

Public Works-Water Division

Mission Statement

The Water Division will operate and maintain the Rockford public water system in a manner that:

- Protects public health and enhances the community (*Our Product*)
- Focuses on our customers (*Our Service*)
- Upholds the highest standards of public trust (*Our Reputation*)

Primary Functions → The Water Division is comprised of three operating sections and Administration. The Division is responsible for production, quality control, storage, distribution, and related services to approximately 52,000 water customers.

- **Production** → The Production Section is responsible for overseeing the operation of the water system wells/booster pumps, ground-level and elevated storage, water treatment equipment, water quality, cross-connection control, and facility maintenance.
- **Distribution** → The Distribution Section oversees the maintenance, repair, and replacement of water mains and associated service branches, valves, and fire hydrants.
- **Customer Service** → The Customer Service Section is primarily responsible for responding to customer concerns, meter readings, installation/replacement of water meters, and responding to service calls.
- **Administration** → The Administrative Section is responsible for all division administration, fiscal control, system planning, service contract administration, and payroll.

2008 Accomplishments →

- Successfully implemented Rockford Water Academy, Division-wide training program utilizing expertise of consultants, agencies, and suppliers by providing over 350 person-hours of training.
- Established Water Operations Manager position, which effectively removes an entire level of management in our organizational structure and creates greater accountability for Supervisors.
- Created Water Distribution System Operating Group within Water Distribution Section – This new operating group is conducting the necessary preventative maintenance activities on the distribution system.
- Upgrade and Modernize Water Treatment Process (implement water filtration) – Water Rehabilitation Project is on schedule. First filtration plants will be on-line before 2009. All filtration plants will be operational 3rd quarter 2010.
- Completed the installation of a State-of-the-Industry telephone system for handling outside customer calls in August 2008.
- Water Distribution System operating group developed and implemented Water Quality complaint quick-response team. Infrastructure maintenance programs are in progress.

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- Mobile data collector is ready to be implemented for monthly billing, which will begin in January 2009.
- Hansen Customer Service Request system is being used to track resolution of after-hour customer calls. There is daily follow-up by clerical personnel and supervisors.
- Progress on Water System Rehabilitation Program continues. New facilities have been constructed and will be in operation before the end of 2008. The Project is on schedule for completion in 2010.
- Initial design for upgrading Water Operations Center is complete. First phase of construction will be 4th quarter 2008. Laboratory and other improvements are being budgeted for 2009.
- All Crew Leaders and JULIE locators use laptops in the field to locate underground utilities. Pilot program for water service inspectors and water plant operators has been initiated and will be ongoing in 2009.
- The Water Distribution System Operations Group is coordinating with Engineering Services in GIS mapping of the water system, incorporating maintenance records in that system, and using SharePoint for work order management.

2009 Goals and Objectives →

- Improve customer service by reducing number of complaints throughout Water Division operations and improving responsiveness when a complaint is received.
- Inform stakeholders (Administration, Alderman, water customers, realtors, etc.) about our Water Quality Improvement Project (through announcements, consumer confidence report, information bulletins, brochures, presentations, etc.).
- Enhance community awareness of the importance of Drinking Water and the Rockford Water System (public service announcements, secondary school demonstrations and presentations, etc.).
- Create Rockford Water Laboratory with the goal of having Illinois EPA Certification by first quarter 2010.
- Reduce response time and the duration water is shut off during water main breaks.
- Improve percentage of customers that receive their first choice in scheduling customer service house calls.
- Improve call center effectiveness by reducing response time and percentage of calls dropped.

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- Reduce response time to water quality complaints and conduct follow-up calls on all complaints to ensure customer satisfaction.
- Reduce number of inaccurate water meter reads submitted to Finance.
- Continue to increase number of delinquent account shut-offs scheduled based on need and resources available.
- Continue to promote worker safety and reduce number of on the job injuries (training and equipment).
- Address all safety concerns in a timely manner.
- Continue to develop and implement Rockford Water Academy to train and cross-train employees with a goal of averaging 20 hours per employee of training per year.
- Continue to improve office environment at 1111 Cedar Street by renovating both north and south ends.
- Improve organizational efficiency through enhancing communication (SharePoint) across the organization, filling the Manager of Operations position, and accountability programs for managers and supervisors.
- Implement Division-wide customer complaint tracking using Hanson.
- Initiate Continuous Improvement (Lean) programs to improve internal work processes.
- Continue implementation of laptops programs for making field operations more efficient.
 - Distribution – crew leaders and JULIE locators on the network
 - Customer Service – field inspector laptop pilot program
 - Production – water operator laptop pilot program
- Improve preventative maintenance programs for well houses, well and booster pumps, hydrants, valves, and water services.

