

# Department of Watershed Management Fiscal Year 2021 Budget

May 21, 2020



CITY OF ATLANTA DEPARTMENT OF  
**watershed  
management**

**Keisha Lance Bottoms, Mayor**  
Mikita K. Browning, Interim Commissioner



CITY OF ATLANTA DEPARTMENT OF  
**watershed  
management**

**100** ONE OF THE 100  
LARGEST WATER  
UTILITIES IN THE U.S.

**3** CORE SERVICES:  
DRINKING WATER,  
WATER RECLAMATION &  
WATERSHED PROTECTION

**1,441** DWM  
DEDICATED  
WORKFORCE

**1.2M** CUSTOMERS  
SERVED WITH SAFE  
DRINKING WATER  
EACH DAY

**\$1.26B**  
5-YEAR CAPITAL  
IMPROVEMENT PLAN

**\$644M**  
FY2020 ADOPTED BUDGET

**\$5B**  
IN CURRENTLY  
MANAGED ASSETS

**Aa2/AA-/AA-**  
SENIOR LIEN RATINGS  
M/S/F <sup>2</sup>

# FY2021 Budgeting Approach

## ➤ Key priorities across all Offices:

- Meet Compliance Guidelines
- Service delivery focus
  - Meeting SLA's
  - Full cost recovery
- Workforce Development
  - Funding for critical positions
  - Overtime Reductions
  - Appropriate budget levels
  - Appropriate staff alignments
- Align Capital Investment for operational efficiency

Key Performance Indicators	Target
SDWA & CWA Compliance	100%
Service Request SLAs	90%
Customer Satisfaction	95%
Billing Estimations	< 2%
Water Loss	<10%
A/R for Active Accounts	\$5M+/-
Vacancy Rate	8%





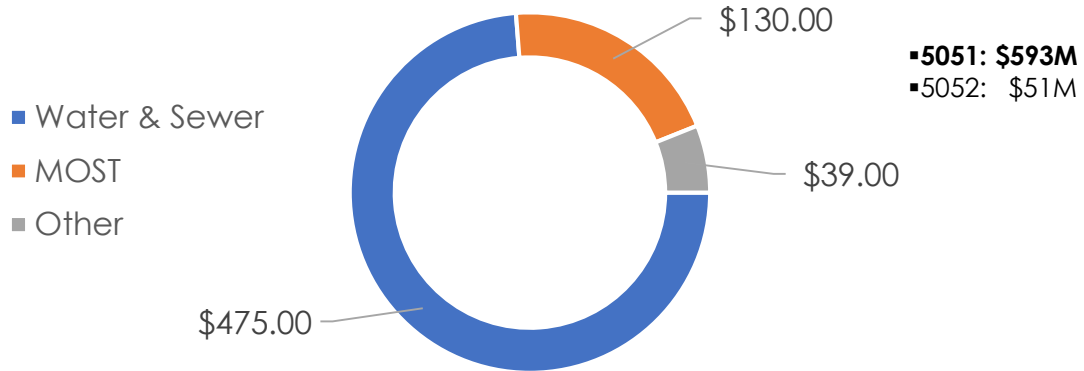
# Fiscal Year 2021 Budget



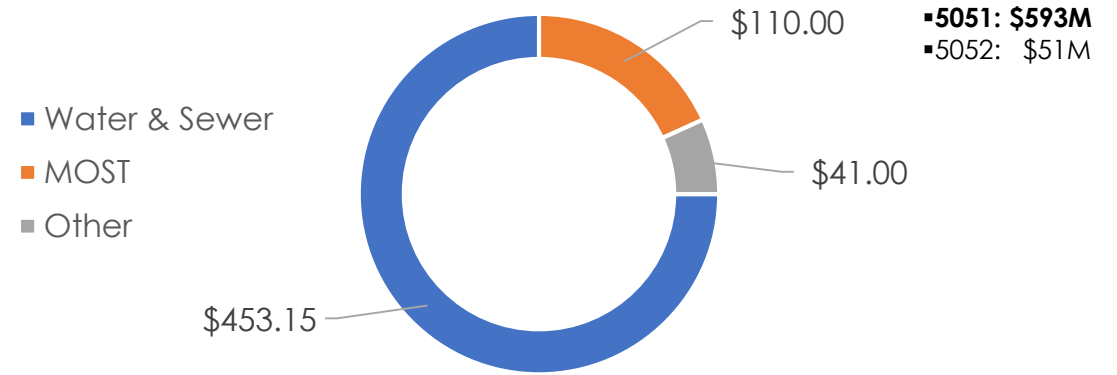
CITY OF ATLANTA DEPARTMENT OF  
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# DWM FY21 Budget Summary

