we grow for them. Both dairies have over two years of corn silage in inventory and would like a year to catch up. We anticipate that this will be a one-year reduction in corn acreage at the TMSF and we will revisit with our customers after the 2019 harvest. As a result, our anticipated corn acreage decreased from approximately 1,200 acres to just under 700 acres for 2019. We hope to make up for this loss in revenue by planting more winter wheat and alfalfa, both of which have been trending upward in market value.

Our customers have also declined to take triticale in 2019 and 2020. We may look to add new triticale customers for 2020 and beyond but there will be no triticale crop in 2019.

TMSF staff are currently pulling together pricing from other producers in the region and comparing with our historical pricing methodologies. If necessary, the Public Works Commodities Sales Committee will meet in March where we will review our pricing methodology for 2019 and firm up prices. (tentative pricing in bold):

**Silage Corn**
- Silage corn is planted in mid-April and then harvested in early fall, before frost. The entire corn plant including the leaves, stalk, and ears are chopped into small chunks and shot directly into hauling trucks. The chopping and hauling is done by the buyer, who hires an outside contractor. It is then immediately weighed at the TMSF scale and hauled to the buyer's site where it is stored in large pits or piles.
- Silage Corn is priced by the wet ton at 70% moisture. The City establishes a sliding scale each year for silage based on the percent moisture from 55% to 75%. Dryer silage costs more because it is lighter (contains less water).
- The Hoyt Report published by Seth Hoyt is a report on commodities in the Western U.S. The Hoyt Report periodically includes silage prices that have been contracted between the grower and buyer. There have been no reported silage sales so far in 2019, but we will continue to watch as we get closer to spring.
- Word of mouth contracts in the region are around $26/ton to $30/ton at 70% moisture.
- The old rule of thumb for valuing silage corn in the field has been approximately 7 to 9 times the price of shell corn per bushel assuming a moisture content of 65%.
  - Using this methodology, the current market price of shell corn equates to a silage price of $27.84/ton at 70% moisture.
  - We will continue to monitor corn futures prices.
- Northwest Farm Credit – they have been providing good information on how much they are insuring corn crops. We will have pricing by early March from them.
- **We are still gathering information on silage corn pricing, but it appears that we will contract standing corn at around $28/ton at 70% moisture.** This would be a
drop of $2/ton (~6.7%) from 2018. Silage corn has accounted for a large portion of TMSF revenue in the past:
- $1.3 million in 2018 ($30/ton)
- $1.3 million in 2017 ($32/ton)
- $1.3 million in 2016 ($34/ton)
- $1.2 million in 2015 ($34/ton)
- $1.2 million in 2014 ($38/ton)
- $1.2 million in 2013 ($40/ton)
- $1.1 million in 2012 ($37/ton)

Baled Alfalfa Hay
- In 2016, we began pricing alfalfa hay according to the average price from two referenced, citable sources. The first source is the Idaho Weekly Hay Report published by U.S. Department of Agriculture. This report is published every Friday during the crop season and is publicly available to anyone who is interested. The second source is the Hoyt Report published by Seth Hoyt and is subscription based for $119/year.
- The TMSF samples the baled hay and sends the samples to three separate laboratories where it is analyzed for relative feed value (RFV) and Crude Protein, among other parameters. Based on these values, the hay is qualified as supreme, premium, good, fair, or utility and it is sold as such.
- Hay prices are set at the time the hay is baled in the fields.
- All of the baled hay harvest from the swathing, raking, and baling is performed by farm personnel with City equipment. We try to get five cuttings of hay per year, depending on the weather.
- Baled alfalfa hay has also accounted for a large portion of TMSF revenue:
  - $670k in 2018 revenue
  - $749k in 2017
  - $591k in 2016
  - $1.2 million in 2015
  - $1.2 million in 2014
  - $1.3 million in 2013
  - $875k in 2012

Alfalfa Haylage
- Haylage is green chopped alfalfa that is swathed, windrowed, and then chopped into small pieces and shot directly into hauling trucks where it is immediately weighed and hauled off to the buyer’s site. The final chopping and hauling of the haylage is done by the buyer who hires an outside contractor. This process is similar to silage corn.
  - This is different than baled hay because the hay is not allowed to dry in the field prior to baling. Haylage is a very wet product. The target moisture
of haylage is 64%. Baled hay contains approximately 12% moisture because it sits in the field for several days to dry down prior to baling.

- Haylage prices have traditionally been set based on an expected breakdown of 80% dairy (premium or supreme) and 20% feeder (good to fair) hay.

- **For 2019, we anticipate setting haylage prices based on $140/ton to $160/ton baled alfalfa.**
  - Current prices from Hoyt: $175/ton for dairy hay and $149/ton for feeder hay.
  - Current prices from USDA: $182/ton for dairy hay and $158/ton for feeder hay.

- Using $150/ton baled alfalfa pricing and calculating the haylage prices (based on dry matter) resulted in haylage prices of ~$61/ton at 64% moisture. We then take out the harvesting cost for swathing, raking, and chopping (calculated at $11.00/ton) and the final price of the haylage in the field is ~$50/ton.

- The swathing, and raking fees are charged to the buyer on a per acre basis if it is done by the City.

- The farm establishes a sliding pricing table for haylage, based on the percent moisture at time of harvest. Dryer haylage costs more.

- Alfalfa is green chopped for haylage during periods of rain, or frost that can reduce the quality of baled hay. This is usually a factor in the first and/or fifth alfalfa cuttings of the growing season. Rather than waiting extraordinarily long periods of time for the hay to dry, we can have it chopped into haylage and go directly into the next cutting, thereby increasing future yields or getting a little more revenue at the very end of the season.

- Alfalfa haylage accounted for:
  - $359k in 2018 revenue ($42/ton based on $130 baled hay)
  - $245k in 2017 revenue ($34/ton based on $110 baled hay)
  - $265k in 2016 ($34/ton based on $110 baled hay)
  - $401k in 2015 ($49/ton based on $150 baled hay)
  - $566k in 2014 ($49/ton based on $150 baled hay)
  - $493k in 2013 ($46/ton based on $145 baled hay)
  - $274k in 2012. ($46/ton based on $145 baled hay)

**Triticale**

- Triticale is a rye-grass/wheat hybrid that is a good quality commodity for feeding cattle. It is used at the farm when we double crop fields with corn. The triticale is planted in the fall and harvested in early June. The field is then usually spread with biosolids and planted with corn immediately after the triticale is harvested.

