

FISCAL IMPACT STATEMENT

Indicate the **Total Fiscal Impact** of the action requested, including personnel, operating, and capital costs. Indicate costs for the current fiscal year and continuing costs in future years. Include all related costs necessary to place the asset in service.

1. DESCRIPTION: WASTEWATER DIVISION PROJECT CONSULTANT CONTRACT POSITION RENEWAL.

COSTS:

2. Does the acceptance of this action require the hiring of additional or new personnel or the use of overtime?
☐ Yes ☒ No (if Yes, include all personnel costs below).

3. Is the action funded in the current year budget and/or through reallocation of existing Department resources:
☒ Yes ☐ No If No, how will this item be funded? _____ PLEASE NOTE: If the action is funded by a grant received by the City please include the fiscal year of the funding award, grantor name, granting agency or office name (if any), grant name and when the grant agreement was approved by City Council.

Did this item require BRC action? ☐ Yes ☒ No If Yes, BRC Date: _____ BRC Item #: _____

4. This item will be charged to Fund/Dept/Program/Project: Wastewater Revenue Fund 441/PWK/341.

5.	(a) Current Year Estimate	(b) Next Year Annualized	(c) Annual Continuing Costs Thereafter
Personnel	\$88,704	\$152,065	\$63,361
Operating			
Capital			
Total	<u>\$88,704</u>	<u>\$152,065</u>	<u>\$63,361</u>

6. If costs do not continue indefinitely, explain nature and expiration date of costs: The employment contract is for 2 years. Costs above reflect the cost of the contract plus benefits over the term. Overall, the need for this position may expire within two years.

7. OTHER COSTS

(a). Are there any future costs, one-time payments, lump sum payments, or other costs payable for this item at a later date that are **not** reflected above: ☐ Yes ☒ No

(b) If yes, by Fiscal Year, identify the dollar amount and year payment is due: \$ _____ Payment due date _____

(c) What is the nature of these costs: _____

REVENUE:

8. What is the estimated increase in "valuation" added to the tax rolls? \$ _____. Tax roll increase is:
☐ real property, ☐ tangible personal property, ☐ other (identify _____).

9. What is source of the revenue and the estimated annual recurring revenue? Source: _____ \$ _____

10. If non-recurring, what is the estimated Fiscal Year and amount of non-recurring revenue that will be realized?
Source _____ Fiscal year _____ \$ _____ non-recurring revenue

11. What is the Payback period? _____ years

12. **JUSTIFICATION:** Document justification for request. Include anticipated economies or efficiencies to be realized by the City, including reductions in personnel or actual cost (cash flow) reductions to be realized in your budget. This employment contract is for a two year term with Roy Pelletier to fill the position of Contract Wastewater Project Consultant with the Wastewater Division at an annual salary of \$108,617.60, payable on a bi-weekly basis. Mr. Pelletier has been under contract, in this position, since March 2006. His current contract is scheduled to expire on February 28, 2014. The Wastewater Division desires to renew his contract until February 28, 2016.

The Wastewater Division has recently implemented improvement projects at two key water reclamation facilities (the Iron Bridge Regional WRF and the Water Conserv II WRF). These modified facilities require the services of a highly experienced operations and maintenance (O&M) specialist to conduct staff training, provide start-up assistance, assist in the development of O&M manuals and other documents and conduct performance optimization testing of the new and modified facilities. Mr. Pelletier routinely inspects and evaluates the operation and condition of the City's WRFs.

He compiles his observations and recommendations into reports that are then used by management and staff to improve operations and minimize expenses. Traditionally, these services would be contracted through an outside consultant at an estimated cost to the City of over \$275,000 per year.

This contract position will be “unclassified” to allow the starting salary to be equal to the maximum salary for Pay Grade 8. This contract position will be funded in Program 341 and will cost the City \$108,617.60 in salaries and about \$43,447 in benefits (40%), for a total annual cost of approximately \$152,065. By establishing this contract position instead of contracting an outside consultant, the City will save nearly \$123,000 annually for these required O&M services.

13. APPROVED: Victor J. Godlewski, P.E., Wastewater Division Manager (Submitting Director or authorized Division Mgr **Only**)
FIS 3/14/08