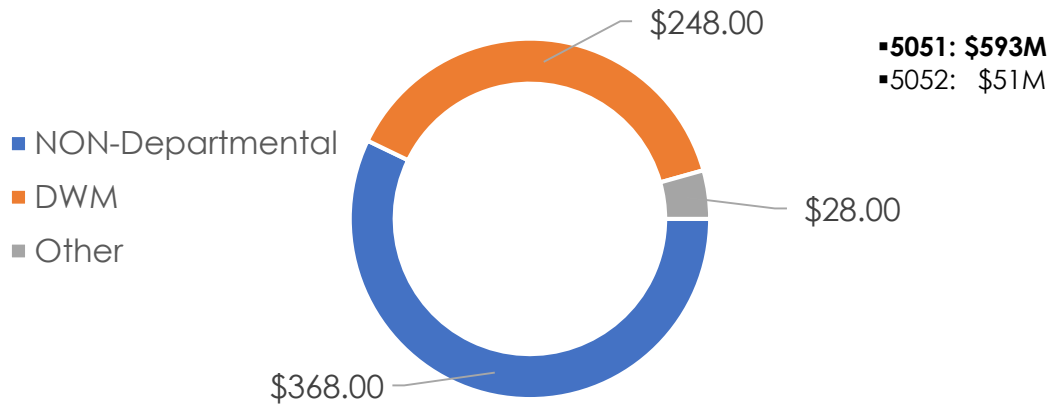
FY20 Budget Total Anticipations (\$644M)



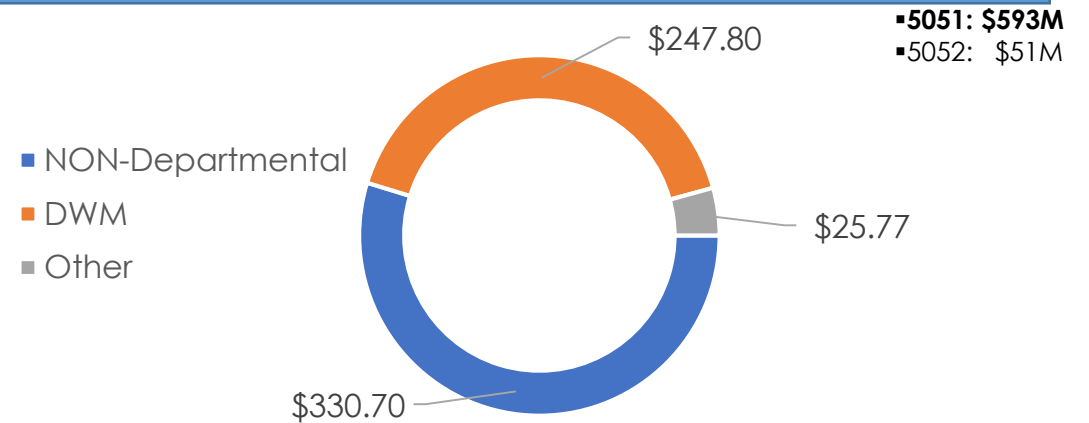
FY21 Budget Total Anticipations (\$604M)



FY20 Budget Total Appropriations (\$644M)



FY21 Budget Total Appropriations (\$604M)\*

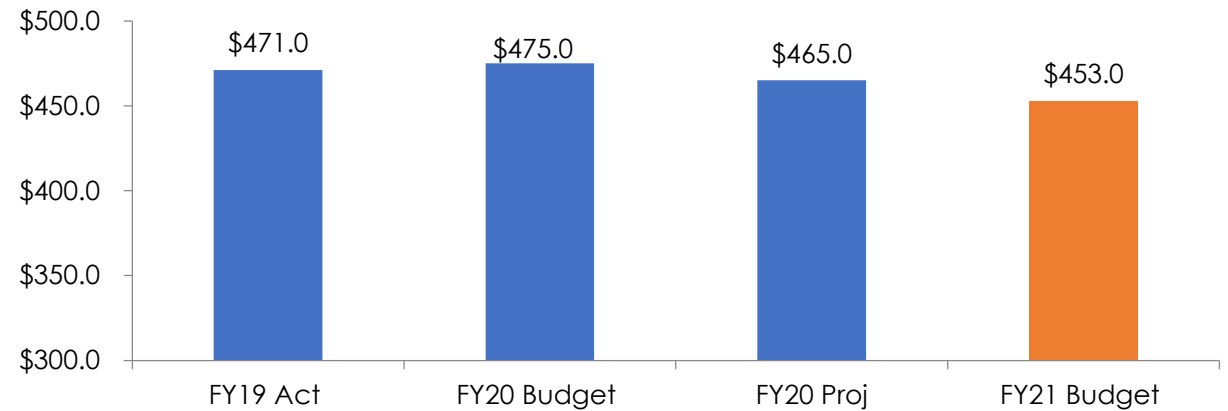


\*Not inclusive of 5052 capital financing costs, which are anticipated to be funded by GEFA loan reimbursements

