



Onondaga County Legislature

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WAYS AND MEANS COMMITTEE REVIEW OF THE 2022 TENTATIVE BUDGET WATER ENVIRONMENT PROTECTION – OCTOBER 8, 2021 TIM BURTIS, CHAIRMAN

MEMBERS PRESENT: Mr. May, Mr. Rowley, Mr. Ryan, Mr. McBride, Mr. Williams, Mrs. Ervin
MEMBERS ABSENT: Mr. Rowley
ALSO ATTENDING: Mrs. Tassone, Ms. Cody, Mrs. Abbott-Kenan, Ms. Kuhn, Mr. Holmquist, Mr. Bush, Dr. Kelly, Mr. Kinne; also please see attached

Chairman Burtis called the meeting to order at 9:57 a.m.

WATER ENVIRONMENT PROTECTION: (5-8) Shannon Harty, PE, Commissioner

Ms. Harty:

- Shout out to Management and Budget and the Legislators – been through a lot in 2021
- Rustan Petrala, Paul Smith and David Snyder with her today – half of the staff have never participated in a WEP budget presentation
- Tried to continue what was presented in August – excited to show where we will go in 2022
- Want to get back to core functions – bolster our team and assets
- Collecting data to make good financial decisions for the future
- Sewer consolidation with the disconnected ownership continues to be a challenge – will continue to move this forward and fund in the 2022 budget
- Continued investment in 2022 for infrastructure – to include helping building out for 2022
- Organization structure wasn't working – distributed engineering resources – lacked resources to move forward



- Four core business units – maintain plants – boots on the ground – vital piece
- Regulatory and technical services – single leader can coordinate – data collectors, monitor and optimize operations – metering and finding out where the water is coming from – includes the lab at Henry Clay – plumbing control is a regulatory issue
- Capital planning and implementation – construction and engineering – so important because capital dollars drive the budget
- Administrative services – people that are working behind the scenes to assure payroll and computers are working
- Infrastructure and capital programs – takes it on a super level – takes the information and plan – life cycle cost analysis will be important as we take on more assets so can adequately plan

Infrastructure and Capital Programs



Asset Management

- Streamline work order process
- Collect more data
- Improve capital and manpower prioritization and budgeting

Engineering

- Develop standards to save time and improve project quality
- In-house skills to respond faster to emergencies and small, turn-key investments
- More project managers to keep projects on schedule and budget

Construction Inspection & Administration

- Increased construction personnel

Fleet Management

- Apply asset management strategies to vehicles



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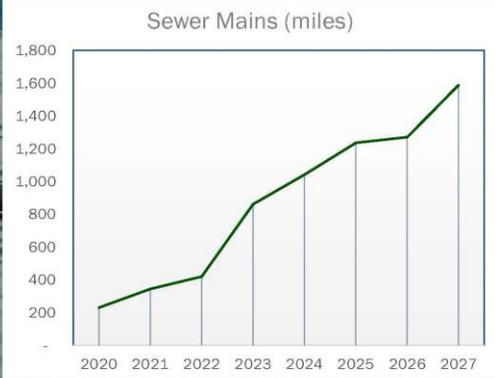


- Spend money on outside engineers – need internal engineers for smaller projects and be able to react quickly without RFPs
- Pulling fleet into this group - vehicles need to have a life cycle assessment – this will drive financial plan
- Sewer consolidation and maintenance – 1,600 miles in 2027 – number goes up every time we sign a lease agreement – have doubled the miles of sewer – looking to sign on Lysander and Van Buren – will continue to increase – with every municipality on to include Syracuse will end up with 1,600 miles

Sewer Consolidation and Maintenance

- Increasing assets County is fully responsible for O&M and Capital Investment
- Improved work order procedures to document maintenance & inspections to identify and correct deficiencies
- Collection System Capacity modeling, metering and management
- New dispatch and public communication to improve public interface and education
- Data driven decision making for the next phases

Sewer Mains (miles)



| Year | Sewer Mains (miles) |
|------|---------------------|
| 2020 | 200 |
| 2021 | 300 |
| 2022 | 400 |
| 2023 | 850 |
| 2024 | 1000 |
| 2025 | 1200 |
| 2026 | 1250 |
| 2027 | 1600 |