- **There was no triticale planted last fall at the request of our current customers, therefore there will be no triticale crop in 2019. The TMSF may look for new triticale customers in the future.**

- Triticale accounted for approximately:
  - $38k in 2018 revenue ($23.33/ton)
  - $33k in 2017 revenue ($17.96/ton)
  - $66k in 2016 ($17.96/ton)
Winter Wheat Grain
- The winter wheat is the one commodity that we have that can be forward contracted in various increments with the local granary that gets our wheat, Big D. The Farm Supervisor watches the wheat grain prices, which are sent out via e-mail daily from Big D and consults with the Biosolids Manager on when to contract the wheat. Of course, we make every attempt to get the best price possible for our wheat while minimizing risk of a fluctuating market.
- Big D’s wheat prices are roughly 80-100 cents less than the granary prices in Portland.
- We have not contracted any wheat grain so far for 2019.
- The current wheat price from Big D is $5.20/bushel and the future price (August 2018) is $5.00/bushel.
- Winter wheat accounted for approximately:
  - $518k in 2018 revenue
  - $363k in 2017
  - $454k in 2016
  - $448k in 2015
  - $560k in 2014
  - $325k in 2013
  - $780k in 2012

Baled Wheat Straw
- The straw is the stem portion of the winter wheat. The wheat grain heads are combined and then the straw is cut and baled identically to the alfalfa hay.
- The City utilizes a contractor to combine our wheat each year and haul it to the buyer.
- The straw harvesting is done by City personnel with City equipment.
- Straw prices are published every week in the Idaho Weekly Hay Report published by the US Department of Agriculture. The straw prices are set when it is baled in the field.
- Similar to the Baled Alfalfa Hay, we will average the weekly USDA Report and Hoyt Report straw prices in 2019.
- Straw accounted for approximately:
  - $109k in 2018 revenue
  - $81k in 2017
  - $147k in 2016
  - $108k in 2015
  - $58k in 2014
  - $48k in 2013
  - $60k in 2012
TO: Public Works Commission  
FROM: Jami Goldman, Sustainability Coordinator  
DATE: March 6, 2019  
RE: Livability Ambassador Program Update

ISSUE

Provide details on pilot year of the Livability Ambassador Program and the direction for year two.

BACKGROUND

The initial year of the Livability Ambassador Program focused on the city’s goal to create Environmentally Sustainable Communities. It was an immersive program, educating and challenging the next generation of champions to support the city’s vision of making Boise the most livable city in the country.

The six-month program offered a “behind the scenes” glimpse into some of the city’s unique features and was intended to spark conversation and engagement while strengthening the community’s commitment to protecting and preserving our resources for future generations.

Year One

With the pilot year focused on Environmentally Sustainable Communities, Boise’s first class of Livability Ambassadors joined city environmental experts for educational tours and discussions designed to expand their knowledge about Boise’s innovation in sustainability, infrastructure and design. Program highlights included group excursions to facilities such as the Twenty Mile South Farm, home of Idaho’s first-ever net-zero commercial building, the River Campus at the Boise WaterShed, and the Foothills Learning Center, the hub of Boise’s trail system, to name just a few. The program objectives were to communicate the message of Boise’s commitment to protecting and preserving the environment, encourage the adoption of more sustainable practices, and create a broader dialogue between the city and the community around livability. With a successful program model, we are continuing to grow the program into year two.
Year Two

As the program continues to develop into year two, the curriculum will expand to focus on another main goal for the city, Responsible Built Environment. An internal planning cohort has been created, and we have begun to design the field trips and components for the “behind the scenes” look at our planning around neighborhoods, housing for all, multi-modal transportation options and connectivity, reuse and sustainable building, and infrastructure planning for the future. I will continue to provide updates as we move into the recruitment and application phase for year two.

SUGGESTED MOTION

Information only
MEMO

TO: Public Works Commission
FROM: Haley Falconer, Environmental Division Senior Manager
       Michael Comeskey, Capital Improvement Program Manager
DATE: March 6, 2019
RE: Water Renewal Utility Plan Update – Investment Options 1-4

ISSUE

Provide the Commission with an introduction to the investment options that will be presented to the Water Renewal Utility Plan (WRUP) Advisory Group in March.

BACKGROUND

The WRUP team has assembled seven investment options for review by the WRUP Advisory Group, Public Works Commission, Mayor and City Council. These investment options represent possible methods for the utility to deliver services that in the future continue to meet our level of service goals while increasing the utility’s adaptability to changing conditions, ability to make decisions beyond regulatory requirements, and financial sustainability.

The outcome of the WRUP process likely won’t be the selection of a single option, rather, we will determine the right combination of investment options to create a long-term portfolio for Water Renewal Services. City leadership will ultimately select a portfolio based on the results of the technical and financial evaluations and the feedback received from our stakeholders.

All investment options meet the core mission of the utility by protecting public health, the Boise River, and meeting regulatory requirements. Where the options differ is in the degree to which each accomplishes other goals, such as: supporting economic development, controlling capital investment requirements, supporting water resiliency, or alleviating the regulatory burden on the utility.

The Public Works Commission will review the concepts for Investment Options 1-4 (listed below) at the March 6 Commission meeting.
**Investment Option #1 – River Discharge (status quo)**

**Why Statement:** Continue to provide reliable water renewal services that meets all state and federal permit and public health requirements

**Example Outcomes:**
- Protect public health
- Provide reliable water renewal services to the community
- Maintain community uses of Lower Boise River

**Investment Option #2 – Enhance the River**

**Why Statement:** Continue to discharge to the Lower Boise River but at a water quality that exceeds all state and federal requirements to enhance the community value (i.e. recreational opportunities, enhancing riparian areas and supporting wildlife health/habitat, and public access) to the Lower Boise River

**Example Outcomes:**
- Support increased community uses of Lower Boise River
- Contribute to local economic development through multiple community uses of Lower Boise River

**Investment Option #3 – Industrial Water**

**Why Statement:** Provide economic development opportunities to the community by recruiting new and partnering with existing, local industries and putting products to immediate use

**Example Outcomes:**
- Provide economic development opportunities to existing and new industries
- More certain long-term regulatory requirements

**Investment Option #4 – Water Bank**

**Why Statement:** Contribute to the resiliency of the community by increasing local water storage capacity while positioning Boise as a water-reuse leader in the United States.

**Example Outcomes:**
- Contribute to local water resiliency
- Increasing local water storage/supply
- More certain long-term regulatory requirements
We will present Investment Options 5-7, in greater detail at the April Commission meeting, but listed below is a preview.