# DWM Major Account Revenue

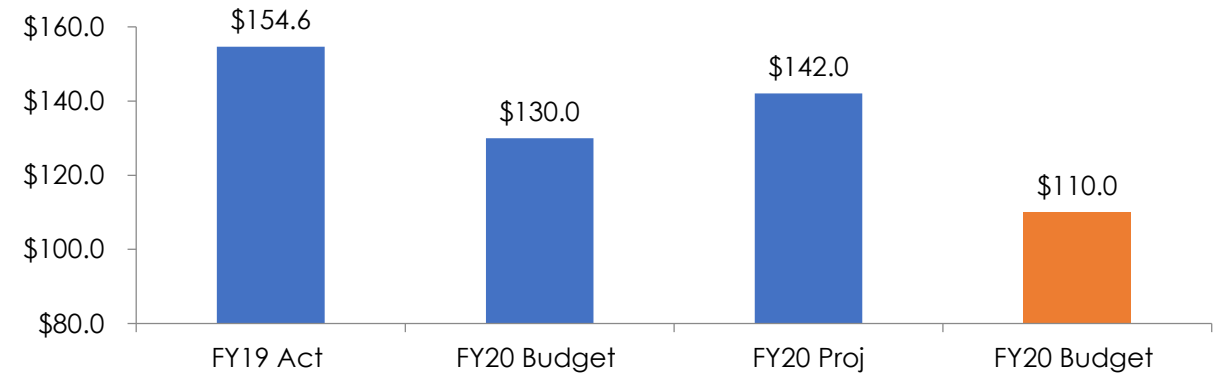
## Water and Sewer Service Revenue

- FY21 Water/Sewer anticipations are \$22M lower than FY20 anticipations of \$475.0M
  - No rate increase
  - Decrease consumption due to impacts of COVID19
    - **Prior to COVID impact FY20 revenues were projecting to be \$481M**



## MOST Revenues

- Anticipated revenues of \$110M for MOST; decrease over prior year's revenue projection
  - Anticipation of lagging economic recover
    - **Prior to COVID impact FY20 MOST projecting were projected to be \$163M**



# DWM O&M by Office

Office	FY20 Funding	FY21 Proposed Budget	Variance FY20 vs. FY21	% (Inc/Dec)
170100 - DWM ADMIN	\$25,394,029	\$ 23,745,842	(\$1,648,187)	-6.49%
170200 - OWTR	\$92,543,483	\$92,058,720	(\$484,763)	-0.52%
170300 - OES	\$17,475,498	\$15,467,542	(\$2,007,956)	-11.49%
170500 - OCCBS	\$14,013,148	\$15,044,609	\$1,031,461	7.36%
170600 - OWP	\$17,854,036	\$17,112,538	(\$741,498)	-4.15%
170700 - OFA	\$7,750,237	\$7,036,631	(\$713,606)	-9.21%
170800 - OAIFM	\$22,479,842	\$23,338,354	\$858,512	3.82%
170900 - OSSEM	\$10,239,417	\$9,688,576	(\$550,841)	-5.38%
171000 - OLIO	\$44,069,467	\$44,315,899	\$246,432	0.56%
<b>Grand Total</b>	<b>\$251,819,157</b>	<b>\$247,808,711</b>	<b>(\$4,010,446)</b>	<b>-1.59%</b>

Fund	FY20 Budget	FY21 Proposed	Variance
5051 DWM O&M	210,258,206	213,581,561	1.58%
5052 DWM O&M	41,560,945	34,227,150	-17.65%



# DWM O&M by Account Group

Major Account Group	FY20 Funding	FY21 Proposed Budget	Variance FY20 vs. FY21	% (Inc/Dec)
Personnel	\$124,257,139	\$120,618,750	(\$3,638,389)	-2.93%
Purchased Services	\$68,888,105	\$69,536,300	\$648,195	0.94%
Supplies	\$46,063,266	\$45,566,516	(\$496,750)	-1.08%
Capital Outlays	\$3,160,500	\$3,169,600	\$9,100	0.29%
Interfund Charges	\$5,806,947	\$5,806,945	(\$2)	0.00%
Other Costs	\$2,303,200	\$2,770,600	\$467,400	20.29%
Debt Services	\$340,000	\$340,000	\$0	0.00%
Other Financing	\$1,000,000	\$0	(\$1,000,000)	-100.00%
<b>Grand Total</b>	<b>\$251,819,157</b>	<b>\$247,808,711</b>	<b>(\$4,010,446)</b>	<b>-1.59%</b>