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Budget Summary

PUBLIC WORKS WATER DIVISION BUDGET SUMMARY					
APPROPRIATION	2007 <u>ACTUAL</u>	2008 <u>BUDGET</u>	2008 <u>ACTUAL</u>	2009 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$5,283,524	\$6,360,885	\$5,696,963	\$6,329,908	(\$30,977)
CONTRACTUAL	4,012,972	5,093,570	4,547,689	5,695,650	602,080
SUPPLIES	1,483,064	1,392,320	1,146,278	1,558,945	166,625
OTHER	4,291,333	4,643,229	4,552,300	5,483,679	840,450
INTEREST	<u>1,389,810</u>	<u>2,238,600</u>	<u>2,059,936</u>	<u>2,978,000</u>	<u>739,400</u>
TOTAL	<u>\$16,460,703</u>	<u>\$19,728,604</u>	<u>\$18,003,166</u>	<u>\$22,046,182</u>	<u>\$2,317,578</u>
STAFFING REVIEW					INCREASE (DECREASE)
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	
OPERATIONS	71.70	70.70	71.70	71.00	(0.70)
FIXED ASSETS	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>0.00</u>
TOTAL	<u>75.70</u>	<u>74.70</u>	<u>75.70</u>	<u>75.00</u>	<u>(0.70)</u>
FUNDING SOURCE		2008 <u>AMOUNT</u>	2008 <u>PERCENTAGE</u>	2009 <u>AMOUNT</u>	2009 <u>PERCENTAGE</u>
WATER USER FEES		\$23,040,000	90.9	\$23,140,000	86.8
INSTALLATIONS & CONNECTIONS		975,000	3.8	972,000	3.6
INTEREST INCOME		750,000	3.0	1,200,000	4.5
FROM OTHER GOVERNMENTS		0	0.0	700,000	2.6
MISCELLANEOUS		504,000	2.0	509,000	1.9
PURCHASE OF SERVICES		<u>86,000</u>	<u>0.3</u>	<u>128,650</u>	<u>0.6</u>
TOTAL		<u>\$25,355,000</u>	<u>100.0</u>	<u>\$26,649,650</u>	<u>100.0</u>

Budget Analysis

The 2009 budget of \$22,046,182 is a \$2,317,600 increase from the 2008 budget. Personnel costs decreased \$31,000. Merit Pay (\$25,000) decreased as a result of wage freeze. Salary adjustments decreased \$57,800. Health insurance (\$29,100) and unemployment (\$10,100) costs increased due to increased premiums.

Contractual services increased \$602,080 in 2009. A number of large changes are planned, including a \$341,350 increase in service contracts and a \$193,000 increase in electrical power. Service contracts increase for well maintenance and reconstruction costs that are trending upward. Electrical power increase is for additional power needed to backwash filters in three new treatment plants anticipated to be on line in 2009. Building rental is up \$61,400. Education and training has increased by \$40,000 for management training in response to Rockstat and additional training as a part of the Water Rehab project.

