



# 2024 Budget Proposal

Public Works & Utilities Department



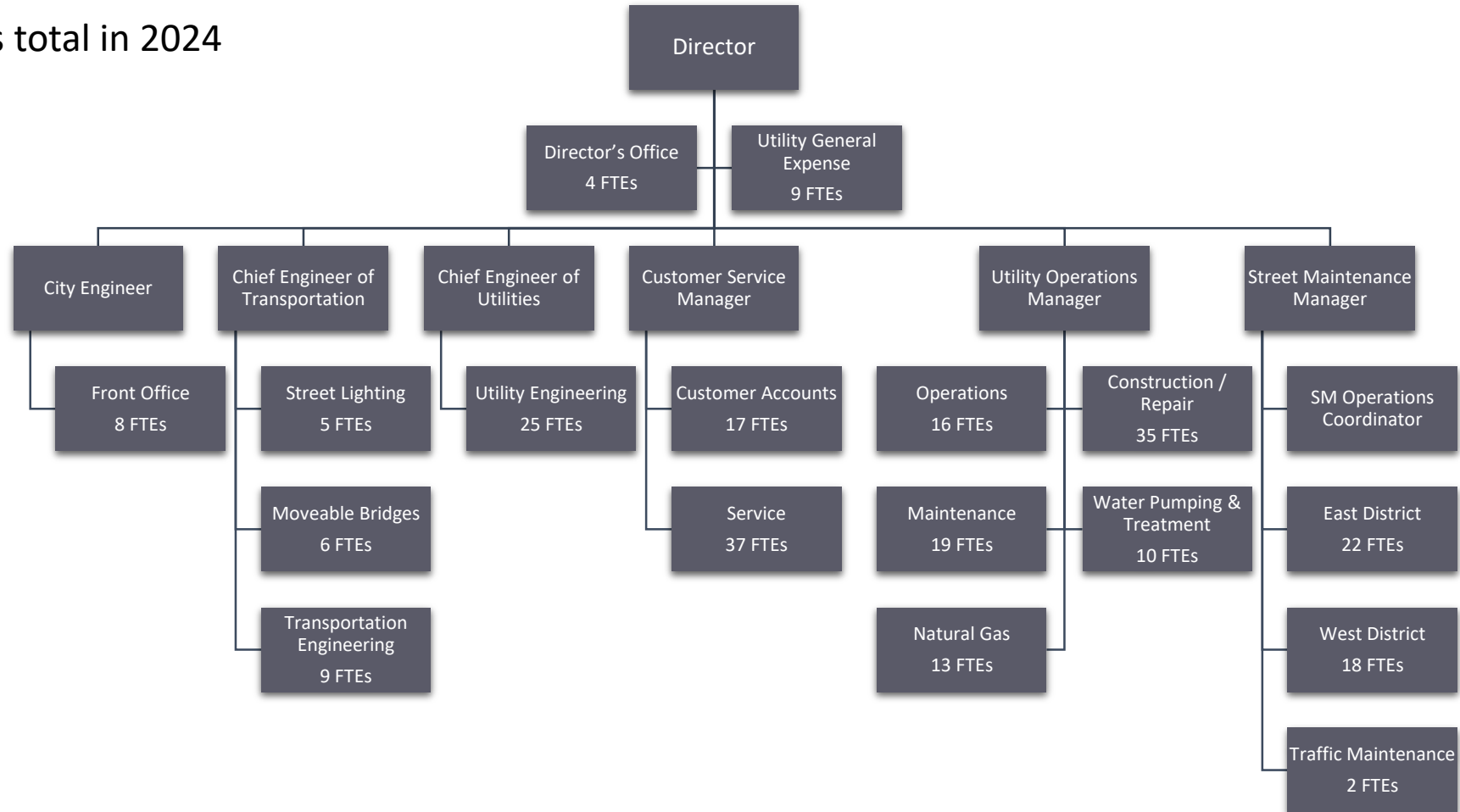
# Public Works & Utilities Mission

The mission of the Public Works and Utilities Department is to provide professional engineering services, street maintenance activities, and water, natural gas, sanitary sewer, stormwater, and street lighting utilities to Duluth's businesses and residents in a safe, cost-effective, and environmentally sound manner.