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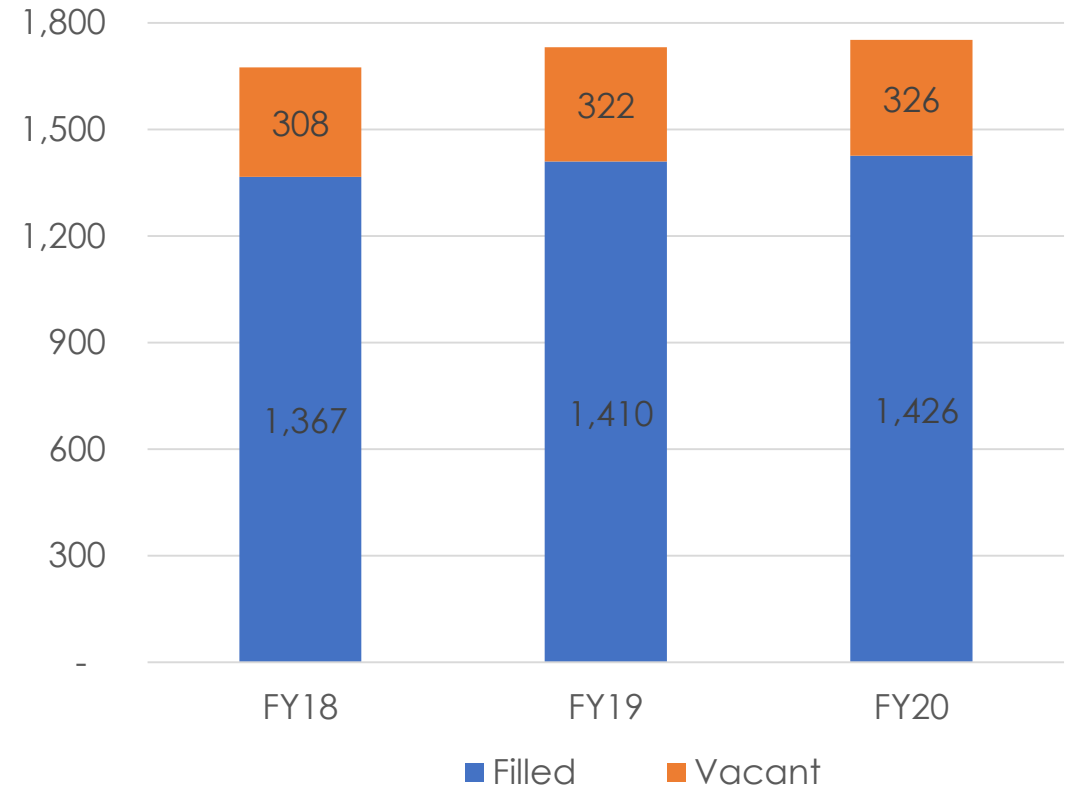




# Personnel Actions

- FY21 cleanup resulted in 132 position abolishment as well as temporary onboarding halt
- Justifications to be presented based on organizational structure, short and long-term plans and overall department needs
- Establish an ongoing review of Staffing needs as part of a Headcount Management process to include
  - Manager justification
  - Review & approval of justification by committee of key stakeholders
  - Management of FOC and Extra Help
  - Forecast upcoming staffing needs

Historical DWM FTE Headcount



# FY2021 Metrics

PERFORMANCE MEASURE	FY 2019 ACTUAL	FY 2020 TARGET	FY 2021 TARGET
<b>Fiscal Accountability and Governmental Efficiency (12-month averages)</b>			
Estimated bills as a percent of bills mailed	3.03%	3.00%	3.00%
Customer service complaints per 1,000 accounts	8.3	<15.0	<15.0
<b>Service Delivery (12-month averages)</b>			
Technical service complaints per 1,000 accounts	16.8	<25	<25
Service work orders completed within target time frame	95.7%	90%	90%
<b>Compliance and Safety (12-month averages)</b>			
Drinking water compliance rate	100%	100%	100%
Wastewater treatment compliance rate	79.5%	100%	100%
<b>Infrastructure Maintenance &amp; Reliability (12-month averages)</b>			
Number of main breaks per 1,000 accounts	2.08	<2.3	<2.3
Number of sewage spills per 100 miles of sewer pipe	9.7	<8.5	<8.5
Number of water system main breaks per 100 miles of pipe	12.6	<13	<13
<b>Sustainability and Operational Efficiency (12-month averages)</b>			
Dollars spent per million gallons produced/treated (water/wastewater), \$/MG	DW 570 WW 893	DW 300-400 WW 900-1,000	DW 300-400 WW 900-1,000
Purchased power per million gallons produced/treated (water/wastewater), kWh/MG	DW 2,185 WW 2,725	DW 2,150 WW 3,100	DW 2,150 WW 3,100





Thank You!