**Investment Option #5 – Local Food Production**

**Why Statement:** Contributed to the resiliency of the community by maximizing local food production from WRF products (i.e. water, energy, and biosolids)

**Example Outcomes:**
- Contribute to local food resiliency
- Reusing water, biosolids, and/or energy for food production
- Equity in product access through product access

**Investment Option #6 – Closed-Loop Systems**

**Why Statement:** Maximize water, energy, and biosolids reuse at a system-wide scale (i.e. most uses possible), contributing to the overall resiliency of the community

**Example Outcomes:**
- Maximize use and reuse of resources (water, energy, and biosolids)
- Contribute to resiliency of the community
- More certain long-term regulatory requirements

**Investment Option #7 – Decentralized Management**

**Why Statement:** Provide small-scale treatment to different areas and communities within the City, which allows for direct community access to renewed water, energy, and biosolids

**Example Outcomes:**
- Direct community access to products (water, energy, and/or biosolids)
- Capital investments scaled to growth
- More certain long-term regulatory requirements

At the Public Works Commission meeting in May, we will discuss the business case evaluation process and some of the results of the technical evaluations.

**SUGGESTED MOTION**

Information only
MEMO

TO: Public Works Commission
FROM: Heather Buchanan, Support Systems Sr Mgr
        Matt Millis, Enterprise Revenue Manager
DATE: February 27, 2019
RE: FY 2020 Operations and Maintenance Budget

ISSUE

Public Works is proposing its FY 2020 operations and maintenance (O&M) budgets for General, Water Renewal, Solid Waste, Geothermal, and Municipal Irrigation Funds.

BACKGROUND

The budget consists of base and onetime revenues and expenses. Base budget items make up the majority of the total budget; these amounts support our regular ongoing utility operations and maintenance. For these items, we have an accepted budget amount that is indexed for inflation and growth as needed. Within the base levels, there are a few areas that may need additional changes depending on economic conditions, rate changes, or program delivery changes. Onetime items are exactly that – budgetary needs that happen only in a given year. Many times, these are for a special event or program. Therefore, this memo will focus on briefly explaining the major changes from the FY 2018 actuals.

The packet that follows the memo includes a base budget summary by fund, proposed changes, and trend analysis of budgets over the last 5 years. Over the next few weeks, we will continue to review our assumptions and the line item details, however, we do not anticipate any major changes. The cash flow projections for Water Renewal, Solid Waste, and Geothermal Funds and the rate analysis for the Water Renewal and Solid Waste Funds will be presented at the April meeting.

General Fund

Budgeted General Fund revenues for FY 2020 are anticipated to be $1.0 million less than FY 2018 actuals. Reductions include $40,000 due to a one-time CNG credit received in FY 2018, $25,000 in staff reimbursement related to PW staff time dedicated to major construction projects, and $32,000 in permit and plan review revenues. The remaining difference is due to adjustments in Public Works allocation of Intergovernmental Revenues (IGR), of which $456,000 is an adjustment for one-time projects completed in FY 2018 and $448,000 is reduction related to the indirect cost allocation plan (CAP). Central Finance is completing the CAP for 2020. Once this is complete, the IGR and related expenditure budget will be incorporated into the Public Works budget.

FY 2020 personnel costs are increasing over FY 2018 actuals by approximately $374,000 due to 3.0% base salary, 2.0% onetime goal achievement increases, and a 4.0% health insurance increase.

Currently, the O&M budget is $384,900 less than FY 2018 actuals. As explained in the revenue section, Central Finance must complete the CAP plan for FY 2020. Once that is complete, the indirect expense will be added into the Public Works budget. Adjusting for the absence of the indirect cost expense, the FY 2020 budget is $275,500 more than FY 2018 actuals attributed to the following:

- 0.5% increase for inflation equating to approximately $20,000.
- $59,000, 9%, for power for street lights.
- $65,000, 3%, increase in other utilities and minor R&M for Facility Services and Operations.
- $108,500, 160%, increase in professional and legal services relating to water supply and other environmental programs. Water Supply is a new program, so we are allocating budget in this area.
- $22,000, 69%, increase in travel and training budgets. With the City’s new performance management framework, ConnectBoise, a greater emphasis is being put on professional development.

For FY 2020, the Public Works General Fund budget is currently balanced at net zero. In comparison, Public Works ended FY 2018 with $991,000 budgetary savings due to personnel vacancies along with power, cross charge, indirects, and professional services cost savings. Approximately $567,000 of the savings was rebudgeted into FY 2019 for ongoing sustainability, renewable energy, and water supply one-time projects.

Fleet Services and Central Finance are working on the FY 2020 equipment budget. Once that is complete, the budget will be added to the Public Works budget.
Water Renewal Fund

The Water Renewal Fund encompasses operation of three water renewal facilities (West Boise, Lander Street, and Dixie Drain), the Twenty Mile South Farm, maintenance of the collection system, engineering, pretreatment, water quality lab, education and outreach, and administration.

Water Renewal Fund FY 2020 base operating revenues are budgeted at $57.2 million, a $4.9 million increase over FY 2018. The increase reflects annual system growth of 2.0% coupled with the 9.0% customer rate increase in FY 2019.

FY 2020 Personnel and O&M expenses are budgeted at $50.9 million, a $5.8 million or 11.4% increase over FY 2018 actuals. The following details explain the increase.

FY 2020 personnel costs are increasing over FY 2018 actuals by approximately $2.1 million, assuming the exclusion capitalized salary costs related to capital projects. The year-over-year difference is due to 3.0% base salary, 2.0% onetime goal achievement increases, a 4.0% health insurance increase, and the inclusion of 6.2 FTEs added in the FY 2019 budget. The FY 2020 budget also includes the following resource requests for 2.0 FTEs totaling $140,260.

- 1.0 FTE - Environmental Technician
- 1.0 FTE - Records & Information Specialist

These resource requests still require Mayor and City Council approval. If not approved, the associated budget will be removed from the FY 2020 budget.