# Public Works & Utilities Personnel

263 FTEs total in 2024





# Personnel: Budgeted 2024 vs. 2023

	General Fund	Water	Natural Gas	Sanitary Sewer	Stormwater	Street Lighting	Total FTEs
2024 Proposed Budget	59.80	59.00	74.85	36.75	27.30	5.30	263.00
2023 Budget	60.05	57.65	74.95	33.50	24.75	5.10	256.00
<b>Variance</b>	<b>-0.25</b>	<b>1.35</b>	<b>-0.10</b>	<b>3.25</b>	<b>2.55</b>	<b>0.20</b>	<b>7.00</b>

Changes in Personnel	FTEs
Lead replacement program personnel	4.00
Additional Regulator Mechanics	3.00
<b>Variance</b>	<b>7.00</b>





## RESOLUTION NO. 23PUC-002

### RESOLUTION APPROVING AND RECOMMENDING 2024 UTILITIES BUDGET.

WHEREAS, pursuant to 2-186 (d) of the Duluth City Code, 1959, as amended, the Duluth Public Utilities Commission (the “DPUC”) is charged with approving and recommending to the Duluth City Council the annual budget for the City’s water utility, natural gas utility, sanitary sewer utility, clean water utility, and stormwater utility; and

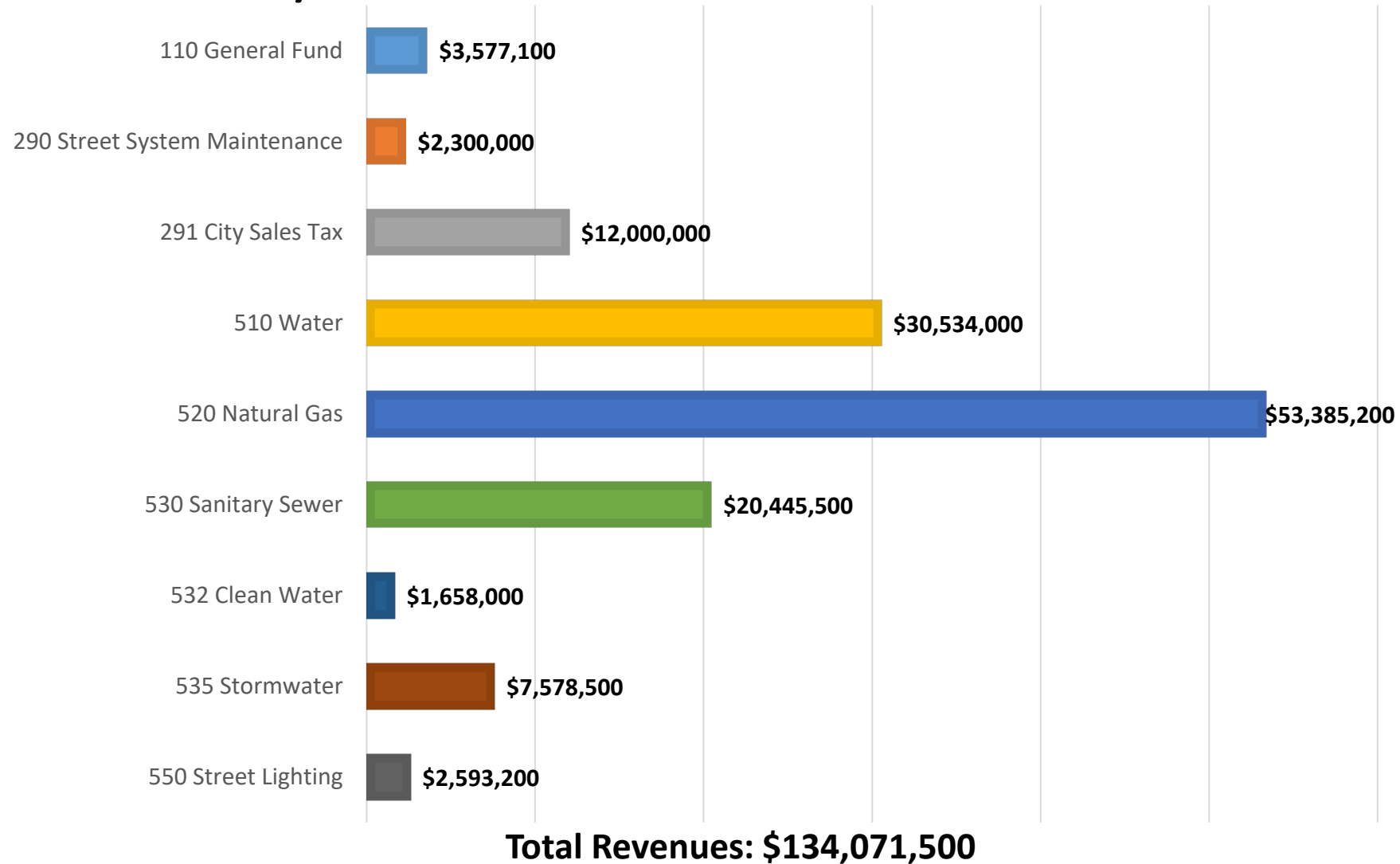
WHEREAS, the DPUC has reviewed the attached budget for said utilities for the year 2024 and determined that it is reasonable and appropriate to meet the needs of the respective utilities, of the City and of the customers of the utilities.