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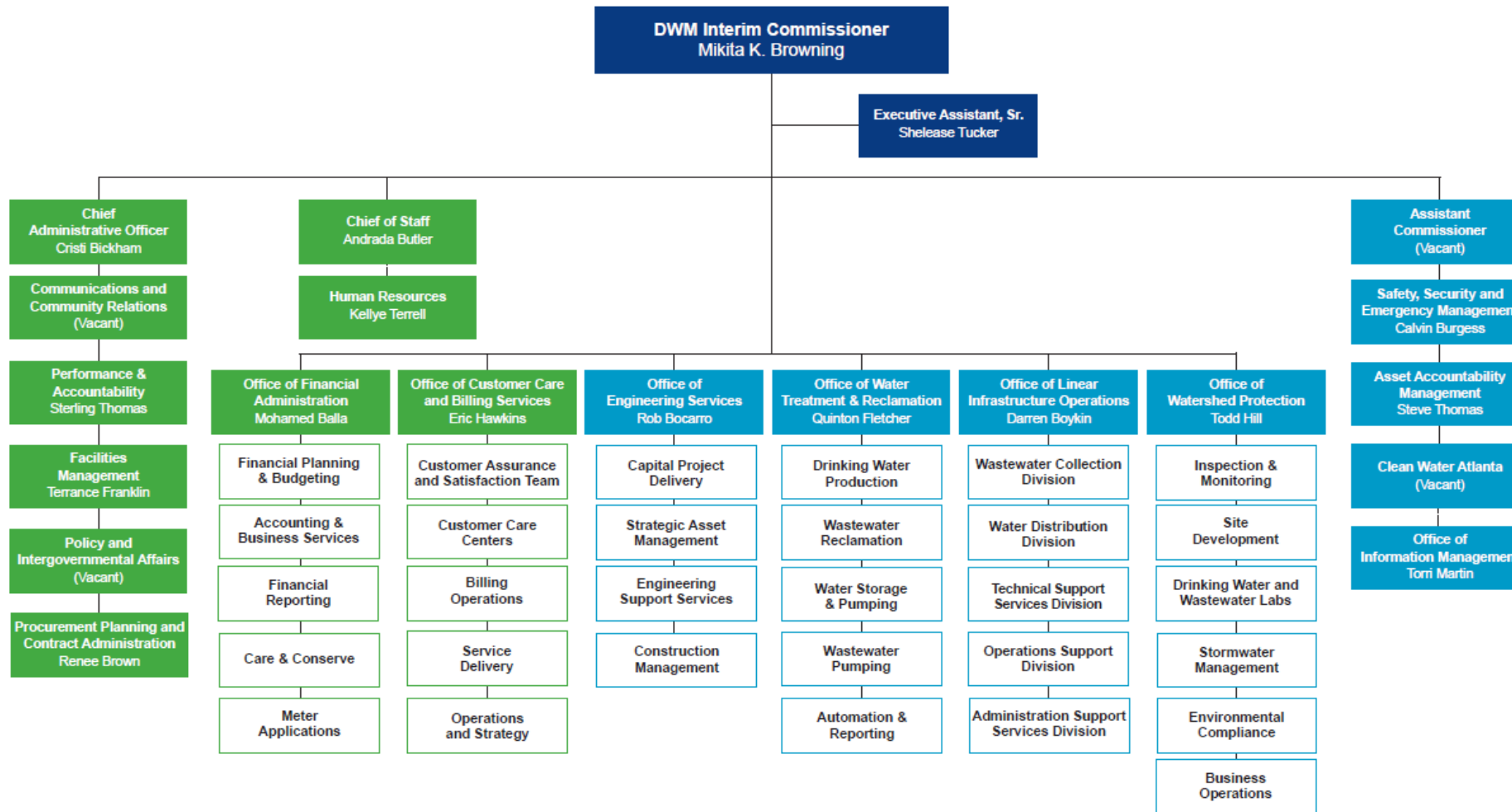


# Appendix



CITY OF ATLANTA DEPARTMENT OF  
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# Organization Chart





# VISION

To distinguish ourselves as leaders in innovation, service and value



# Strategic Priority Areas



# Accomplishments – FY2020

- “Driller Mike” completed 5 miles of tunneling from the Quarry to Chattahoochee Intake Pump Station and began filling the quarry.
- Delivery of over \$150M in CIP projects and completed project and design management of over 100 CIP projects.
- Launched Water Stat - various operation and dashboard applications.
- Improved the billing dispute process to better serve customers.
- DWM Website redesign, Atlantawatershed.org, received the (MARCOM Platinum Award 2019).
- The Sewer Collection Preventative Maintenance Team cleaned an average of 32 miles/month.
- Received Biosolids/Residuals Program Excellence Award for Utoy Creek WRC
- Expanded the Preparing Adult Offenders to Transition through Training and Therapy (PAT<sup>®</sup>).
- Completed 90% distribution system inventory and started assessment and R/R plan.
- Earned the 2019 GAWP Distribution System Gold Award & 2019 GAWP Collection System Gold Award for the 1<sup>st</sup> time ever.
- Developed a new revenue stream through from the beneficial reuse of struvite at the RM Clayton (RMC).
- Successful pursuit of state and federal funding sources including GEFA and WIFIA
- Completed the Smart Utility Strategic Plan
- Completed Risk and Resilience Vulnerability Assessment and submitted certification to EPA on March 25th to meet the March 30th deadline in accordance to the America Water Infrastructure Act 2018.



