



Board of Water Works of Pueblo, Colorado

OVERVIEW

TRANSMISSION, DISTRIBUTION AND ENGINEERING

The Transmission, Distribution and Engineering Division is responsible for all the field related customer services for the Board. The Dispatching Department processes all the field service related calls. The Construction/Maintenance Departments provides direct customer contact on water needs at the customer's point of use as well as installation and repair of mains, taps, meters, valves and fire hydrants. The Meter Services Department is the tie between the field and administration since it performs all the meter reading and testing functions. The Engineering Department maintains the Board's water system records and designs system improvements and expansion projects for construction by Board crews or contractors. The Engineering Department monitors and maintains the Board's cathodic protection system for all the large diameter steel mains and oversees water main construction by contractors. The Fleet Maintenance and Warehouse Departments provide support services to keep our field crews supplied and our fleet operating.

After a thorough evaluation and selection of a contractor, installation of the automatic meter reading system began in 2007. The three year contract anticipates spending approximately \$1,500,000 in 2007, \$500,000 in 2008 and \$500,000 in 2009. There will be additional expenditures under the normal budget allocation for meter rotation/exchange. After reviewing the time line for implementation, we have reconsidered our recommendation and are asking the Board's consideration in the proposed 2008 budget to increase the expenditure to \$1,000,000 in both 2008 and 2009. That will allow us to convert at total of approximately 15,000 meters to automatic reading by the end of 2009. We anticipate converting all 3" and larger revenue meters to automatic reading in this three year period. At that time we will reevaluate whether the automatic meter reading conversion will continue after 2009 or whether we will manually read the remaining existing meters. Our current ten year cash flow projection assumes we will budget \$500,000 per year for 2010 to 2017 for conversion to automatic meter reading. New meters will be installed with automatic meter reading capability. In 2008 and 2009 we anticipate using the two Meter Readers that will no longer be reading meter as AMR installers. We still do not plan for any layoffs as a result of the AMR installation but in the long term the employees may assume different positions. Any reduction in force would be accomplished through attrition, including transfers to other departments.

We have included a contractor main renewal project for 2008 along with a limited amount of main renewal work for Board crews. As our main renewal program has progressed we find fewer and fewer projects that are suited for our crews. Our crews do quality work but we have a difficult time completing the work in a timely schedule because we are pulled off the job to work on major main breaks and other high priority work. We try to concentrate on projects in undeveloped areas or no more than one block projects in developed streets. We should complete the third loop (William White Blvd) to the Pueblo Memorial Airport Industrial Park in 2007 but we plan to make the closure along HWY 47 in 2008. This will add to the reliability of service to the industrial park.

We will complete the remodeling of the Engineering Offices at 3rd St. to accommodate the staffing changes we made in 2007.

The Board's ongoing program for valve and fire hydrant maintenance will continue in 2008. This includes exercising each of the more than 14,600 valves in our system at least once per year along with inspection of the valve slip top, recording its status relative to the surrounding street surfacing and repairing any deficiencies. We continue to work toward our goal to perform a routine maintenance check on each of the more than 3,200 public fire hydrants at least once per year.

Terry R. Book



Board of Water Works of Pueblo, Colorado

PERSONNEL SERVICES

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	<u>2006 ACTUAL</u>	<u>2007 BUDGET</u>	<u>2007 ESTIMATED</u>	<u>2008 BUDGET</u>
SALARIES & WAGES				
Division manager	\$ 86,935	\$ 103,722	\$ 94,459	\$ 107,126
Manager	155,196	178,444	162,510	184,302
Supervision	260,289	308,910	256,050	240,350
Specialist	39,782	44,078	70,620	95,176
Skills and trades	2,108,685	2,329,611	2,176,143	2,406,404
Part-time	18,707	25,612	13,753	26,929
Temporary	41,561	112,488	54,467	111,706
Overtime	<u>128,874</u>	<u>132,000</u>	<u>127,082</u>	<u>132,000</u>
Total salaries and wages	<u>2,840,029</u>	<u>3,234,865</u>	<u>2,955,084</u>	<u>3,303,993</u>
BENEFITS				
Longevity	33,431	36,339	32,370	36,771
Employee assistance	1,121	1,159	1,048	1,140
Social security	246,710	238,180	239,059	243,451
Pension	83,766	89,169	80,665	90,999
Health insurance	369,366	376,061	363,000	389,309
Dental insurance	37,189	37,390	35,272	36,096
Disability insurance	20,510	21,478	20,725	21,945
Life insurance	36,957	39,129	36,897	39,983
Sick leave	173,563	183,066	182,800	182,370
Vacation leave	<u>203,197</u>	<u>213,937</u>	<u>213,900</u>	<u>215,947</u>
Total benefits	<u>1,205,810</u>	<u>1,235,908</u>	<u>1,205,736</u>	<u>1,258,011</u>
Total personnel services	<u>\$ 4,045,839</u>	<u>\$ 4,470,773</u>	<u>\$ 4,160,820</u>	<u>\$ 4,562,004</u>



