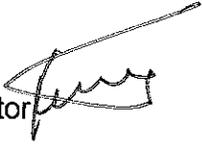


Department of Administration and Finance

Memo

To: Mayor Feiszli
Common Council

From: Bryan Gazda, Director 

CC: Ron Walsh, Corporate Council
Chris Bistocchi, DPW Superintendent

Date: August 30, 2010

Re: Estimated Rate Increase for Water Laterals for Cedar/Randall Streets

Attached are three spreadsheets, the first showing the breakdown of the DPW's estimated cost by property. The second shows the estimated cost for materials (copper pipe, gate valves, etc.) and maintenance (asphalt, top soil, grass seed, etc.), and the third is without labor only.

The estimated rate increase was calculated by the total cost of the project divided into the estimated annual units of water for households that normally pay the residential rate of \$2.15 per unit. As you can see we range from a high of 13 cents to a low of 4 cents.

I want to mention to you that these increases are for this project only and would not necessarily be applicable to another project.

If the Council wants to deviate from our current policy I would recommend that the cost for the material & maintenance option represents a fair amount to be charged for this project. It would cover our material cost and since we didn't budgeted for this expense we would have to utilize contingency funds to cover the cost this year.

Overall any change to the program must be considered a policy change first and foremost and not be changed solely on the estimated cost basis of this project. I must remind you that if you change the policy and we take responsibility for water laterals from the water main to the curb box we will incur future cost for the repair/replacement of all water laterals in the city and we will have to start budgeting for these potential cost in next year's budget. DPW Superintendent Bistocchi has informed the Mayor and me that he would need three additional Water Department employees and another backhoe to cover the anticipated work this could generate. In which case a substantial rate increase would be required and using a preliminary estimate of \$200,000 in personnel and material cost per year this would require an approximate 34 cent per unit rate increase.

If you have any questions please let me know.

DPW COST ESTIMATES FOR CEDAR AND RANDALL STREETS

<u>Address</u>	<u>Materials</u>	<u>Equipment</u>	<u>Maintenance</u>	<u>Labor</u>	<u>Total</u>
20 Randall	\$267.72	\$849.52	\$458.50	\$1,044.00	\$2,619.74
40 Randall	\$267.72	\$849.52	\$458.50	\$1,044.00	\$2,619.74
73 Church*	\$267.72	\$694.92	\$458.50	\$696.00	\$2,117.14
38 Randall	\$252.72	\$694.92	\$458.50	\$696.00	\$2,102.14
61 Randall	\$257.90	\$694.92	\$458.50	\$696.00	\$2,107.32
36 Randall	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
30 Randall	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
32 Randall	\$267.72	\$849.52	\$356.00	\$1,044.00	\$2,517.24
24 Randall	\$267.72	\$849.52	\$356.00	\$1,044.00	\$2,517.24
71 Randall	\$282.72	\$694.92	\$356.00	\$696.00	\$2,029.64
SUBTOTAL	\$2,637.38	\$7,567.60	\$4,072.50	\$8,352.00	\$22,629.48
3 Cedar	\$293.90	\$849.52	\$752.00	\$1,044.00	\$2,939.42
1 Cedar	\$318.72	\$849.52	\$356.00	\$1,044.00	\$2,568.24
5 Cedar	\$300.72	\$918.04	\$663.50	\$1,044.00	\$2,926.26
11 Cedar	\$306.72	\$694.92	\$458.50	\$696.00	\$2,156.14
15 Cedar	\$306.72	\$694.92	\$458.50	\$696.00	\$2,156.14
19 Cedar	\$306.72	\$694.92	\$458.50	\$696.00	\$2,156.14
21 Cedar	\$306.72	\$694.92	\$356.00	\$696.00	\$2,053.64
27 Cedar	\$306.72	\$694.92	\$356.00	\$696.00	\$2,053.64
33 Cedar	\$306.72	\$694.92	\$356.00	\$696.00	\$2,053.64
31 Cedar	\$306.72	\$694.92	\$488.00	\$696.00	\$2,185.64
2 Cedar	\$252.72	\$849.52	\$356.00	\$1,044.00	\$2,502.24
16 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
18 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
20 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
32 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
34 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
22 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
4 Cedar	\$252.72	\$694.92	\$356.00	\$696.00	\$1,999.64
8 Cedar	\$278.01	\$849.52	\$356.00	\$1,044.00	\$2,527.53
14 Cedar	\$267.72	\$849.52	\$356.00	\$1,044.00	\$2,517.24
6 Cedar	\$267.72	\$849.52	\$356.00	\$1,044.00	\$2,517.24
30 Cedar	\$267.72	\$849.52	\$356.00	\$1,044.00	\$2,517.24
7 Cedar	\$300.72	\$694.92	\$356.00	\$696.00	\$2,047.64
83 Pt Wat*	\$267.72	\$769.94	\$673.50	\$696.00	\$2,407.16
28 Cedar	\$238.19	\$694.92	\$356.00	\$696.00	\$1,985.11
SUBTOTAL	\$6,969.94	\$18,753.34	\$10,360.50	\$20,184.00	\$56,267.78
TOTAL	\$9,607.32	\$26,320.94	\$14,433.00	\$28,536.00	\$78,897.26