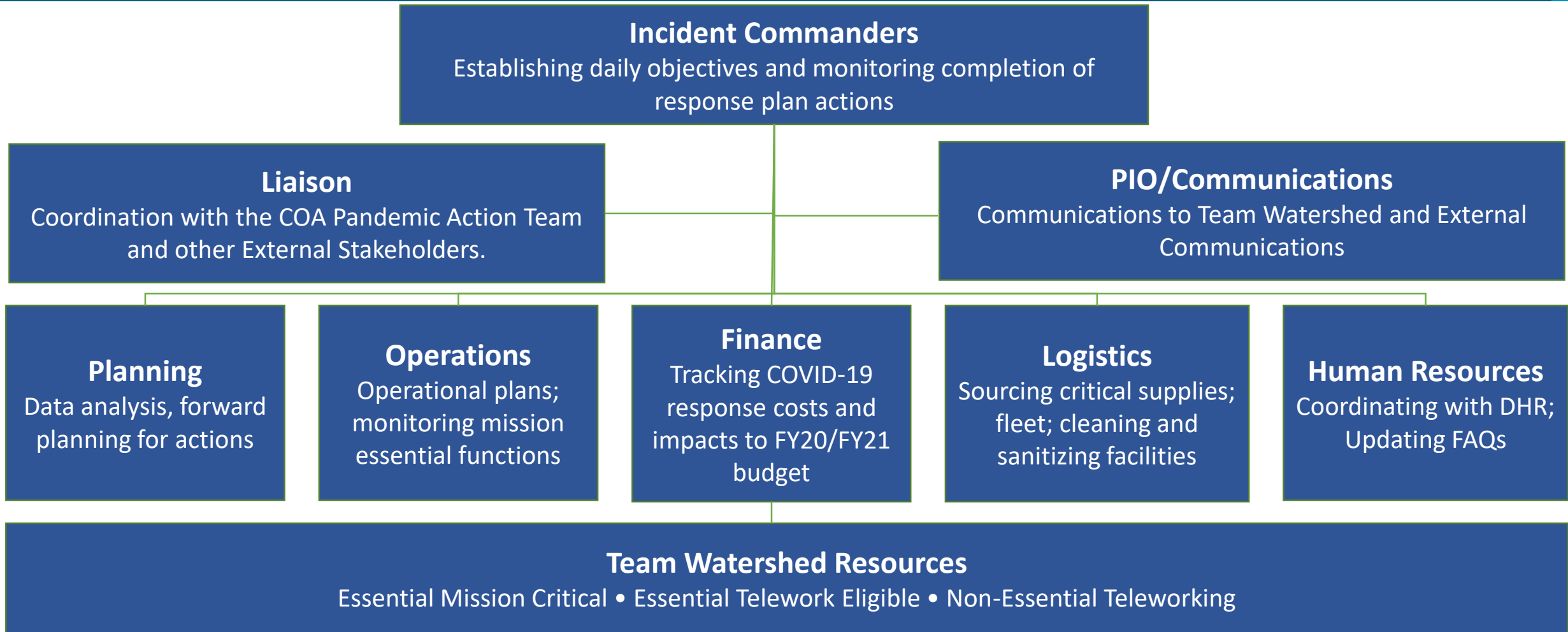


# Goals & Initiatives – FY2021

- Certify completion of Sewer Group Three (SG3) priority area sewer improvements in compliance with the second amendment to FACD within July 1, 2020 milestone.
- Complete development of roadmap for Integrated Biosolids & Zero Waste Initiative.
- Implement Automated Metering Infrastructure & Automated valve pilot.
- Maintain full compliance with Safe Drinking Water Act.
- Execute and ensure full compliance with the new CSO permit requirements.
- Continue to Identify new revenue streams (biosolids, monetizing data, grease recycling and cogen/receiving facilities).
- Conduct performance reviews of key organizational areas and critical functions to assess performance and recommend improvements.
- Continue to pursue state and federal funding sources including GEFA and WIFIA to fund priority CIP projects.
- Maximize usage of data analytics tool across all offices to foster data sharing and departmental efficiencies.