Budgeted O&M and depreciation costs are increasing by $3.2 million or 11.7% over FY 2018 actuals due to:

- $347,800, 31%, for chemical cost price increases due to contract renewal.
- $531,200, 15%, increase in minor R&M due in part to the addition of repair and maintenance budgets for Twenty Mile South Farm, Utility Maintenance, and Dixie. These amounts were included in the capital plan, but due to accounting rules have been moved to the O&M budget.
- $336,300, 32%, increase in engineering and other professional services contracts. This increase is largely due to CCTV review of large diameter pipeline scheduled once every five years.
- $586,400, 66%, reduction in utility planning costs. Completion of the Utility Plan is anticipated in 2019. Therefore, the FY 2020 budget reflects the transition to an ongoing utility planning effort and associated lower budget.
- $231,500, 10%, increase for power and other utilities.
• $140,800, 33%, increase in Risk and Workers’ Compensation insurance for the addition of a Risk & Safety FTE dedicated to Water Renewal Services.

• $150,400, 12%, increase in software, PCs, minor equipment, and special department supplies.

• $175,000, 1%, increase in depreciation expenses reflecting the net increase after asset removals and additions.

• $740,000, 22%, for indirect cost increases. The indirect cost plan (CAP) is the City’s tool used to allocate the cost of central departments, such as Human Resources, Legal, Information Technology, and Finance, to the departments that utilize the services.

• $459,000 difference related to the 0.4% for Art. As part of the Percent for Art ordinance, this is the budget set aside for maintenance and public education associated art owned by Public Works. Minimal expenditures occurred in FY 2018. The budget that is not spent each year is carried forward to the next year. In addition, as new capital projects are budgeted each year, 0.4% of the cost is added to this pool for future maintenance.

• $445,300, 4%, increase in other miscellaneous accounts. This includes general inflation and a credit of

• $269,200, 100%, for an inventory adjustment that occurred in FY 2018.

The Water Renewal Fund equipment budget for FY 2020 totals $3.2 million, which is comparable to the budget for FY 2018 and FY 2019. Items include vehicles, farm implements, blowers, an emergency generator, a CCTV van, an excavator, pumps, and lab equipment.

Rate analysis and cash flow projections will be completed in the coming weeks and presented to the Commission at the April meeting.

**Solid Waste Fund**

The Solid Waste Fund operations include the Republic Services contract, landfill expenses, household hazardous waste, and education and outreach.

Revenues for FY 2020 are budgeted at $38.4 million, an increase of $2.6 million over FY 2018 reflecting an assumption of 2.0% growth and the impact of the 12.0% residential rate increase in FY 2019.

FY 2020 personnel costs are anticipated to increase $108,500 over FY 2018 actuals. This is due to the 3.0% base salary, 2.0% onetime goal achievement, and a 4.0% health
insurance increase. The budget also incorporates the FY 2019 resource request for the 0.5 FTE Communications Coordinator (shared with Water Renewal Fund).

The O&M and depreciation budget is $36.7 million, an increase of $687,600 over FY 2018 actuals. The increase includes the continuation of the Orange Energy Bag program, continued recycling program costs due to market instability on commodity prices, and 2% growth in franchise and landfill related expenses, offset by a reduction of $548,000 in indirect costs related to the update of cost allocation drivers, and a $180,000 decrease in budget for bad debt.

A $78,000 equipment budget for replacement of a pickup and a small HHW box truck has also been included.

As budgeted, the fund would experience a surplus of roughly $1.1 million for FY 2020. Over the last few years, the fund balance was reduced in relation to the Esther Simplot Park remediation, compost and Orange Energy Bag program implementation, and recycling market commodity instability. The targeted minimum fund balance is $3.2 million. The FY 2020 surplus is intentional to allow gradual rebuilding of the fund balance to the minimum target.

**Geothermal Fund**

Geothermal service is provided to 92 buildings in the downtown core, including service to 11 buildings at Boise State University.

The FY 2020 O&M revenue budget assumptions reflect a reduction of $360,000, 31.2%, from FY 2018 actuals. While anticipated water sales between FY 2018 and FY 2020 are anticipated to be level, FY 2018 included a one-time connection fee revenue of $96,700 and $281,000 for an asset addition that will not be included in FY 2020. The remaining difference is related to contractual discounts for interruptible service.

The FY 2020 expenditure budget is $49,300 over FY 2018 actuals. The increase reflects the 3.0% base salary, 2.0% onetime goal achievement, and 4.0% health insurance increases for personnel, along with minor increases in R&M accounts related to system upgrades and repairs.

The Geothermal Fund is anticipated to have a net gain of $2,075 in FY 2020. By comparison, FY 2018 actuals resulted in a $33,600 net gain, excluding capital contribution revenues, which was a result of normal levels of water sales revenue and a FY 2018 accounting expense adjustment for inventory reducing expenses by $49,200.

No rate increase is currently proposed. A cost of service study and strategic plan are currently underway. The results and recommendations will be brought to the Commission later this year.
Municipal Irrigation Fund

The Municipal Irrigation Fund provides irrigation service for five subdivisions. The Municipal Irrigation Fund budget anticipates the use of $2,500 in reserves to cover minor equipment costs and balance total expenditures of $49,300 with revenues budgeted at $46,800.

Rate recommendations will be brought forward in January 2020 as required by State Code.

SUGGESTED MOTION

No motion is required at this time. Staff will ask for a motion at the April meeting to approve the capital, equipment, and O&M budgets, along with the recommended rate adjustments.
## Boise City Public Works
### FY 2020 Budget Request

#### General Fund

<table>
<thead>
<tr>
<th>Service</th>
<th>Total FY 2020 Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
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<td>Development &amp; Information Services</td>
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<td>Facility Project Management</td>
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<tr>
<td>Drainage</td>
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<td>Stormwater</td>
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<td>163,001</td>
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<td>365,698</td>
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<tr>
<td>Sustainability</td>
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<td>68,801</td>
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<td>(175,448)</td>
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<tr>
<td>Air Quality</td>
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<td>(126,122)</td>
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<tr>
<td><strong>Total General Fund O&amp;M</strong></td>
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<td><strong>2,956,260</strong></td>
<td><strong>3,524,367</strong></td>
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<td><strong>6,480,627</strong></td>
<td><strong>0</strong></td>
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</table>

#### Annual Data

<table>
<thead>
<tr>
<th>Year</th>
<th>Total FY 2020 Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>5,374,190</td>
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<td>2016</td>
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<td>2017</td>
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<td>6,875,392</td>
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<td>2018</td>
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<td>6,490,596</td>
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<tr>
<td>2020 Budget</td>
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<td>2,956,260</td>
<td>3,524,367</td>
<td>0</td>
<td>6,480,627</td>
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## BOISE CITY PUBLIC WORKS
### FY 2020 BUDGET REQUEST

