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Subject: Personnel Follow Up: PWWR Engineer Technician II
Date: Monday, October 31, 2016 9:46:49 PM

Good evening, Councilwoman Hadden:

At the October 3rd Budget Workshop meeting, you inquired to the payback or return on investment with the proposed PWWR Engineer Technician for 2017. With the Final Draft FY2017 Budget posted today, I wanted to provide follow up now with the position retained in the submission. To refresh the discussion, PWWR presented the opportunity to maximize encumbered third-party engineering and begin in-sourcing the of this type of work.

For example, the most recent water main replacement project included approximately \$70,000 in third-party engineering services. The annual water main replacement CIP is one that will go on for the immediate future, as well as new identified needs like sewer main replacement and future stormwater infrastructure projects. The decision to in-source this type of work will mitigate substantial third-party expenses, but will not fully eliminate their services. Such hydrology engineering expertise, for example, will need the City's team to have its work confirmed, but this step will begin growing the volume of the work that will be completed in-house. Estimates at this time are 75-80% of this position will be capitalized, which will meet the Finance Department's effort to meet GAAP accounting standards and properly fund positions based on tasks. What this means is at least 75% of the workload will be attributable to CIP projects on an annual basis. Or, in less accounting terms, the position will 'pay for itself' annually with two (2) projects like the water main replacement CIP.

Staff welcomes further questions regarding this position. This message also includes all of Mayor and Council, and will be placed on Budget Central for informational needs and transparency.

Best wishes,

Andrew

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