# COVID-19 Incident Command Structure



# Covid-19 Impacts

## Impacts

- Significant revenue loss
- Increased O&M costs to assure employee and customer safety
- Impacts to customer facing operations
- Increased costs for contractors to supplement operations workforce
- Approximately \$1M in unanticipated expense:
  - Cleaning : \$300K
  - Supplies \$550
  - Computer/IT: \$145K

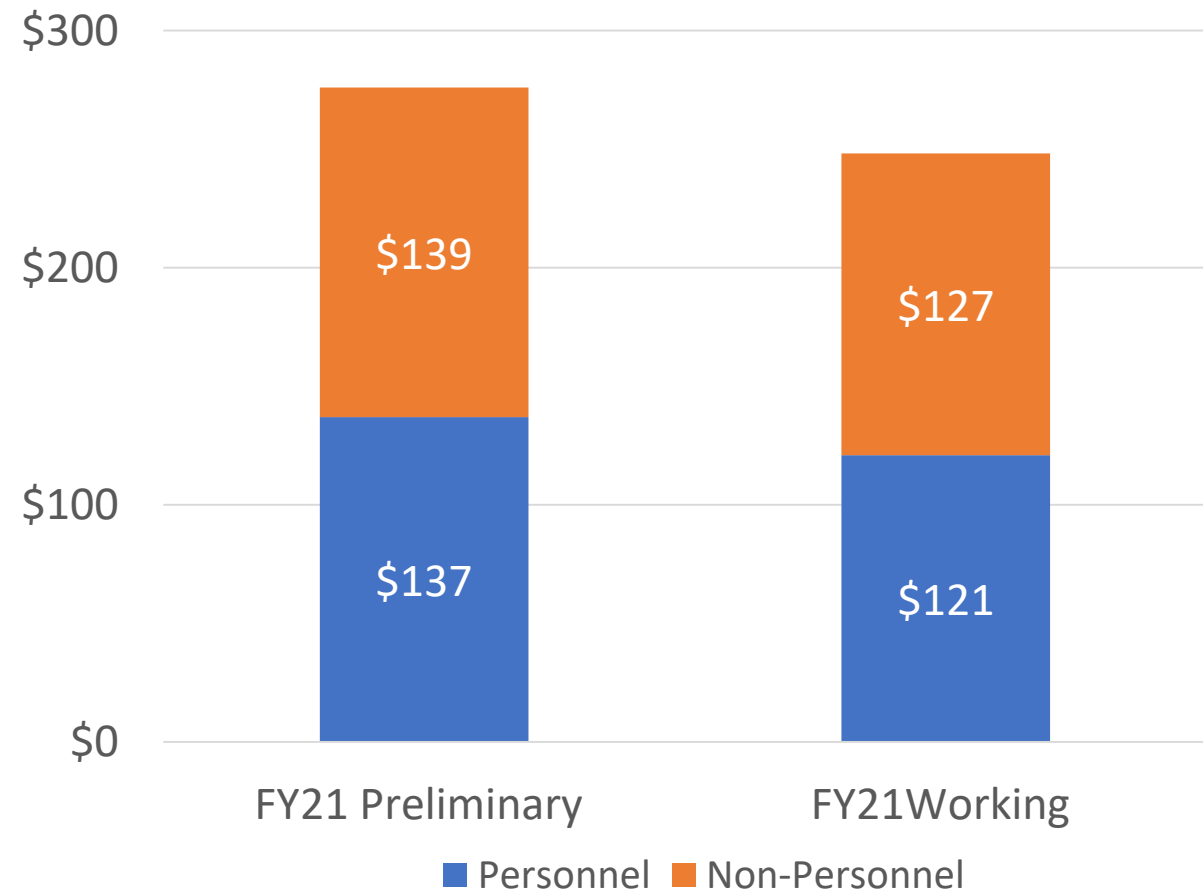
## Mitigation

- Proactively manage the Pandemic Action Plan and DWM's Business Continuity Plan/Office Continuity of Operations Plans
- Focus on Mission Essential Functions (MEFs)
- Identify Critical Resources – Mission critical personnel and other resources to deliver essential functions
- Push/Pursue revenue relief for the water sector and identify new sources of funding (WIFIA/GEFA/CP programs)
- Re-alignment of FY21 operational and capital budget