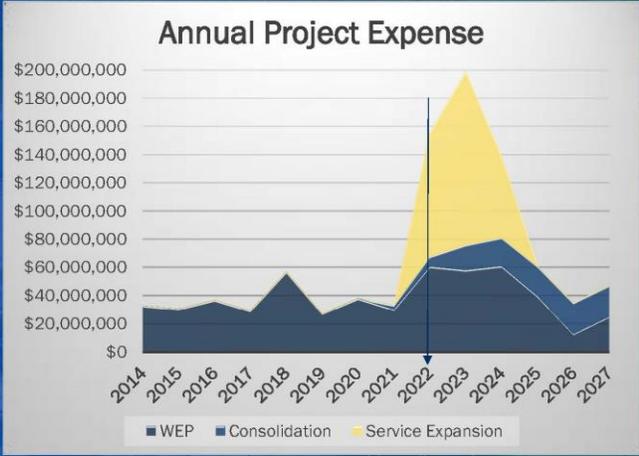
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- Need a maintain a solid work order process – develop a system that will show maintenance issues – how do we get there
- Public communication – disconnect in understanding – residents don’t know who owns what – educate the public on how they could help us – engage the public and use them as a resource – data driven decision making
- Capital projects in 2022 – will be making significant investment – about \$30m in WEP owned assets – number will go up to \$60m – will layer in sewer consolidation – by 2024 will be at \$84m – shows the importance of the capital improvement plan

Capital Projects in 2022





| Year | WEP | Consolidation | Service Expansion | Total |
|------|-------|---------------|-------------------|--------|
| 2014 | \$25M | \$0M | \$0M | \$25M |
| 2015 | \$30M | \$0M | \$0M | \$30M |
| 2016 | \$35M | \$0M | \$0M | \$35M |
| 2017 | \$30M | \$0M | \$0M | \$30M |
| 2018 | \$50M | \$0M | \$0M | \$50M |
| 2019 | \$35M | \$0M | \$0M | \$35M |
| 2020 | \$30M | \$0M | \$0M | \$30M |
| 2021 | \$35M | \$0M | \$0M | \$35M |
| 2022 | \$60M | \$20M | \$0M | \$80M |
| 2023 | \$60M | \$20M | \$110M | \$190M |
| 2024 | \$60M | \$20M | \$100M | \$180M |
| 2025 | \$30M | \$10M | \$0M | \$40M |
| 2026 | \$20M | \$0M | \$0M | \$20M |
| 2027 | \$30M | \$0M | \$0M | \$30M |

~\$70M in major construction projects that will:

- reduce sludge disposal expenses
- reduce energy usage/utility expenses
- renew aging infrastructure owned & leased
- improve regulatory compliance
- expand collection system infrastructure

~\$84M in Planning and Design for future construction:

- renewing aging infrastructure
- treatment plant optimization
- sewer treatment expansion



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- Sludge dryer at Metro – currently remove and haul away – key project will be to dry it out and decrease the costs
- Continue with energy conservation projects – looking to hold the line on utilities
- Baldwinsville and Meadow Brook Limestone will have a large project, – installing new pump station and force main in 2022
- Robust engineering program will be needed to make these improvements
- Oak Orchard project will be more than sewage expansion

Ms. Kuhn:

- Given the rain in August – what kind of overflows do we have and does it overflow into the lake?

Ms. Harty:

- Facility designed for 84.2 million gallons per day (“mgd”) – can push 126m through with tertiary treatment – we bypass at 126 mgd – still providing some treatment – over 210 million gallons a day then treatment plan is bypassed – averages less than once a year that this happens
- August storm event highlighted the departments resiliency - flooding in Camillus – sent a wave down through the rest of the collection system – we will use this data to help us with future planning

Ms. Kuhn:

- Will projects help us?

Ms. Harty:

- Project cycle is 5-7 years – so we will spend 2022 understanding where projects are needed – timing depends on the size of the project – can’t go out and start patching things

- Key highlights of budget – focused budget on where department most needed strategic plans – held other accounts constant as much as possible