RESOLVED, that the DPUC hereby approves and recommends to the City Council that it approve the attached budget for the City’s water utility, natural gas utility, sanitary sewer utility, clean water utility, and stormwater utility for the budget year 2024.

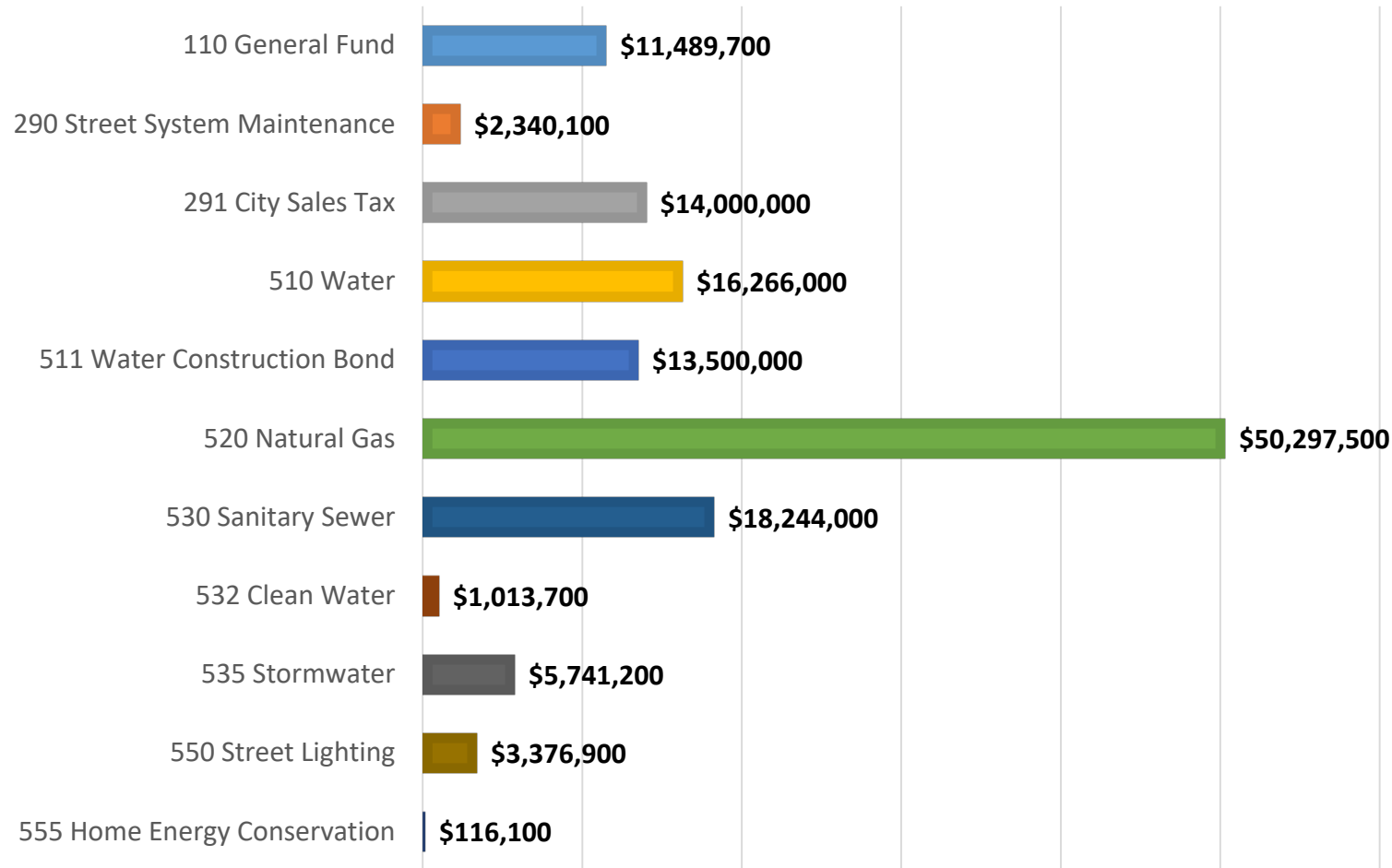
Approved by the DPUC: 8/15/2023  
(date)