Estimated unit rate increase: **\$0.13**

Based on estimated usage of 593,500 units of water

NOTE: * 73 Church and 83 Pt Watson are corner lots

COST ESTIMATES FOR CEDAR AND RANDALL STREETS WITHOUT LABOR

<u>Address</u>	<u>Materials</u>	<u>Equipment</u>	<u>Maintenance</u>	<u>Labor</u>	<u>Total</u>
20 Randall	\$267.72	\$849.52	\$458.50		\$1,575.74
40 Randall	\$267.72	\$849.52	\$458.50		\$1,575.74
73 Church*	\$267.72	\$694.92	\$458.50		\$1,421.14
38 Randall	\$252.72	\$694.92	\$458.50		\$1,406.14
61 Randall	\$257.90	\$694.92	\$458.50		\$1,411.32
36 Randall	\$252.72	\$694.92	\$356.00		\$1,303.64
30 Randall	\$252.72	\$694.92	\$356.00		\$1,303.64
32 Randall	\$267.72	\$849.52	\$356.00		\$1,473.24
24 Randall	\$267.72	\$849.52	\$356.00		\$1,473.24
71 Randall	\$282.72	\$694.92	\$356.00		\$1,333.64
SUBTOTAL	\$2,637.38	\$7,567.60	\$4,072.50	\$0.00	\$14,277.48
3 Cedar	\$293.90	\$849.52	\$752.00		\$1,895.42
1 Cedar	\$318.72	\$849.52	\$356.00		\$1,524.24
5 Cedar	\$300.72	\$918.04	\$663.50		\$1,882.26
11 Cedar	\$306.72	\$694.92	\$458.50		\$1,460.14
15 Cedar	\$306.72	\$694.92	\$458.50		\$1,460.14
19 Cedar	\$306.72	\$694.92	\$458.50		\$1,460.14
21 Cedar	\$306.72	\$694.92	\$356.00		\$1,357.64
27 Cedar	\$306.72	\$694.92	\$356.00		\$1,357.64
33 Cedar	\$306.72	\$694.92	\$356.00		\$1,357.64
31 Cedar	\$306.72	\$694.92	\$488.00		\$1,489.64
2 Cedar	\$252.72	\$849.52	\$356.00		\$1,458.24
16 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
18 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
20 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
32 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
34 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
22 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
4 Cedar	\$252.72	\$694.92	\$356.00		\$1,303.64
8 Cedar	\$278.01	\$849.52	\$356.00		\$1,483.53
14 Cedar	\$267.72	\$849.52	\$356.00		\$1,473.24
6 Cedar	\$267.72	\$849.52	\$356.00		\$1,473.24
30 Cedar	\$267.72	\$849.52	\$356.00		\$1,473.24
7 Cedar	\$300.72	\$694.92	\$356.00		\$1,351.64
83 Pt Wat*	\$267.72	\$769.94	\$673.50		\$1,711.16
28 Cedar	\$238.19	\$694.92	\$356.00		\$1,289.11
SUBTOTAL	\$6,969.94	\$18,753.34	\$10,360.50	\$0.00	\$36,083.78
TOTAL	\$9,607.32	\$26,320.94	\$14,433.00	\$0.00	\$50,361.26

Estimated unit rate increase: \$0.08

Based on estimated usage of 593,500 units of water

NOTE: * 73 Church and 83 Pt Watson are corner lots

COST ESTIMATES FOR CEDAR AND RANDALL STREETS WITHOUT LABOR & EQUIP.

<u>Address</u>	<u>Materials</u>	<u>Equipment</u>	<u>Maintenance</u>	<u>Labor</u>	<u>Total</u>
20 Randall	\$267.72		\$458.50		\$726.22
40 Randall	\$267.72		\$458.50		\$726.22
73 Church*	\$267.72		\$458.50		\$726.22
38 Randall	\$252.72		\$458.50		\$711.22
61 Randall	\$257.90		\$458.50		\$716.40
36 Randall	\$252.72		\$356.00		\$608.72
30 Randall	\$252.72		\$356.00		\$608.72
32 Randall	\$267.72		\$356.00		\$623.72
24 Randall	\$267.72		\$356.00		\$623.72
71 Randall	\$282.72		\$356.00		\$638.72
SUBTOTAL	\$2,637.38	\$0.00	\$4,072.50	\$0.00	\$6,709.88
3 Cedar	\$293.90		\$752.00		\$1,045.90
1 Cedar	\$318.72		\$356.00		\$674.72
5 Cedar	\$300.72		\$663.50		\$964.22
11 Cedar	\$306.72		\$458.50		\$765.22
15 Cedar	\$306.72		\$458.50		\$765.22
19 Cedar	\$306.72		\$458.50		\$765.22
21 Cedar	\$306.72		\$356.00		\$662.72
27 Cedar	\$306.72		\$356.00		\$662.72
33 Cedar	\$306.72		\$356.00		\$662.72
31 Cedar	\$306.72		\$488.00		\$794.72
2 Cedar	\$252.72		\$356.00		\$608.72
16 Cedar	\$252.72		\$356.00		\$608.72
18 Cedar	\$252.72		\$356.00		\$608.72
20 Cedar	\$252.72		\$356.00		\$608.72
32 Cedar	\$252.72		\$356.00		\$608.72
34 Cedar	\$252.72		\$356.00		\$608.72
22 Cedar	\$252.72		\$356.00		\$608.72
4 Cedar	\$252.72		\$356.00		\$608.72
8 Cedar	\$278.01		\$356.00		\$634.01
14 Cedar	\$267.72		\$356.00		\$623.72
6 Cedar	\$267.72		\$356.00		\$623.72
30 Cedar	\$267.72		\$356.00		\$623.72
7 Cedar	\$300.72		\$356.00		\$656.72
83 Pt Wat*	\$267.72		\$673.50		\$941.22
28 Cedar	\$238.19		\$356.00		\$594.19
SUBTOTAL	\$6,969.94	\$0.00	\$10,360.50	\$0.00	\$17,330.44
TOTAL	\$9,607.32	\$0.00	\$14,433.00	\$0.00	\$24,040.32

Estimated unit rate increase: \$0.04

Based on estimated usage of 593,500 units of water

NOTE: * 73 Church and 83 Pt Watson are corner lots