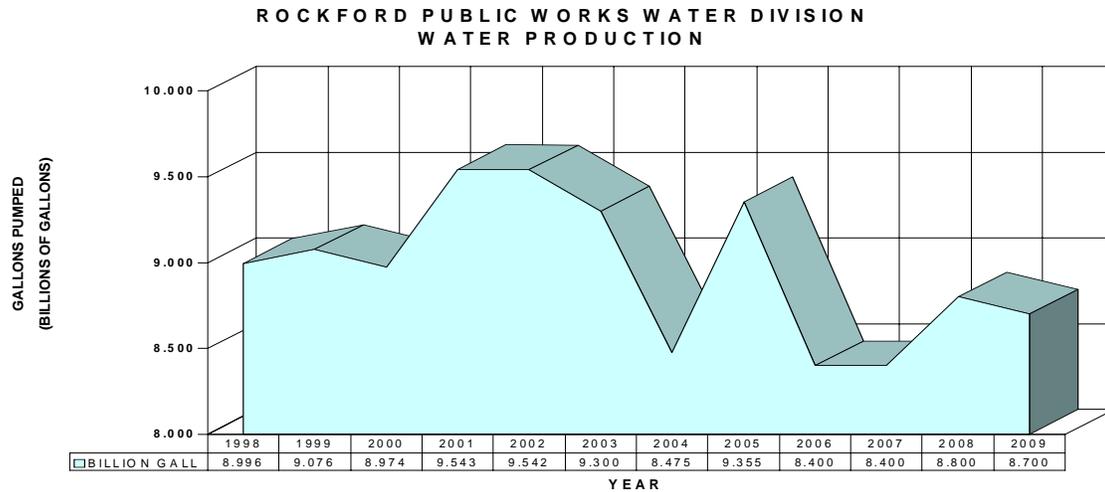
Supplies increased \$166,600 primarily due to a increase in water supplies (\$145,000), based on predicted activity and actual expenditures. Small tools increased \$32,100.

Other expenses increased \$840,450 for 2009. Depreciation expenses increased \$852,500 and the purchase of services from the general fund increased \$7,400. Interest expenses increased \$739,400.

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In 2008, the Water Division spent \$18,003,166 or 91.2% of its budgeted allocation. In the past several years, 83% to 97% of the budget has been spent.

Information and Statistics



SOURCE: WATER DIVISION

As the graph above shows, water production has fluctuated somewhat in the last ten years. Since 1998, when gallons pumped was at 8.9 billion, production has decreased 3%, to an estimated 8.7 billion gallons in 2009. The average production for the past seven years is 8.776 billion gallons, which is more than expected 2009 production. Weather conditions, particularly annual rainfall, impact water usage in the City.

Five Year Financial Forecast

The 2010-2014 five-year forecast assumes annual three percent rate increases with consumption rising three-quarters of one percent each year. Expenses for this forecast range from five to six percent.

WATER FUND 2010-2014 FINANCIAL FORECAST (IN 000'S)					
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues	\$27,518	\$28,426	\$29,364	\$30,333	\$31,334
Expenses	<u>23,148</u>	<u>24,305</u>	<u>25,520</u>	<u>26,796</u>	<u>28,136</u>
Excess (Deficit)	<u>4,370</u>	<u>4,121</u>	<u>3,844</u>	<u>3,537</u>	<u>3,198</u>
Beginning Balance	<u>72,734</u>	<u>77,104</u>	<u>81,225</u>	<u>85,069</u>	<u>88,606</u>
Ending Balance	<u>\$77,104</u>	<u>\$81,225</u>	<u>\$85,069</u>	<u>\$88,606</u>	<u>\$91,804</u>
Bond Issues	\$0	\$0	\$0	\$0	\$0
Rate Increases	3.0%	3.0%	3.0%	3.0%	3.0%

After completion of the \$75 million rehabilitation program, the City will finance future improvements on a pay as you go basis.

Fixed Assets

The 2009 budget of \$1,132,500 for fixed assets includes a variety of vehicles, operating equipment, and well house roofs scheduled for replacement.

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FIXED ASSETS PUBLIC WORKS WATER DIVISION 2009 BUDGET				
DESCRIPTION	COST CENTER	ACCOUNT	AMOUNT	
Cedar Street Improvements	3522	79911	\$120,000	<u>120,000</u>
Toughbook for Ron Juhlin	3516	79922	5,000	<u>5,000</u>
New Roof - Well house #26	3502	79911	12,000	
Paint Piping at 5 well houses		79911	32,500	
				<u>44,500</u>
1/2 ton Pickup 4x4 w/ plow	3502	79922	30,000	<u>30,000</u>
Lab Equip for Bactererial Testing	3501	79922	33,000	33,000
Laboratory	3501	79911	150,000	
Aluminum soffits and windows for 10 wh		79911	50,000	<u>200,000</u>
3/4 ton pickup w/custom boxes	3510	79922	70,000	
Dump Trucks (3)			450,000	
1/2 ton Pickup 4x4			30,000	
Sport Utility			30,000	
Backhoe w/ extend a hoe			80,000	
Toughbook for Pete Gioppo			5,000	
				<u>665,000</u>
Small pickup or sedan - AWD	3523	79922	25,000	
Meter reading data collector (2)			10,000	
				<u>35,000</u>
TOTAL CURRENT FIXED ASSETS				\$1,132,500