# 2024 Public Works & Utilities Budgeted Revenues by Fund



# 2024 Public Works & Utilities Budgeted Expenditures by Fund



**Total Expenditures: \$136,385,200**



# PW&U Top 10 Programs

Program Name	Program Cost	% of Total
Natural Gas Purchasing	\$24,273,815	18%
Utility Infrastructure Improvements	\$21,211,957	16%
Wastewater Treatment	\$9,958,500	7%
Snow and Ice Control	\$4,136,506	3%
Water Pumping & Treatment	\$2,989,555	2%
Water System Repair & Maintenance	\$2,513,285	2%
Utility Customer Account- Billing Services	\$2,134,565	2%
Emergency Utility Calls	\$1,908,386	1%
Pothole Patching	\$1,789,973	1%
<b>Top 10 Programs Total</b>	<b>\$70,916,543</b>	<b>52%</b>

47 other programs at an average cost of \$597,400 each





# Financial Information: 110 General

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues	Licenses and Permits	\$ 112,000	\$ 140,000	\$ 28,000
	Intergovernmental	\$ 1,644,500	\$ 1,659,500	\$ 15,000
	Charges for Services (Engineering)	\$ 170,000	\$ 375,000	\$ 205,000
	Miscellaneous (Special Events/Sale of Scrap/Other)	\$ 70,000	\$ 55,600	\$ (14,400)
	Other Financial Sources	\$ 1,433,550	\$ 1,347,000	\$ (86,550)
	Total Revenues	\$ 3,430,050	\$ 3,577,100	\$ 147,050
Expenses	Personnel Services	\$ 6,619,100	\$ 6,979,000	\$ 359,900
	Other Costs (supplies, materials, operating lease, etc.)	\$ 4,497,050	\$ 4,510,700	\$ 13,650
	Capital Outlay	\$ -	\$ -	\$ -
	Total Expenses	\$ 11,116,150	\$ 11,489,700	\$ 373,550