### WATER RENEWAL FUND

<table>
<thead>
<tr>
<th></th>
<th>Total FY 2020</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>CIP</th>
<th>Depreciation</th>
<th>Total FY 2020</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
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<tbody>
<tr>
<td></td>
<td>Revenues</td>
<td></td>
<td></td>
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<tr>
<td>Sewer Admin</td>
<td>648,063</td>
<td>1,519,937</td>
<td>6,311,951</td>
<td>35,140</td>
<td>7,867,029</td>
<td>(7,218,966)</td>
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<tr>
<td>Utility Billing</td>
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<td>1,054,347</td>
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<td>(1,109,207)</td>
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<tr>
<td>Watershed</td>
<td>15,749</td>
<td>331,147</td>
<td>94,663</td>
<td>66,745</td>
<td>492,555</td>
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<tr>
<td>Sewer Engineering</td>
<td>51,881,995</td>
<td>3,208,800</td>
<td>1,113,417</td>
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<tr>
<td>Sewer Environmental</td>
<td>30,405</td>
<td>1,433,839</td>
<td>815,091</td>
<td>314,993</td>
<td>2,563,924</td>
<td>(2,533,519)</td>
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<tr>
<td>Operations</td>
<td>0</td>
<td>986,527</td>
<td>237,339</td>
<td>101,295</td>
<td>1,325,161</td>
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<tr>
<td>Utility Maintenance</td>
<td>224,055</td>
<td>2,439,355</td>
<td>808,636</td>
<td>424,167</td>
<td>3,672,158</td>
<td>(3,448,103)</td>
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<tr>
<td>Central Lab</td>
<td>65,000</td>
<td>1,932,586</td>
<td>480,936</td>
<td>380,852</td>
<td>2,794,374</td>
<td>(2,729,374)</td>
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</tr>
<tr>
<td>Lander</td>
<td>19,911</td>
<td>1,587,108</td>
<td>1,304,738</td>
<td>1,134,023</td>
<td>4,025,869</td>
<td>(4,005,958)</td>
<td></td>
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</tr>
<tr>
<td>West Boise</td>
<td>27,988</td>
<td>2,032,144</td>
<td>3,465,376</td>
<td>5,622,312</td>
<td>11,119,833</td>
<td>(11,091,845)</td>
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<tr>
<td>Biosolids</td>
<td>1,166</td>
<td>317,490</td>
<td>137,245</td>
<td>120,892</td>
<td>575,627</td>
<td>(574,461)</td>
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<tr>
<td>Lander Maintenance</td>
<td>0</td>
<td>821,129</td>
<td>34,712</td>
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<td>855,841</td>
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<tr>
<td>West Boise Maintenance</td>
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<td>50,655</td>
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<td>Application Site</td>
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<tr>
<td>Dixie Drain Facility</td>
<td>0</td>
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<td>1,483,673</td>
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### TOTAL WATER RENEWAL FUND O&M

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>CIP</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>57,202,016</td>
<td>20,342,418</td>
<td>18,319,924</td>
<td>0</td>
<td>12,298,175</td>
<td>50,960,517</td>
<td>6,241,498</td>
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### Sewer Equipment

<table>
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<tr>
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<th>Total</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>CIP</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
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<tbody>
<tr>
<td></td>
<td>3,246,700</td>
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### Sewer Capital

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<th>Total</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>CIP</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Engineering Capital (Dev. Rev.)</td>
<td>6,835,000</td>
<td>(700,000)</td>
<td>300,000</td>
<td>33,153,250</td>
<td>32,753,250</td>
<td>(25,918,250)</td>
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### Annual Data - Excluding Capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>CIP</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>38,217,448</td>
<td>13,953,508</td>
<td>11,751,554</td>
<td>9,487,644</td>
<td>35,192,706</td>
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<td>2015</td>
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<td>12,459,211</td>
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<td>36,416,617</td>
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<td>2016</td>
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<td>2017</td>
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<td>18,319,924</td>
<td>12,298,175</td>
<td>50,960,517</td>
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<td>SOLID WASTE FUND</td>
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<td>Personnel</td>
<td>O&amp;M</td>
<td>Depreciation</td>
<td>Total FY 2020 Expenditure Budget</td>
<td>Net Income</td>
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<tr>
<td>Franchise Administration</td>
<td>38,407,167</td>
<td>614,431</td>
<td>36,647,414</td>
<td>18,300</td>
<td>37,280,145</td>
<td>1,127,022</td>
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<tr>
<td>TOTAL SOLID WASTE FUND O&amp;M</td>
<td>38,407,167</td>
<td>614,431</td>
<td>36,647,414</td>
<td>18,300</td>
<td>37,280,145</td>
<td>1,127,022</td>
<td></td>
</tr>
</tbody>
</table>

Annual Data - Excluding Capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Personnel</th>
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<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>26,216,158</td>
<td>383,436</td>
<td>24,758,206</td>
<td>44,423</td>
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<td>1,030,093</td>
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<td>2016</td>
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<td>27,168,207</td>
<td>46,033</td>
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<td>36,659,109</td>
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<tr>
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</table>
## GEOTHERMAL FUND

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geothermal Operating</td>
<td>796,239</td>
<td>122,499</td>
<td>422,780</td>
<td>248,884</td>
<td>794,164</td>
</tr>
<tr>
<td><strong>TOTAL GEOTHERMAL FUND O&amp;M</strong></td>
<td><strong>796,239</strong></td>
<td><strong>122,499</strong></td>
<td><strong>422,780</strong></td>
<td><strong>248,884</strong></td>
<td><strong>794,164</strong></td>
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</tbody>
</table>

**Annual Data - Excluding Capital**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
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<tbody>
<tr>
<td>2014</td>
<td>658,396</td>
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<td>2017</td>
<td>1,236,240</td>
<td>110,537</td>
<td>392,922</td>
<td>227,720</td>
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<td>422,780</td>
<td>248,884</td>
<td>794,164</td>
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</table>
**BOISE CITY PUBLIC WORKS**  
**FY 2020 BUDGET REQUEST**

### MUNICIPAL IRRIGATION FUND

<table>
<thead>
<tr>
<th></th>
<th>Total FY 2020</th>
<th>Total FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenues</td>
<td>Personnel</td>
</tr>
<tr>
<td>Municipal Irrigation Operating</td>
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<td>0</td>
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<tr>
<td><strong>TOTAL MUNICIPAL IRRIGATION FUND O&amp;M</strong></td>
<td>46,753</td>
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</table>