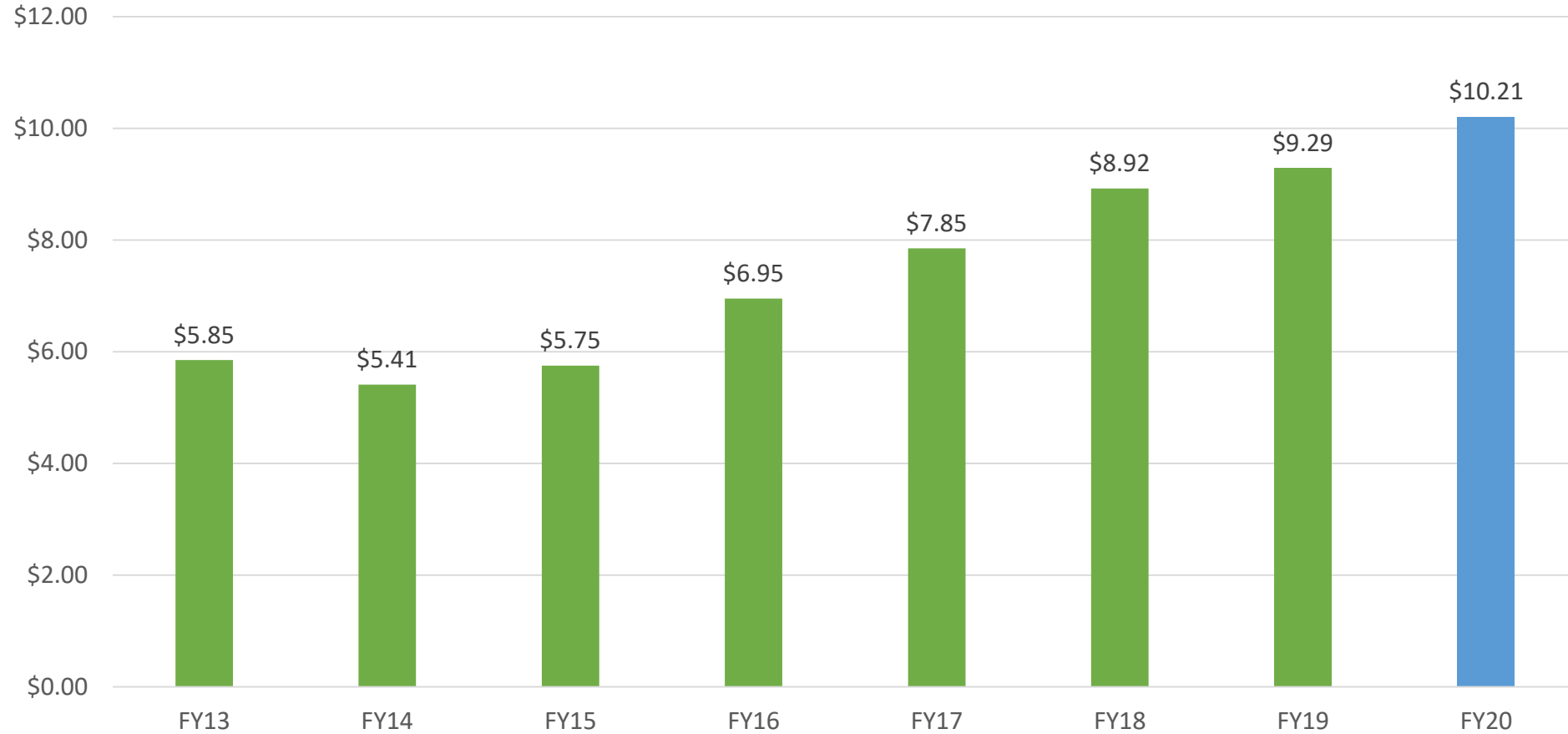


# FY21 Budget Adjustments

- DWM anticipates operating budget to be 10% less than FY21 preliminary Budget
  - DWM budget to reduce from \$275M to \$248M
    - Abolish non critical vacant positions
    - Fund critical vacancies at 50%
    - Reduced non-personnel O&M



# Historical Overtime



# Achievements and Awards



- Invited to apply for WIFIA \$65M project for Water Distribution System Resiliency Program.
  - Senate and House Appropriations Committees authorize \$1M for Water Workforce training.



**Georgia Association of Water Professionals**

- Gold Wastewater Collection System Excellence Award
- Gold Distribution System Excellence Award
- Water Safety Award - Chattahoochee Water Treatment Plant
  - Biosolids/Residuals Program of Excellence Award
- Gold Drinking Water Facility Award Hemphill
- Gold Wastewater Facility Utoy Creek
- Individual Customer Service Award
- Golden Manhole Society inductee



**Water Environment Federation®**  
the water quality people™

National Municipal Stormwater and Green Infrastructure Award (Honorable Mention)



**AGC**  
THE CONSTRUCTION ASSOCIATION

- RM Clayton
- 2019 Marvin M. Black Partnering Excellence Award
  - 2020 AGC Build Georgia Award Program



Impact Award for innovative financing of green infrastructure projects using an Environmental Impact Bond.



RM Clayton Headworks  
2019 Honor Award



# Achievements and Awards



## Platinum Awards:

- DWM Water Quality Report Print, Media, Annual Report, Government
- DWM Connect Employee Mobile App Digital Media, Mobile App/Web
- DWM Website - Atlantawatershed.org Digital Media, Design, Redesign  
9 Gold Awards and 8 Honorable Mentions for video and print media



- Municipal Leadership MVP Award for Hemphill Water Treatment Facility
- Recognized as one of the nation's most energy-efficient by reducing usage by more than 40% in energy savings and preventing more than 11,000 metric tons of greenhouse gases.



## RM Clayton Headworks

- 2019 Leadership Design-Build Award Water/Wastewater
- 2019 South-East Design-Build Excellence Award



*Certificate of Achievement*  
FOR EXCELLENCE IN  
*Financial Reporting*



*Sustaining Georgia's Green Legacy*

Outstanding Greenspace Plan Award given for developing a Natural Green Infrastructure Strategy that quantifies the value of greenspace preservation.