# Financial Information: 290 Street System Maintenance

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues	Property Tax Levy	\$ 2,300,000	\$ 2,300,000	\$ -
	Total Revenues	\$ 2,300,000	\$ 2,300,000	\$ -
Expenses	Personnel Services	\$ 370,000	\$ 455,600	\$ 85,600
	Supplies	\$ 581,000	\$ 646,500	\$ 65,500
	Other	\$ 543,000	\$ 538,000	\$ (5,000)
	Transfer for Debt Service			
	Transfer for Capital Projects – Streets	\$ 900,000	\$ 700,000	\$ (200,000)
	Transfer for Capital Projects – Sidewalks	\$ -	\$ -	\$ -
	Transfer for Capital Projects – Superior Street	\$ -	\$ -	\$ -
	Total Expenses	\$ 2,394,000	\$ 2,340,100	\$ (53,900)
	Net Change		\$ 53,900	





# Financial Information: 291 Street System Maintenance: Sales Tax

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues	Sales Tax	\$ 7,500,000	\$ 8,000,000	\$ 500,000
	Transfer from General Fund Reserves (for Street Improvement Program)	\$ -	\$ 4,000,000	\$ 4,000,000
	Total Revenues	\$ 7,500,000	\$ 12,000,000	\$ 4,500,000
Expenses	Transfer for Capital Projects – Streets	\$ 7,500,000	\$ 14,000,000	\$ 6,500,000
	Total Expenses	\$ 7,500,000	\$ 14,000,000	\$ 6,500,000
	Net Change		\$ (2,000,000)	
	2023 Estimated YE Fund Balance		\$	7,552,370
	2024 Estimated YE Fund Balance		\$	5,552,370



# Capital Projects: Transportation

2024 Transportation Capital Improvement Projects	Total Project Cost	Primary Funding Source
2024 Chip Seals	\$ 300,000	Sales Tax
6th Ave E CPR and overlay- 2nd Street to Copper Top	\$ 2,300,000	State Aid, Sales Tax, Street Lighting
Aerial Lift Bridge painting and misc. structural repairs	\$ 7,000,000	State Bridge Bond Request
Aerial Lift Bridge sidewalk, abutment, and approach repairs	\$ 3,000,000	Federal & State Aid
Bardon's Peak Wall project- design phase	\$ 200,000	Street Mtc Levy
Brighton Beach Road reconstruction	\$ 1,601,000	Federal & State Aid, Sales Tax
Chester Park Dr Alley reconstruction	\$ 535,000	Street Mtc Levy, Utility Revenue
E 7th St & 13th Ave E storm & street	\$ 500,000	Sales tax, Utility Revenue
Engineering for Federal 2026 project	\$ 300,000	State Aid
Engineering for NHS Federal 2025 Project, Garfield Ave and Port Terminal reconditioning	\$ 100,000	State Aid
MNDOT ADA upgrades along I-35 ramps from 68th Ave W. to 26th Ave E (City match)	\$ 200,000	State Aid
Patch Project	\$ 475,000	Permanent Improvement, Utility Revenue
Raleigh St WM and street reconstruction, 59th Ave W to Grand Ave	\$ 3,970,000	State Aid, Utility Revenue
Retaining/Guard Rail/Restriping/Bridge repair/RR crossings	\$ 200,000	Permanent Improvement
Sidewalk	\$ 120,000	Street Mtc Levy, Permanent Improvement
Street Preservation Project 2024: various locations	\$ 11,700,000	Sales Tax
Superior St Reconstruction - MSA bond payment	\$ 805,000	State Aid
<b>Total Project Costs</b>	<b>\$33,306,000</b>	