### Annual Data - Excluding Capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Personnel</th>
<th>O&amp;M</th>
<th>Depreciation</th>
<th>Expenditure Budget</th>
<th>Net Income</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
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<td>46,499</td>
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<td>47,060</td>
<td>(561)</td>
</tr>
<tr>
<td>2016</td>
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<td>30,896</td>
<td>6,732</td>
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<tr>
<td>2017</td>
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<td>30,857</td>
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<tr>
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<td>33,807</td>
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<td>2019 Budget</td>
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<td>44,540</td>
<td>7,500</td>
<td>52,040</td>
<td>(3,329)</td>
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<tr>
<td>2020 Budget</td>
<td>46,753</td>
<td>0</td>
<td>41,781</td>
<td>7,500</td>
<td>49,281</td>
<td>(2,528)</td>
</tr>
</tbody>
</table>
The City of Boise has two Idaho Pollutant Discharge Elimination System (IPDES) permits enforced by the Idaho Department of Environmental Quality that regulate discharges from the City’s water renewal facilities (WRFs) to the Lower Boise River. The IPDES permits contain monitoring requirements for the WRFs as well as the river. The Environmental Division, Water Quality Section, Sampling and Monitoring Group (SAM) collects extensive data on the Lower Boise River not only to meet permit requirements, but also evaluate the health of the natural resource and aid in utility planning purposes. The SAM Group is also responsible for evaluating the water quality of the City’s ponds for recreational uses. Implementation of the SAM program supports the following elements of the strategic framework:

**Safe and Secure Community**
Ensures access to clean air, clean water and public infrastructure. The SAM Group collects over 1 million data points each year on the Boise River. Compliance with IPDES permit and Water Quality Section program objectives help to protect and improve the water quality of the Boise River and other surface waters in the City.

**Healthy Community**
Provides access to safe drinking and surface water, clean air and waste removal. Sampling and Monitoring program requirements help to protect and improve the water quality of the Boise River and other surface waters in the City. This supports community access to surface waters for recreation and other uses. In addition, monitoring the water quality of the City’s ponds designated for recreational uses ensures access to community services for all residents.

**Responsible Built Environment**
Plans and provides for well-designed, strategically planned infrastructure that meets current and future needs. The SAM Group collects over one million data points on the Lower Boise River each year. In addition to IPDES permit compliance, the data are used to inform long term utility planning decisions with significant capital investments. For example, the data are used to evaluate the need for upgrades at the water renewal facilities to meet future IPDES permit limits, the impacts of beneficially reusing the water, and alternative compliance strategies. In addition, the data are used to identify the best projects for instream restoration projects.

**Environmentally Sustainable Community**
Protects and conserves local water resources through responsible management practices; Conserves parks, open space and natural resources for current and future generations – See responses above.
**RESOURCE REQUEST TEMPLATE**

**Strong, Diverse Local Economy**

*Provides and plans for sustainable infrastructure to support economic growth.* Ultimately, the benefits of providing access to safe surface water and drinking water for safe recreational use and public health translate into economic benefits because of factors such as more efficient and cost-effective operating practices, increased property values, and increased revenues from recreation and tourism.

**Innovative and High-Performing Organization**

*Provides assurance of regulatory and policy compliance and minimizes/mitigates risk.* Adequate staffing to address IPDES Permit requirements mitigates risk and addresses permit compliance.

**Request Narratives**

- **Descriptive Explanation**

  The Public Works Environmental Division Water Quality Group is requesting the addition of 1 FTE to the workgroup dedicated to sampling and monitoring (SAM) and pretreatment tasks. The position is requested because of increased regulatory sampling and monitoring activities directed in 2012, necessary increased support of other City Departments, additional anticipated workload beginning in FY19, and because of gaps in coverage of existing tasks that have occurred due to the increased workload. The SAM Group lost a FTE in approximately 2008 and without that position being refilled, the group has been understaffed since that time.

  The level of service goals addressed by this position include Regulatory Compliance, Environmental Stewardship, and providing a Safe, Healthy, and Caring Community. While the Sampling and Monitoring Group is generally dedicated to the Water Renewal Fund, additional work tasks are anticipated to be supported by other funds (see below). It is anticipated that 65% of the requested FTE will be funded with Water Renewal Fund generated fees.

- **Service Impact**

  - **If Approved:**

    The following level of services will be achieved:

    **Regulatory Compliance Activities**

    Sampling and monitoring activities that support Idaho Pollution Discharge Elimination System (IPDES) permits (Clean Water Act permits issued to the City’s water renewal facilities) are required by federal and state legislation. The Water Quality Group prioritizes routine, permit required, sampling and monitoring tasks such as river sampling and WET testing. The City received new permits in 2012 that included requirements that significantly increased the time required to fulfill all sampling and monitoring activities. For example, the permits required the use of three instream continuous water quality monitoring stations. The time required for meter maintenance, calibration, and troubleshooting is significant. In addition, the new permits had lower limits for Whole Effluent Toxicity testing. The City began exceeding the new permit trigger limits in 2012. Instead of the normal quarterly testing that required 1 FTE to work 20 hours, the trigger exceedances require tests to be completed every other week for 12 weeks (per facility). Permit required, accelerated testing instead consumes in excess of 140 additional hours.

    There are additional studies to support permit required activities that have not been fully supported in the last five+ years due to staffing/available time. For example, maintenance of standard operating procedures (SOPs) has had to be delayed for lack of time. Our next IPDES audit will be performed by the Idaho Department of Environmental Quality. Similarly, the Toxicity Reduction Evaluation Report for West Boise WRF has been delayed and must be finalized as soon as possible. Another example of data
collected to support the IPDES permit activities is the Key Manhole Monitoring Program. Data collected during key manhole monitoring provides collection system data to provide residential background loading data to support Local Limits analyses. This program was a lower priority than permit compliance, collecting billing data and collecting data at Esther Simplot Park pond, so minimal data was collected to support it over the last two years.

One City, One Team – Supporting other City departments

The workload in the past few years, especially in the summer, has been extreme. For example, a temporary staff person was hired last summer to help cover all sampling and monitoring tasks. In FY18, 1.8 FTE hours were dedicated to supporting the Parks and Recreation Department.

Although the Parks and Recreation Department is taking responsibility for the weekly water bacteria sample collection in Quinn and Esther Simplot Park ponds, continued extensive sampling requirements for the SAM group (temperature, nutrients, HABs) are anticipated. Mayor Bieter has made the monitoring and maintenance of these ponds a priority, and it is more economical for the City to perform the sampling (even if adding another FTE) than hiring consultants.

