

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.

2009 Accomplishments →

- Improved community awareness by conducting over 40 events.
- Improved customer service by reducing complaints and improving responsiveness.
- Completed the Water Division Laboratory Business plan and finalized construction plans for lab facilities.
- Promoted worker safety with full participation in the Public Works Safety Committee while addressing safety concerns in a timely manner.
- Continued to develop and implement the Rockford Water Academy to train and cross train employees increasing average number of hours of training per employee from 8 to 26.
- Continued to remodel and improve the functionality of the Water Operations Building.
- Improved organizational efficiency through Lean Management training.
- Implemented division wide service request tracking using Hanson with 100% completion of over 620 service requests.
- Initiated Continuous Improvement Program to improve internal work processes.

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- Improved preventative maintenance programs for fire hydrants, valve exercising, and well houses.

2010 Goals and Objectives →

- Continue to improve customer service by reducing number of complaints throughout Water Division operations and improving responsiveness when a complaint is received.
- Continue to 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.).
- Complete Rockford Water Laboratory with Illinois EPA Certification by third quarter 2010.
- Improve customer service by improving internal systems and responsiveness.
- Improve the quality of water delivered to customers by reducing iron, manganese, and radium concentrations through the use of new water filtration facilities and reducing excursions in concentration of treatment chemicals.
- Continue to promote worker safety and reduce number of on the job injuries (training and equipment).
- Continue to 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 averaging 20 hours per employee of training per year.
- Continue to improve office environment at 1111 Cedar Street.
- Improve organizational efficiency through enhancing communication (SharePoint) across the organization, filling the Manager of Operations position, and accountability programs for managers and supervisors.
- Continue Lean Improvement 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

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Budget Summary

PUBLIC WORKS WATER DIVISION BUDGET SUMMARY					
APPROPRIATION	2007 <u>ACTUAL</u>	2009 <u>BUDGET</u>	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$5,283,524	\$6,329,908	\$5,936,000	\$6,611,555	\$281,647
CONTRACTUAL	4,012,972	5,695,650	4,648,611	6,020,545	324,895
SUPPLIES	1,483,064	1,558,945	1,045,465	1,706,900	147,955
OTHER	4,291,333	5,608,679	5,257,855	6,192,542	583,863
INTEREST	1,389,810	2,978,000	2,250,552	2,598,000	(380,000)
TOTAL	<u>\$16,460,703</u>	<u>\$22,171,182</u>	<u>\$19,138,483</u>	<u>\$23,129,542</u>	<u>\$958,360</u>

STAFFING REVIEW	2007	2008	2009	2010	INCREASE (DECREASE)
OPERATIONS	71.70	70.70	71.00	73.00	2.00
FIXED ASSETS	4.00	4.00	4.00	4.00	0.00
TOTAL	<u>75.70</u>	<u>74.70</u>	<u>75.00</u>	<u>77.00</u>	<u>2.00</u>

FUNDING SOURCE	2009 <u>AMOUNT</u>	2009 <u>PERCENTAGE</u>	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>
WATER USER FEES	\$23,140,000	86.8	\$23,840,000	89.9
INSTALLATIONS & CONNECTIONS	972,000	3.6	1,231,500	4.6
INTEREST INCOME	1,200,000	4.5	820,000	3.1
FROM OTHER GOVERNMENTS	700,000	2.6	0	0.0
MISCELLANEOUS	509,000	1.9	508,000	1.9
PURCHASE OF SERVICES	<u>128,650</u>	<u>0.6</u>	<u>123,300</u>	<u>0.5</u>
TOTAL	<u>\$26,649,650</u>	<u>100.0</u>	<u>\$26,522,800</u>	<u>100.0</u>

Budget Analysis

The 2010 budget of \$23,129,542 is a \$958,360 increase from the 2009 budget. Personnel costs increased \$281,647. Salaries increased \$117,800 as a result of two water plant operator positions being added. IMRF (\$146,600) costs increased due to increased rate.