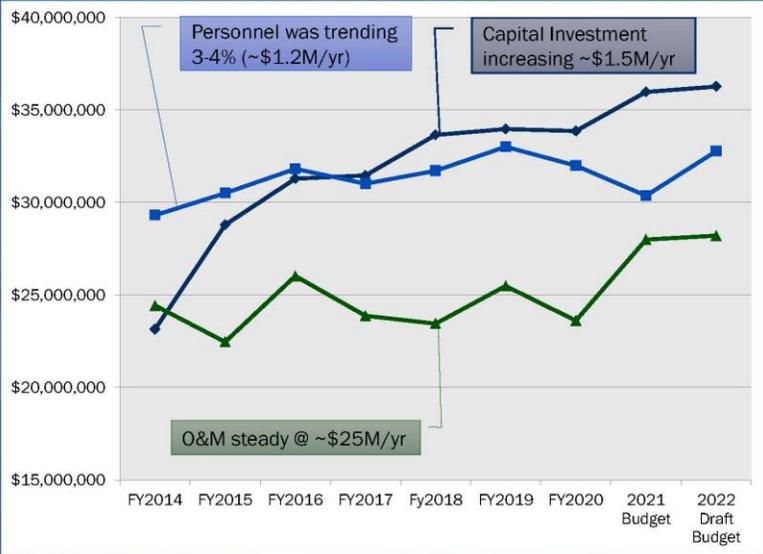
Key 2022 Budget Highlights

- Budget increase requests focused on critical resource needs to support core functions and strategic plans
- Held current funding levels for as many other accounts as possible to minimize budget spike
- Consideration for supply chain and utility market volatility



- Supply chain has had an impact – so much unknown – focused on what we knew and could justify
- Expenditures – pie chart shows how we spend our money – capital investment either cash or debt payments – 1/3 is personnel – 1/3 is operations and maintenance

Expenditures

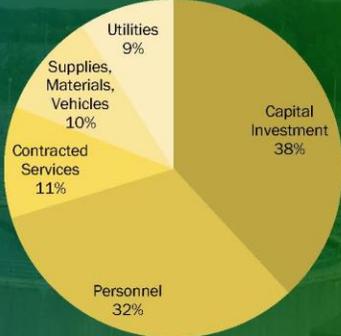


Personnel was trending 3-4% (~\$1.2M/yr)

Capital Investment increasing ~\$1.5M/yr

O&M steady @ ~\$25M/yr

Expenditures by Type



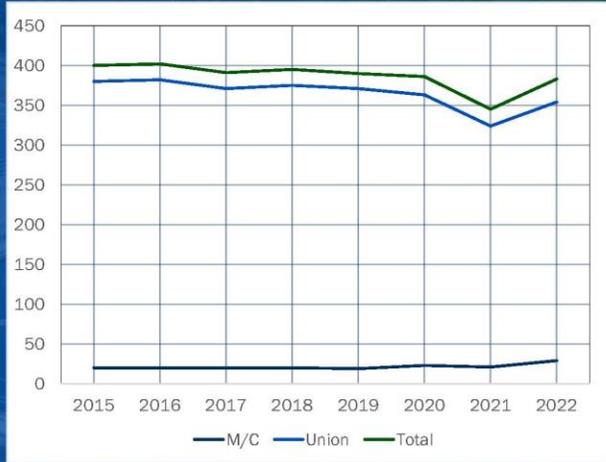
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|--------------|------------------|--------------------------|
| Capital | \$36.3 M | +\$300K from 2021 |
| Personnel | \$32.8 M | +\$2.5M from 2021 |
| O&M | \$28.2 M | +\$200K from 2021 |
| Total | ~\$97.3 M | +\$3.0M from 2021 |



- Line graph shows how we are trending – personnel is trending 3-4% - O&M has been level through operation efficiencies, capital investments to reduce spending

- Historic personnel headcount – slight decline over the years – dip in 2021 was hard for the department – became a hardship – ratio of management to staff is lean – question if staff is given the oversight needed – driving rebuilding and restructuring

Historic Personnel Headcount



- Historically around 400 personnel
- Steady decline of headcount since 2015 with large dip in 2021 (COVID)
- Management to Staff Ratio historically at 5-6%
- A low Management to Staff ratio could result in under-management and negatively impact succession planning and staff development.