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Personnel Review

PUBLIC WORKS WATER DIVISION				
BENEFITS AND SALARIES		2008	2009	INCREASE/ (DECREASE)
SALARY		BUDGET	BUDGET	(DECREASE)
PERMANENT		\$3,820,838	\$3,814,885	(\$5,953)
TEMPORARY		91,180	91,760	580
OVERTIME		443,600	470,140	26,540
MERIT PAY		24,932	0	(24,932)
SALARY ADJUSTMENT		<u>31,165</u>	<u>(26,607)</u>	<u>(57,772)</u>
TOTAL SALARIES		\$4,411,715	\$4,350,178	(\$61,537)
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$751,835	\$743,314	(\$8,521)
UNEMPLOYMENT TAX		4,769	4,725	(44)
WORKER'S COMPENSATION		85,970	96,089	10,119
HEALTH INSURANCE		1,081,418	1,110,512	29,094
RETIREE HEALTH INSURANCE		16,000	16,000	0
LIFE INSURANCE		5,866	5,850	(16)
PARKING		3,312	3,240	(72)
TOTAL BENEFITS		\$1,949,170	\$1,979,730	\$30,560
TOTAL COMPENSATION		\$6,360,885	\$6,329,908	(\$30,977)
	POSITION	2007	208	INCREASE/ (DECREASE)
POSITION TITLE	RANGE	EMPLOYEES	EMPLOYEES	(DECREASE)
WATER SUPERINTENDENT	E-12	1.00	1.00	0.00
ASSISTANT SUPERINTENDENT	E-9	2.00	0.00	(2.00)
WATER OPERATIONS MANAGER	E-9	0.00	1.00	1.00
CUSTOMER SERVICE MANAGER	E-8	1.00	1.00	0.00
DIS SYS OP SUPERVISOR	E-8	0.00	1.00	1.00
WATER CONSTRUCTION SUPERVISOR	E-7	3.00	2.00	(1.00)
WATER PLANT OP. & MAINT.SUPERVISOR	E-8	1.00	1.00	0.00
WATER SYSTEMS & SCADA SUPERVISOR	E-8	1.00	1.00	0.00
WATER QUALITY SUPERVISOR	E-8	1.00	1.00	0.00
WATER TREATMENT SUPERVISOR	E-8	1.00	1.00	0.00
PROJECT MANAGER	E-8	0.20	0.00	(0.20)
ACCOUNTANT	E-7	1.00	1.00	0.00
CUSTOMER SERVICE SUPERVISOR	E-7	2.00	2.00	0.00
WATER ENGINEERING SUPERVISOR	E-6	1.00	1.00	0.00
WATER QUALITY TECHNICIAN	E-5	2.00	2.00	0.00
SENIOR ENGINEERING TECHNICIAN	E-6	3.00	3.00	0.00
ENGINEERING TECHNICIAN	E-5	1.00	1.00	0.00
INSPECTION OFFICER	CD-26	1.00	1.00	0.00
PUBLIC WORKS CREW LEADER	A-28	5.00	5.00	0.00
WATER PLANT OPERATOR	A-28	11.00	11.00	0.00
WATER SERVICE INSPECTOR	A-26	9.00	9.00	0.00
EQUIPMENT OPERATOR	A-23	6.00	6.00	0.00
SENIOR ACCOUNT CLERK	A-21	1.00	1.00	0.00
MAINTENANCE WORKER	A-20	10.00	10.00	0.00
SENIOR SECRETARY	A-20	1.00	1.00	0.00
SENIOR CLERK	A-19	7.50	8.00	0.50
WATER METER READER	A-18	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>75.70</u>	<u>75.00</u>	<u>(0.70)</u>

Performance Measures

	2006 Actual	2007 Actual	2008 Actual	2009 Projected
Annual water production (billion gallons)	8.31	8.34	8.00	8.70
Hydrants replaced or installed	80	70	70	70
Services replaced or installed	65	65	65	65
Valves replaced or installed	100	40	40	40
Number of radio frequency meters installed	5,450	5,275	1,900	1,500
Number of customer meters	53,100	53,221	53,350	53,500
Radio frequency meters as a % of total	85.3%	97.2%	98.3%	99.7%