Contractual services increased \$324,900 in 2010. A number of changes attribute to this increase, including \$82,000 increase in service contracts and a \$157,000 increase in electrical power. Internal services increase \$34,200 for microcomputers and \$41,250 for building rental. Decreases include \$32,500 for engineering services and \$30,000 for professional fees. A \$62,000 for backwash treatment was added in 2010.

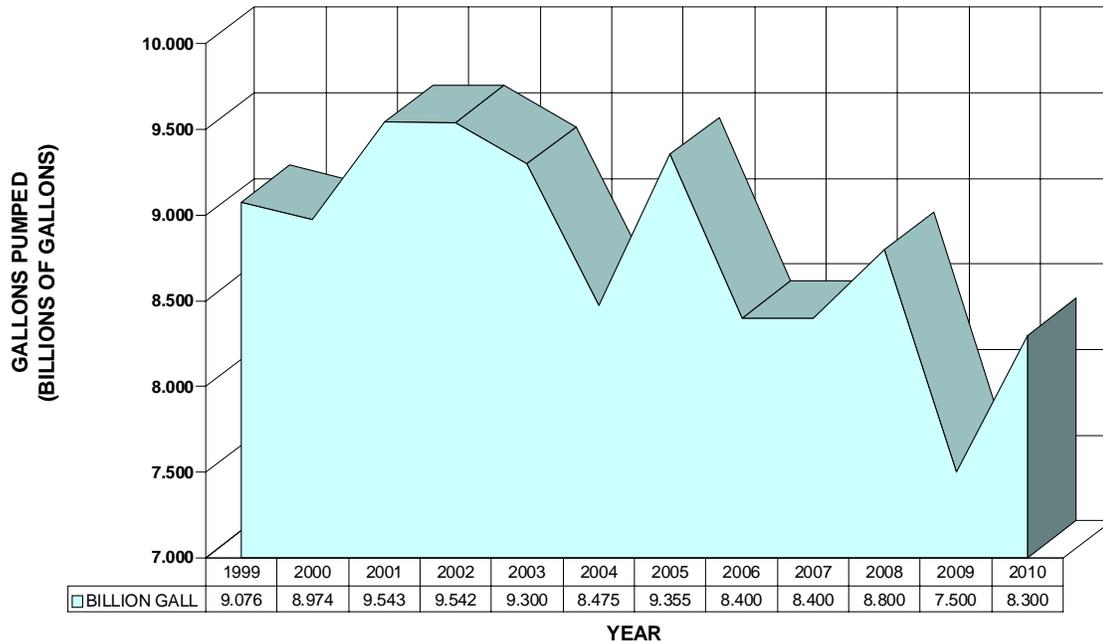
Supplies increased \$147,960 primarily due to an increase in water supplies (\$117,400), based on predicted activity and actual expenditures. Laboratory supplies increased \$15,400.

Other expenses increased \$583,860 for 2010. Increases include \$337,600 for depreciation and \$249,540 in purchase of services offset by a \$3,350 decrease in amortization expense. In 2009, the Water Division spent \$19,138,483 or 86.3% of its budgeted allocation. In the past several years, 83% to 97% of the budget has been spent.

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Information and Statistics

ROCKFORD PUBLIC WORKS WATER DIVISION WATER PRODUCTION



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 2011-2015 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 2011-2015 FINANCIAL FORECAST (IN 000'S)					
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues	\$27,417	\$28,349	\$29,313	\$30,310	\$31,341
Expenses	<u>24,286</u>	<u>25,500</u>	<u>26,775</u>	<u>28,114</u>	<u>29,520</u>
Excess (Deficit)	<u>3,131</u>	<u>2,849</u>	<u>2,538</u>	<u>2,196</u>	<u>1,821</u>
Beginning Balance	<u>71,524</u>	<u>74,655</u>	<u>77,504</u>	<u>80,042</u>	<u>82,238</u>
Ending Balance	<u>\$74,655</u>	<u>\$77,504</u>	<u>\$80,042</u>	<u>\$82,238</u>	<u>\$84,059</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.

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Fixed Assets

The 2010 budget of \$542,000 for fixed assets includes a variety of vehicles, operating equipment, and building improvements.