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- 2022 personnel changes – taking a hard look at the strategic organization – created new management positions to oversee build out programs – need to set policies and training positions – requesting 383 funded positions to include management to be able to support those positions

2022 Personnel Changes

Proposed staffing changes to support restructuring, Sewer Consolidation and Infrastructure Strategies

| | 2021 Funded Positions (unfunded) | % of Workforce in 2021 | New Positions for 2022 | Existing Unfunded funded | 2022 Funded Positions (unfunded) | % of Workforce in 2022 |
|--------------------------|----------------------------------|------------------------|------------------------|--------------------------|----------------------------------|------------------------|
| Management/ Confidential | 21 (4) | 6% | 6 | 3 | 29 (3) | 7.6% |
| Union | 324 (48) | 94% | 11 | 21 | 354 (26) | 92.4% |
| Total | 345 (52) | | 17 | 24 | 383 (29) | |

38 new/refunded positions are in addition to 19 current vacancies authorized to hire

= 57 positions to fill



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Mr. Williams:

- Asking for 38 new positions – how many are management – Ms. Harty answered that 9 total - have 4 open now and asking for 5
- Are you having a problem filling and is it the same for union – Ms. Harty answered it's difficult because of pay and finding the right people – it is the same for union – need to develop relationships
- How many are entry level vs skilled – Ms. Harty will get back with that information

Mr. Ryan:

- Trying to compare Morgan's numbers with Harty's numbers

Ms. Venditti:

- List shows detail creates – net funding shows plusses and minuses for the creates – detail was sent over prior

Mr. May:

- Page 21 funded and unfunded agree with the slide – 397 authorized on the 101 line?

Ms. Harty:

- Bottom line numbers is where we are looking to go based on 383 positions – so we can spend 2022 to evaluate the remaining positions to see what is actually needed

Mr. Ryan:

- CE budget goes from 345 to 383

Mr. Morgan:

- Handout has the 38 and provided additional detail - summary is that budget is going up 38 positions in 2022

Ms. Harty:

- Will be a lot of work but will get us back to where we need to be
- Fleet program – based on availability and volatility – taking a harder look at vehicles to see if we need to contract out and/or rent – small crane truck is needed to help with consolidation – will allow staff to pull pumps in the field



The slide features a blue and green background with the title "2022 Fleet Program" in white. Below the title are four images: a white packer truck, a yellow forklift, a white pickup truck, and a white van. To the right of the images is a dark blue box with white text listing equipment and vehicles.

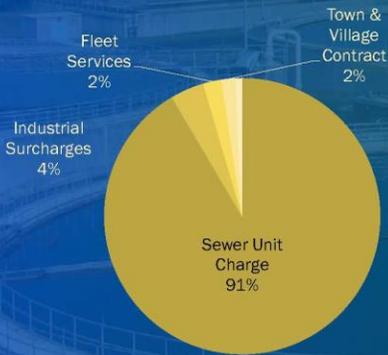
2022 Fleet Program

- **Large Vehicles/Equipment (\$736,000)**
 - Packer Truck
 - Small Crane Truck (new to fleet)
 - Forklift
 - 6 Wheel dump
 - Bobcat Skid Steer
 - Bobcat Mini-Excavator
- **Light Duty (\$366,000)**
 - Pickups (8)
 - Vans (2)

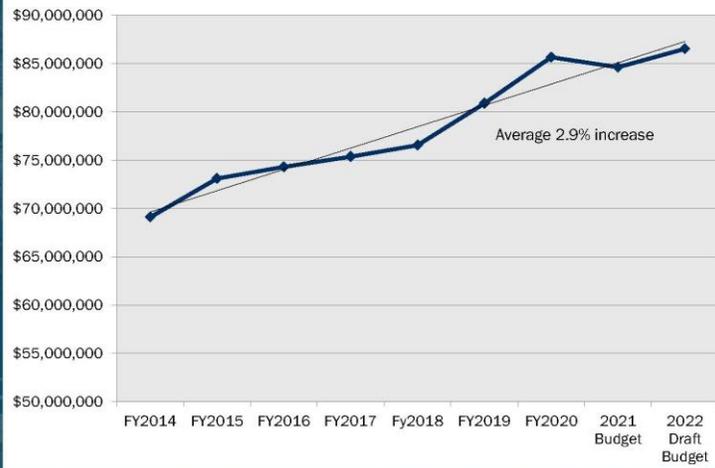
- Revenues – 91% comes from sewer unit charge – trends shows 2.9% increase – looking for similar increase in 2022