Board of Water Works of Pueblo, Colorado

OPERATION AND MAINTENANCE

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	<u>2006</u> <u>ACTUAL</u>	<u>2007</u> <u>BUDGET</u>	<u>2007</u> <u>ESTIMATED</u>	<u>2008</u> <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 26,292	\$ 25,250	\$ 17,340	\$ 32,800
Engineering consulting	7,752	6,000	-	4,000
Utilities	73,316	80,450	75,230	84,500
Auto and truck	112,773	120,900	130,000	147,050
Repair and maintenance - equipment	9,305	10,200	14,000	11,200
Maintenance - building	60,664	69,800	69,000	54,600
Maintenance - office equipment	7,762	13,700	14,000	13,760
Maintenance - mains	156,755	120,000	105,000	120,000
Maintenance - meters	17,838	20,200	20,200	20,200
Maintenance - hydrants	6,649	7,000	8,000	7,000
Maintenance - valves	10,080	6,000	8,000	6,000
Maintenance - cathodic protection	161	500	-	500
Service lines	9,965	7,000	8,000	7,000
Tool replacement	23,555	16,600	20,000	26,950
Barricades	3,088	3,500	-	3,500
Warehouse (over) short	9,033	1,000	15,000	1,000
Uninsured small claims	2,130	5,000	2,500	5,000
Freight expense	-	600	-	100
Communication	6,629	15,750	14,000	18,200
Travel and training	15,739	18,750	16,500	20,800
Gasoline and oil	133,205	140,000	166,000	160,000
Office supplies	15,304	25,990	30,000	28,910
Shop supplies	7,002	4,000	7,000	2,000
Janitor supplies	2,036	2,500	1,500	2,500
Safety	4,241	4,000	2,800	3,500
Meter shop supplies	2,949	5,000	7,000	6,000
Subscriptions and memberships	5,189	7,000	7,500	14,200
Total operation and maintenance	<u>\$ 729,412</u>	<u>\$ 736,690</u>	<u>\$ 758,570</u>	<u>\$ 801,270</u>

CAPITAL OUTLAY



Board of Water Works of Pueblo, Colorado

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2006 <u>ACTUAL</u>	2007 <u>BUDGET</u>	2007 <u>ESTIMATED</u>	2008 <u>BUDGET</u>
CAPITAL OUTLAY				
Furniture and fixtures	\$ -	\$ 2,500	\$ -	\$ -
Improvements and replacements	108,103	25,000	55,000	94,900
Mains	1,450,178	655,100	522,500	945,000
Valves	11,791	9,000	21,000	9,000
Meters	194,597	279,000	293,000	294,000
Fire hydrants	53,787	37,000	63,500	40,000
Taps	20,331	16,200	28,200	26,000
Cathodic protection	599	45,000	45,000	45,000
Automated meter reading equipment	-	1,500,000	1,500,000	1,000,000
Computer and office equipment	51,506	26,650	16,500	17,950
Heavy equipment	48,273	127,600	108,100	6,000
Transportation	<u>340,655</u>	<u>257,500</u>	<u>253,000</u>	<u>325,000</u>
Total capital outlay	\$ <u>2,279,820</u>	\$ <u>2,980,550</u>	\$ <u>2,905,800</u>	\$ <u>2,802,850</u>