# 2024 Street Preservation Project

## 2024 Segments

6th Ave E, 2nd St to Copper Top	Covent Pl, from 54th AE to dead end E	Meadow St, from Midway to Boundary Ave	Spirit Drive, Grand Ave to Roosevelt St
7th St, from 13th AE to 14th AE	Crescent View, from 37th AE to Pinewood Ln	Midway Ave, Vinland to Lawn St	Vermilion Rd, from Snively to Oxford
8th Ave E, 9th St to 120' North of 10th St	Crosley Ave, Avondale to Oakley St	Myrtle Place, Central Ent to Myrtle St	Vinland Ave alley, from Boundary Ave
9th St, from 19th to Garden St	E 5th St, from 15th AE to 17th AE	N 11th Ave E, from 9th St to Skyline Pkwy	W 4th St, from 40th AW to 44th AW
14th Ave E, from 9th St to dead end N	E 6th St, from 15th AE to 19th AE	N 51st Ave E, Norwood to Ivanhoe	W 4th St, from 40th AW to dead end E
16th Ave E, from 4th St to 8th St	E 7th St, 16th AE to 19th AE	N 52nd Ave E, from Idlewild to Woodlawn	W 5th St, 40th AW to dead end E
17th Ave E, from 4th to 6th St	E 9th St, from 18th AE to 19th AE	N 54th AE, from Idlewild to Covent Pl	W 5th St, from 10th AW to 6th AW
17th Ave E, from 6th to 8th St	E 10th St, from 7th AE to 8th AE	N 56th AW, Grand Ave to Elinor St	W 5th St, from 40th to 41st AW
22nd Ave W, W 11th St to W 10th St	E 10th St, from 14th AE to Parkland	N 57th Ave W, Grand to Cody	W 5th St, from Skyline Pkwy to 10th AW
38th Ave W, Grand to 2nd St	E Gilead, Arlington to N Blackman	N 80th Ave W, Grand Ave to Knowlton Blvd	W 6th St, from 10th AW
39th Ave W, Superior St to 4th St	E Locust, Arlington to N Blackman	N 81st Ave W, S dead end to N dead end	W 6th St, from 11th AW to 10th AW
41st Ave W, from 8th St to dead end N	Eden Lane, Parkland Ave to Belmont Rd	N 84th Ave W, Grand Ave to Coleman St	W 11th St, TH53 to 22nd AW
57th Ave W, from Nicollet to Roosevelt	Garden St, from 19th AE to 8th St	N Lake Ave, Mesaba to 11th St	W 12th St, TH53 to dead end E
131st Ave W, TH23 to Water St	Hartley Rd, from Arrowhead to Woodhaven Ln	Norwood, 52nd AE to 54th AE	W 13th St, from TH53 to dead end E
Belmont, Parkland Ave to Chester Pkwy	Idlewild, from 51st AE to 54th AE	Old Howard Mill, 36th Ave E to Rustwood	W Myrtle St, Central Ent to Basswood Ave
Brooks St, from Midway Ave to Boundary	Kingston, from dead end W to dead end E	Oneida St, 43th AE to 45th AE	Water St, 130th Ave W to dead end east
Chester Pkwy, Belmont Rd alley to Skyline	Lawn St, from Boundary Ave to 87th AW	Parkland Ave, from 10th St to Belmont	Woodhaven Ln, from Hartley Rd to Arrowhead
Como Ave, from Willow to dead end S	Main St, from 64th to 66th AW	Rustwood, from Old Howard Mill to Valley Dr	

# Public Works & Utilities: 110 General Fund, 290 Street System Maintenance, & 291 Street Sales Tax

## Fun Facts:

During an average snow event, the Street Maintenance fleet can cover over 4,000 miles in 18 hours.

## 2023 Accomplishments:

The division successfully navigated a winter with record snow.

## Notable Changes in 2024 Budget:

Street preservation projects planned for \$6M more in work in 2024 over 2023.

## Challenges Faced:

- Planning and funding the needed match for the RAISE Grant to reconstruct Superior St in the Lincoln Park neighborhood
- Staffing challenges in Engineering and Street Maintenance (both Full Time and Seasonal/Temps)

## Opportunities Ahead:

- Continue to plan and implement an equitable Street Preservation Program with Sales Tax revenues