Revenues

Revenue By Type



Sewer Unit Revenue

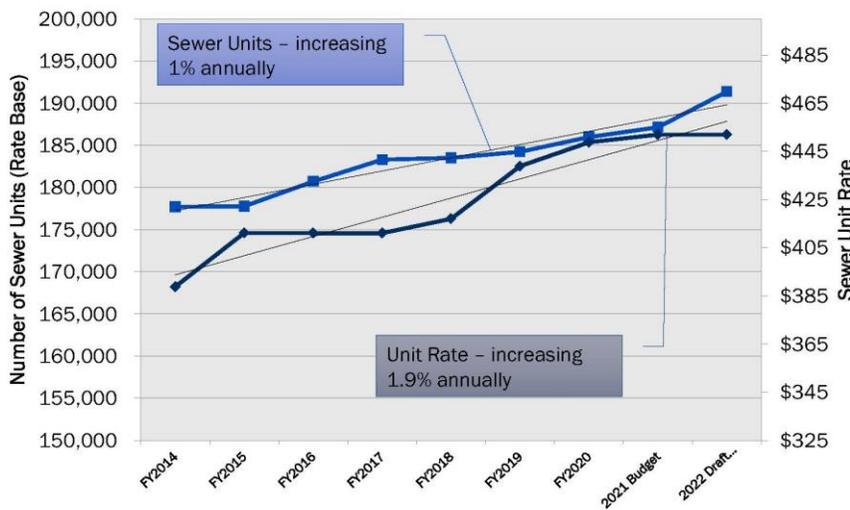


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- Sewer unit rate base – increases 1% per year – economic development, new homes, apartments and industries