FIXED ASSETS PUBLIC WORKS WATER DIVISION 2010 BUDGET			
DESCRIPTION	COST CENTER	ACCOUNT	AMOUNT
Chlorine cylinder closers	3500	79922	\$10,000
Sport Utility Vehicle	3500	79922	\$30,000
Tandem dump trucks	3510	79922	\$240,000
Backhoe w/Extend-a-hoe	3510	79922	\$80,000
1 ton Pickup	3510	79922	\$30,000
Refurbish 75-428 Step Van	3510	79922	\$12,000
Hand held meter reader	3523	79922	\$5,000
Van for new service inspectors	3526	79922	\$30,000
			<u>\$437,000</u>
Fiber optic lines to well houses	3500	79910	\$30,000
Cedar St. Improvements (phase 3)	3526	79910	\$75,000
			<u>\$105,000</u>
TOTAL CURRENT FIXED ASSETS			\$542,000

Personnel Review

PUBLIC WORKS WATER DIVISION				
BENEFITS AND SALARIES	2009	2010	INCREASE/ (DECREASE)	
SALARY	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>	
PERMANENT	\$3,814,885	\$3,882,425	\$67,540	
TEMPORARY	91,760	93,560	1,800	
OVERTIME	470,140	492,000	21,860	
MERIT PAY	0	0	0	
SALARY ADJUSTMENT	(26,607)	0	26,607	
TOTAL SALARIES	<u>\$4,350,178</u>	<u>\$4,467,985</u>	<u>\$117,807</u>	
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT	\$743,314	\$889,916	\$146,602	
UNEMPLOYMENT TAX	4,725	4,851	126	
WORKER'S COMPENSATION	96,089	103,417	7,328	
HEALTH INSURANCE	1,110,512	1,112,020	1,508	
RETIREE HEALTH INSURANCE	16,000	24,000	8,000	
LIFE INSURANCE	5,850	6,006	156	
PARKING	3,240	3,360	120	
TOTAL BENEFITS	<u>\$1,979,730</u>	<u>\$2,143,570</u>	<u>\$163,840</u>	
TOTAL COMPENSATION	<u>\$6,329,908</u>	<u>\$6,611,555</u>	<u>\$281,647</u>	
POSITION TITLE	POSTION RANGE	2009 EMPLOYEES	2010 EMPLOYEES	INCREASE/ (DECREASE)
WATER SUPERINTENDENT	E-12	1.00	1.00	0.00
ASSISTANT SUPERINTENDENT	E-9	0.00	0.00	0.00
WATER OPERATIONS MANAGER	E-9	1.00	1.00	0.00
CUSTOMER SERVICES MANAGER	E-8	1.00	1.00	0.00
DIS SYS OP SUPERVISOR	E-8	1.00	1.00	0.00
WATER CONSTRUCTION SUPERVISOR	E-7	2.00	2.00	0.00
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
WATER SERVICES COORDINATOR	E-8	0.00	2.00	2.00
ACCOUNTANT	E-7	1.00	1.00	0.00
CUSTOMER SERVICE SUPERVISOR	E-7	2.00	0.00	(2.00)
WATER ENGINEERING SUPERVISOR	E-6	1.00	0.00	(1.00)
WATER QUALITY TECHNICIAN	E-5	2.00	2.00	0.00
WATER CONTROL SYSTEM TECHNICIAN	E-5	0.00	1.00	1.00
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	13.00	2.00
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	8.00	8.00	0.00
WATER METER READER	A-18	3.00	3.00	0.00
TOTAL PERSONNEL		<u>75.00</u>	<u>77.00</u>	<u>2.00</u>

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Performance Measures

	2007 Actual	2008 Actual	2009 Actual	2010 Projected
Annual water production (billion gallons)	8.34	8.00	7.50	8.30
Hydrants replaced or installed	70	70	41	70
Services replaced or installed	65	65	77	65
Valves replaced or installed	40	110	47	100
Number of radio frequency meters installed	5,275	1,900	800	100
Number of customer meters	53,221	53,267	53,280	53,500
Radio frequency meters as a % of total	97.2%	98.3%	99.8%	100.0%