It was this project specifically that required the SAM team to work long hours and delay scheduled personal time off in 2017 and 2018. The sampling and monitoring tasks also required assistance from the SAM Coordinator and Environmental Data Analyst. While this is acceptable on occasion, there were other tasks that were delayed (316a report, Dixie temperature report, TRE report) due to the requirement to prioritize sampling on the Parks ponds in an effort to keep them open in 2017 and 2018.

INCREASING WORK LOAD

The following are either new projects or projects that are shifting requirements to the SAM group.

- Pressure treated timber (PTT) and/or Gowen Field - increasing its workload by taking over the water quality monitoring or report review duties for these projects. This was historically in Materials Management and it makes more sense to have the staff trained in water sampling and data management to manage this work and review reports.
- Compost Facility – taking over the leachate and stormwater water quality data collection, analysis and reporting activities. These are IDEQ and department of health required activities. The sampling, data collection and reporting requirements are skillsets aligned with SAM and allow us to better prioritize staff time in the MM group.
- Whitewater Park Phase 2 - additional temperature monitoring duties (five years of data collection, processing and analyses, semiannual reports) has been added recently. In addition, the SAM group will be developing and implementing a fish passage monitoring study for the Whitewater Park project. The draft agreement with IDFG states that this monitoring will continue for at least two years.
- Whole Effluent Toxicity (WET) testing - there is increased need for SAM to take additional samples at the water renewal facilities for the WET testing to determine the optimum amount UV treatment needed to reduce toxicity.
- §316(a) and associated projects - additional monitoring and data collection for phytoremediation and side channel enhancement will be increased to evaluate temperature and nutrient reductions; additional sculpin studies; data collection to support §316(a) variance
- Water Quality Standards support – data collection to support development of Idaho water quality standards. For example, mussel study to inform the ammonia criteria development.
- P speciation – desire to create sampling program to evaluate the speciation and fate of P species in point and nonpoint sources of pollution.

Watershed report card development – while this may likely be mainly a data analysis effort, I anticipate the need for additional data collection will be identified.
o **If Not Approved:**

The risks to the Department and City are described in earlier text. To summarize, the risks fall into two main categories:

- **IPDES Permit Compliance** – additional staff are needed to fulfill the IPDES sampling and monitoring requirements as well as additional permit requirements. For example, project quality control documents have been not updated due to staff workload. An audit of these materials may result in a negative finding for the City.
- **Department Support** – the SAM group dedicates a significant amount of time to assisting other City departments with sampling and monitoring programs. Without a new staff member, the SAM group will not be able to assist other departments. This would impact the Parks and Recreation Department specifically.

In addition, the risks of not filling the position extend beyond what service level may be impacted. For several years the SAM group has had to limit requested time off and/or work while ill to complete requirements.

**Implementation Plan**

A temporary, full time, employee is currently filling the role. If the position is approved, the target date to fill the position is October 1, 2019.

### Base Impact

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Operating Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>80,000</td>
<td>82,400</td>
<td>84,872</td>
<td>87,418</td>
<td>90,04</td>
</tr>
<tr>
<td>M&amp;O</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>80,000</td>
<td>82,400</td>
<td>84,872</td>
<td>87,418</td>
<td>90,04</td>
</tr>
<tr>
<td><strong>Net Base Impact</strong></td>
<td>80,000</td>
<td>82,400</td>
<td>84,872</td>
<td>87,418</td>
<td>90,04</td>
</tr>
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</table>

### One-time Impact

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<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>M&amp;O</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
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<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td><strong>Net One-time Impact</strong></td>
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### Total Base and One-time Impact

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<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Base and One-time</strong></td>
<td>80,000</td>
<td>82,400</td>
<td>84,872</td>
<td>87,418</td>
<td>90,04</td>
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<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
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</table>

*FTE Base Needs*
RESOURCE REQUEST TEMPLATE

Dept. Name: Public Works
Fund: Water Renewal
Request Type: Service Enhancement
Priority Ranking: 1 = Top Priority
Request Title: Records & Information Mgmt FTE (PW Records and Information Spec. Sr.)

Strategic Framework Alignment

- Safe and Secure Community
- Healthy Community
- Responsible Built Environment
- Connected Community
- Environmentally Sustainable Community
- Strong, Diverse Local Economy
- Creative and Informed Community
- Innovative and High-Performing Organization

How does this align with the Strategic Framework? (Check all that apply)

Brief narrative how this aligns with the Strategic Framework. (e.g. Which element(s)? In what way(s)?)

By hiring an additional Records & Information Management FTE, Public Works will be able to review and scan over 1,130 physical boxes of hard copy backlog that have been stored, some for decades. This will reduce paper, physical storage space utilized at the records center, reduce risk in liability for items not adhering to the retention schedule, provide greater transparency to the public, and provide quicker response to Public Records Requests (PRRs). This FTE will then continue to be utilized in data gathering and mapping for records program planning, additional digitization projects (digital), department indexing, PRRs, and daily scanning.

Environmentally Sustainable Community

Protects air quality to safeguard the public and environmental well-being.
Digitizing all the records will reduce the number of trips to the records center, reducing air pollution and protecting air quality. Boxes are currently shuttled back and forth to/from the records center weekly.

Practices energy efficiency at city facilities and throughout the community.
Digitizing these records will ultimately lead to a reduction in storage space needs, and lease and utility costs.

Conserves natural resources for future generations.
We are revitalizing our Public Works records and information management program. This includes promoting more sustainable practices for digitization and a reduction in paper usage.

Reduces materials to the landfill and maximizes beneficial reuse.
By moving our content to a digital format, it promotes sustainable practices, reduces quantity of paper purchased and allows for recycling of the digitized documents.

Innovative and High-Performing Organization

Ensures all issues are approached through the perspective of “One City, One Team” and the city’s human, financial, physical and technological resources are protected, leveraged, & shared across departments.
Digitizing the backlog records will further support the enterprise-wide use of OnBase and promote a good platform for future enhancements. It will also provide a shorter turnaround time for customer service.
Other departments will also be able to leverage the current structure. For example, Public Works is working with Fire to create a document type in Fire and are in the process of migrating digitized records from Public Works to Fire to better share and utilize the information. We have also begun to scan our bid-related documents into Purchasing’s document types.