Sewer Unit Rate Base & Rates

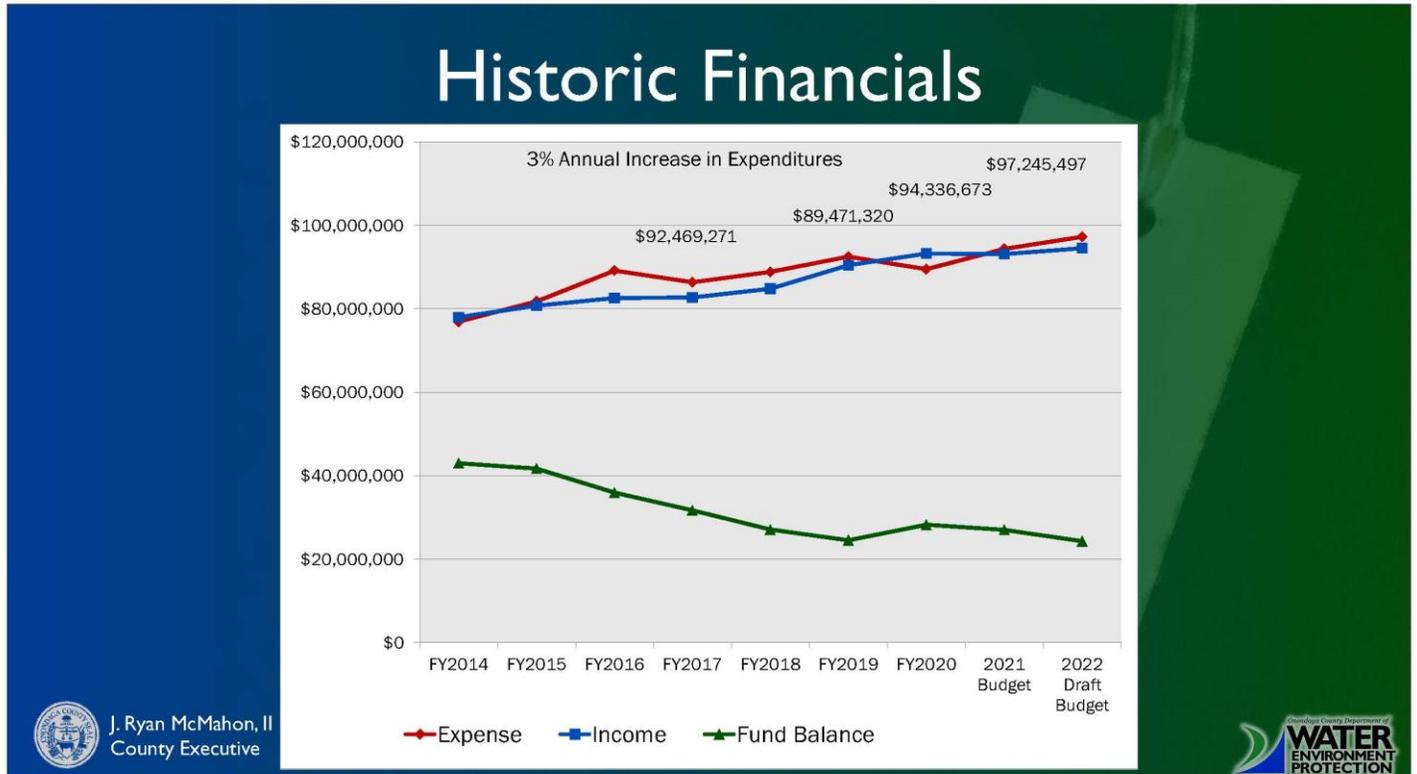


Rate base changes:

- Economic development (new homes, businesses, industries)
- Decrease of unit charge definition
- Increased water consumption (commercial/industrial customers)
- Development of new sewer unit assessment program

- Increase in water consumption – commercial consumption dipped a bit in 2020 – have seen significant recoveries – unit rate has trended at a 2% increase over the prior year – will continue to look at sewer units – city of Syracuse has over 35% of the units - will partner with city for accuracy





Mr. May:

- How do we compare nationally – not sure where we are now – state comptroller sets a number
- A few years ago the city had started to look at usage – caused people to be shocked – became clear that within city of Syracuse there was uncertainty as to how we valued those properties

Ms. Harty:

- Will provide where we are compared to others – either by household or whatever
- Met with Ann Gallagher from the city – felt like they are getting ahead of the curve – good program in place for multi-use properties – collects real property data and compares with water department and charges the greater of the two
- Comfort level – 80% there – acknowledged they have nuisances with multiple water sources – less than 1% difference when comparing with WEP units
- Historical trends – trend 3% per year – fund balance has been used historically – anticipating \$2.7m of fund balance will finish the year at \$24.5m if we use the \$2.7m

Mr. McBride:

- Three lines – 102 OT wages is flat and professional services dropped dramatically – any correlation?

Ms. Harty:

- Anticipating that when employees are hired the OT will be decreased – reduction in professional services driven by moving away from ACJ ambient monitoring and will have engineers in house
- 102 OT is flat because will take time to ramp up the new employees

Ms. Kuhn:

- Where are you with Syracuse and consolidation?
- How many pump stations are in Geddes and how many failed?

Ms. Harty:

- Holding conversations with the city – but not ready to take on – will focus on rebuilding
- All pump stations remained functioning - none of them failed – met with Geddes supervisor and confirmed all were functioning

Mr. Ryan:

- Dealt with Geddes for 6 long years when he was on the town board – we have made a lot of investments in the northern suburbs because we have had to – have also had some investments in Onondaga – all goes to Metro – hopeful that a deep dive into where our trunk lines are in city of Syracuse – putting more capacity through the pipes – have to understand where the problems are – people appreciate flat rates until your sewer backs up

Ms. Harty:

- Disconnected ownership does not allow us to go in and fix where those problems are in Geddes

Ms. Primo:

- Wrong to assume they are WEP assets – some of these should be addressed by the municipalities

Ms. Harty:

- Answered the question – neighborhood was built in the 50s and 60s – there were things that were done then like downspouts and floor drains connected to the sewer – health and safety issue – complicated component – will be work on the private and public side

Mr. Ryan:

- The conversation has to begin

Ms. Harty:

- This team will get there over the next 10 years

Mr. May:

- This body has been challenged with two major projects and three times Mr. Kinne has brought up the problem – indisputable problem in Geddes – challenged with a decision so need to be clear – the situation in Geddes is multifaceted – county, town and private component – private side could be a neighbor backing up someone's house – can't address those until the home is sold or in the process of selling – town infrastructure that we don't control – until all the pieces are put together it's hard to say what the problem is - goal of the county is to take over all the pipes – still a lot to know what causes this

Ms. Harty:

- Correct – the solution may not be to super-size these pipes – let's remove the inflow and infiltration and figure out what the next step should be – keep in mind \$105m in capital is built into the budget

Workforce Development:

- Began implementing Phase 1 of Department's Management restructuring. Created CIP Team, to include in-house engineering and expand project management capacities

Sewer Consolidation and Maintenance:

- Initiated Phase 2 – focusing on the BSK WWTP Service area including Towns of Lysander and Van Buren, and Village of Baldwinsville and executed a lease agreement with the Town of Van Buren.
- Increased use of Asset Mgmt. Sys. to manage O&M of collection sys. assets and target EPA CMOM standards.