Provides assurance of regulatory and policy compliance and minimizes/mitigates risk.
Public Works is currently out of compliance with the City’s retention schedule. Hard copy records are not being stored in the most archivally safe manner. This position will be able to address this risk by digitizing these records and providing greater access and transparency. Program planning and data collection efforts will continue to continue assessing records needs repositories.
RESOURCE REQUEST TEMPLATE

Supports decision-making with timely and accurate short-term and long-range analyses that enhances financial sustainability, operational efficiency and visionary leadership.

With data collected to date, we have been able to detect and inform the Legal department of records request trends, better predict program needs, better understand and predict our workload capacity, and begin assessing training needs (training for people vs. process changes). We have been able to identify some short-term solutions and some longer-term program needs. Having these records digitized will meet our regulatory needs for certain types of unique documents, bringing them into compliance and making retrieval easier. Ultimately, with the data collection, the end goal will be focused on reporting and strategic decision-making.

Ensures the organization is transparent and responsive through public access to information and materials. Contributes to the success of the entire organization by providing the information and resources necessary to get daily work done efficiently and effectively. This FTE will make retrieval easier for all customers, internal and external; reduce processing time for PRRs; and increase findability for internal staff.

Request Narratives

- Descriptive Explanation

The Public Works Records and Information program goals include:

- greater digital sustainability;
- preservation of the right records archivally for the correct amount of time;
- development of service level goals including reduction in turnaround time;
- increased ease of use for staff;
- training; and
- continuing to use data to inform program planning and decisions.

The team conducted a recent workload capacity analysis and determined it can maintain status quo, but cannot address future program needs unless a change is made. Currently, it takes approximately 12 days to digitize a box of records (reviewing for out-of-retention content, scanning, indexing, and quality control). If we were to continue our current method of processing a records box, it would take 52 years to complete the quantity we have in backlog. Public Works already has over 600,000 documents in OnBase, however, we have a large amount of content remaining to digitize (over 1,130 boxes) and this number is growing as we strive for increased sustainability and digitization, use of our electronic records management system (OnBase), and a remodel causing cubicle down-sizing.

The number of PRRs continues to increase (ex., 92 in 2016 to 208 in 2018). The time it takes to respond to a PRR has been compounded by an ever-increasing number of locations that must be searched (hard copy and digital).

Staff evaluated ways to reduce the time to handle a box and conquer the backlog. A method was developed to divide the process into distinct steps that could be handled independently and estimates were produced to determine time per box needed for each step. The revised process includes a high-volume scanner to expedite the scanning step. With this method, an additional FTE could prep, sort and scan all backlog within 19-24 months. Our long-term goal is to digitize the records, while adhering to the records retention schedule. Indexing the scanned content (adding the documents to OnBase with keyword metadata) would be handled as a next step, however, digitized documents would be searchable electronically in the interim.
## Resource Request Template

<table>
<thead>
<tr>
<th>Status Quo</th>
<th>Immediate Improvements</th>
<th>Future Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily scanning</td>
<td>Daily scanning service level continues</td>
<td>Conduct records assessments</td>
</tr>
<tr>
<td>Public records requests (PRRs) with longer processing time</td>
<td>Quicker PRR processing and handling volume increases</td>
<td>Use records assessment info to index content from previously unaddressed digital locations (ex., H: drives, I: drives, OneDrive, photos)</td>
</tr>
<tr>
<td>New Records &amp; Information Management (RIM) manual in progress</td>
<td>Records center content digitized, 1,130+ boxes</td>
<td>Digitize records from new teams and locations not currently digitizing (largely Operations locations)</td>
</tr>
<tr>
<td></td>
<td>Digitize records from current cubicle downsizing/remodel</td>
<td>Training and collaboration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proactive indexing per department needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Improved customer service and “searchability” (internal and external)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More robust data collection and analyses</td>
</tr>
</tbody>
</table>

### Service Impact

**If Approved:**

Over the course of the next few years, more than 1,130 boxes will be digitized. This FTE will enable us to purge content that is out of retention compliance and enter the content into OnBase. We will be able to automate document retention purging via the City Clerk and Legal’s retention review process. Content will be easier to retrieve, reduce staff time (Public Works, Legal, City Clerk) and time for serving our customers. It will provide an overall reduced risk and liability. Records will be digitized and not stored hard copy in degrading format. This will provide cost savings in physical storage space and in paper supply. This FTE will clear out over 1,200 c.f. of space at the records center and on our floor. This FTE will be utilized for future service level enhancement and records and information maintenance and data collection projects.

**If Not Approved:**

We are currently out of compliance with the records retention schedule; we have increased legal risk and liability in keeping documents too long. The quality with which some of the older content has been scanned is not up to current standards. Many of these are priority documents, such as drawings (ex., vital infrastructure), which would be detrimental if they could not be utilized in case of an emergency.

It is difficult to execute PRRs timely when having to search so many locations with so much of the content in hard copy. In 2018, 11% of our PRRs resulted in boxes needing pulled from the records center to complete the request. Of those, 31% required a time extension due to the process it takes to review hard copy content in archive boxes. Difficulty of retrieval and extended times, reduces our records management transparency as a government entity to the citizens we serve.

The records center is also running short on space. If we don’t keep up with current needs and handle the backlog once-and-for-all, the backlog content will continue to grow and take up physical space at the records center and on our floor.
If the backlog is not handled now, it will continue to go unaddressed. The workload analysis shows no capacity to handle this backlog with the status quo. There will be no ability to grow the sustainability and promote the digitization efforts of records and information management in Public Works. The requested FTE is needed to address the backlog and the increase in volume and program growth. Without this FTE to digitize this content, internal processes, “searchability”, and decision-making will remain problematic, at best.

Implementation Plan

We plan to hire a temp for a three-month duration to quality check and re-scan 181 priority boxes (including drawings). Boxes will be previewed by staff to purge out-of-retention content first. Once complete, this project will reduce our physical boxes stored at the records center by 19%.

The rest of the content is more in-depth and requires well-trained staff to make correct decisions, thus not suitable for temp personnel. If this FTE is approved, we would begin recruiting and expect to have staff on board no later than January 2020. The next 12-16 months would be spent prepping over 1,130 boxes for scanning followed by 3 months to scan the content with a high-volume scanner. Staff would then transition to indexing the scanned content (adding the documents to OnBase with keyword metadata).

We are working with IT to coordinate storage space on the network and confirmation of scanner specifications.

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*$1,800 FY 2020 one-time impact for computer or equipment
*$6,000 FY 2021 for rental of high-volume scanner