Infrastructure:

- Advanced over \$33M in major construction projects at three WWTPs and throughout the collection system to improve solids stabilization and disposal, improve biogas production, reduce energy usage/utility expenses, continued renewal of aging infrastructure, and improve sanitary sewer services to support econ. develop.
- Used Asset Mgmt. Syst. to prepare the entire WEP CIP and engage cross-divisional coordination
- Advanced negotiations to settle the ACJ and transition to Consent Order for LTCP of CSO Areas.
- Completed the **in-house** development of the NYSDEC required submittal of the *Pump Station Force Main Condition Assessment and Risk Analysis Report* and the *Flow Control Emergency Response Plan*.

2021 BUDGET REVIEW

- Stayed within 2021 budget while providing vital core services.
- Withstood a difficult year of commodity and supply chain short falls that impacted critical operational materials, supplies and fleet/vehicle acquisitions, and also impacted the current CIP construction projects thru increased lead times, longer project schedules and increased project costs.

SECTION 2:

2022 BUDGET OVERVIEW

- Proposed budget plan has held 2021 funding levels in majority of accounts to allow for funding increases needed to support Strategic Priorities and capital investments.
- Proposed funding increases in Debt Service (Infrastructure) and Personnel Salaries to be offset by one-time reduction and Cash-for-Capital (960) funding and increases in sewer unit revenues.
- Sewer unit revenue increases anticipated due to reduction in sewer unit definition and continued review of sewer unit assessment of commercial, industrial and mixed-use properties.

SECTION 3:

2022 STRATEGIC PRIORITIES

Workforce Development

- Expansion of administrative personnel to support workforce recruiting, onboarding, and training needs and restoration of funding to personnel for core functions in operations, maintenance, I/E, and fleet maintenance.

Sewer Consolidation and Maintenance:

- Initiate capital investment on Phase 2 leased infrastructure, continued investment in MBLS I/I abatement.
- Expand and fund collection system mtce. staff to meet expanding maintenance requirements of leased assets

Infrastructure

- Continue with ~\$45M in major construction projects to reduce sludge disposal expenses, reduce energy usage/utility expenses, renew aging infrastructure, and expand collection and treatment services to support economic development.
- Creation of new positions to support increased Asset Management functions, internal engineering analysis, and operational responsibilities.

The meeting was adjourned at 11:05 a.m.

Respectfully submitted,



MELANIE VILARDI, Deputy Clerk
ONONDAGA COUNTY LEGISLATURE

ATTENDANCE

COMMITTEE: WAYS & MEANS AND ENVIRONMENTAL
PROTECTION COMMITTEE DEPARTMENTS AND
AGENCIES

DATE: OCTOBER 8, 2021

| NAME (Please Print) | DEPARTMENT/AGENCY |
|--------------------------|-------------------|
| Carl Hummel | Personnel |
| Jessica Allen | Finops |
| Phil Britt | Comptrollers |
| Marty Masterpole | Comptrollers |
| Pete Headd | Comptrollers |
| Dustin Czame | BOE |
| Mary Kuber | BOE |
| Allison Nanno | BOE |
| Yvette Velasco | LAW |
| Michelle Sardis | BOE |
| Shannon Mann | WEP |
| Dave Snyder | WEP |
| PAUL Smith | |
| RUSTAN FERRELA | |
| Megan Murphy | DMS |
| Marybeth Russo | CE |
| MARTY VOSS | DOT |
| Ayanwa Moore | DOT |
| James Fenskan | DOT |
| Kim Hall Brian Kelley | ↳ Parks |
| Tina Leatherland Ted Fox | |
| Jennifer Fricano | Fin ops |

ATTENDANCE

COMMITTEE: **WAYS & MEANS AND ENVIRONMENTAL PROTECTION COMMITTEE DEPARTMENTS AND AGENCIES**

DATE: **OCTOBER 8, 2021**

| NAME (Please Print) | DEPARTMENT/AGENCY |
|---------------------|-------------------|
| Rachel Burkhardt | FINCPS |
| Penny Donahue | kin ops |
| Kristi Smiley | FinCps |
| Tenesha Murphy | CE Office |
| Jed Fay | Parks/Zoo |
| | |
| | |