# Financial Information: 510 Water

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 30,484,000	\$ 30,534,000	\$ 50,000
Expenses	Personnel Services	\$ 6,892,200	\$ 7,468,400	\$ 576,200
	Supplies	\$ 1,799,200	\$ 2,573,100	\$ 773,900
	Utilities	\$ 1,290,600	\$ 1,667,900	\$ 377,300
	Depreciation	\$ 2,017,000	\$ 2,080,300	\$ 63,300
	Debt Service / Lease Interest	\$ 189,200	\$ 186,200	\$ (3,000)
	Other	\$ 1,912,100	\$ 2,290,100	\$ 378,000
	Total Expenses	\$ 14,100,300	\$ 16,266,000	\$ 2,165,700
	Estimated Operating Income (Loss)	\$ 16,383,700	\$ 14,268,000	\$ (2,115,700)
Other Sources of Cash (+)		\$ 2,014,200	\$ 2,077,800	\$ 63,600
Other Uses of Cash (-)	Capital Improvements	\$ 3,140,000	\$ 16,000,000	\$ 12,860,000
	Capital Equipment Purchases	\$ 164,400	\$ 420,500	\$ 256,100
	Bond / Lease Principal Payments	\$ 1,660,700	\$ 1,755,200	\$ 94,500
	Total Other Uses of Cash	\$ 4,965,100	\$ 18,175,700	\$ 13,210,600
	INCREASE (DECREASE) IN CASH	\$ 13,432,800	\$ (1,829,900)	\$ (15,262,700)
	2023 YE Estimated Cash Balance		\$	12,409,174
	2024 YE Estimated Cash Balance		\$	10,579,274



# Capital Projects: 510 Water

2024 Water Capital Improvement Projects	Funded by Current Year Revenues
Far East Superior St Reconnections	\$ 300,000
Fascia Repairs at Pump Bldg.	\$ 100,000
Morris Thomas - Season 2	\$ 500,000
Switch Gear (Proctor, Lakeside, Orphanage)	\$ 250,000
Upper Lakeside Tank Replacement	\$ 500,000
WTP Resiliency Grant MATCH - Generator/Power	\$ 375,000
WTP Solids Removal	\$ 500,000
<small>*Other projects with partial utility funding listed in Transportation Projects</small>	
<b>Total Project Costs</b>	<b>\$2,525,000</b>

2024 Water Construction Bond Projects	Funded by Grant & PFA Loans
Lead Service Replacement Project (PFA)	\$ 10,000,000
Woodland Pump Station (PFA)	\$ 8,000,000
WTP Resiliency Grant - Generator/Power YR 2	\$ 3,500,000
<b>Total Project Costs</b>	<b>\$21,500,000</b>





# Public Works & Utilities: 510 Water

## Fun Facts:

Citywide ARP funded meter replacement project nearly 50% complete.

Over 7,000 lead services have been identified to date.

## 2023 Accomplishments:

Completed the Middle Pump Station renovation project, increasing reliability for many citizens.

## Notable Changes in 2024 Budget:

- Lead Service Line Program funding from State and Federal dollars + debt issuance

## Challenges Faced:

- Implementing and financing Lead Line Remediation Program (\$200M estimated cost)
- Rising cost of electricity
- Resident participation in Lead Line Replacement programs

## Opportunities Ahead:

- Capturing actual water usage with new commercial meters and acoustic leak sensors
- Utilize grant/loan program through MN PFA for Lead Remediation Program
- Explore reimbursement related to City-provided lead remediation projects through PFA funding

# Financial Information: 520 Gas

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 55,464,900	\$ 53,385,200	\$ (2,079,700)
Expenses	Personnel Services	\$ 9,495,700	\$ 9,712,400	\$ 216,700
	Supplies	\$ 1,554,700	\$ 1,788,300	\$ 233,600
	Natural Gas Purchases	\$ 34,000,000	\$ 32,000,000	\$ (2,000,000)
	Utilities	\$ 41,800	\$ 47,800	\$ 6,000
	Depreciation	\$ 1,752,000	\$ 1,800,800	\$ 48,800
	Debt Service / Lease Interest	\$ 12,600	\$ 2,600	\$ (10,000)
	Payment in Lieu of Taxes/Transfers	\$ 4,159,700	\$ 2,868,400	\$ (1,291,300)
	Other	\$ 1,928,300	\$ 2,077,200	\$ 148,900
	Total Expenses	\$ 52,944,800	\$ 50,297,500	\$ (2,647,300)
	Estimated Operating Income (Loss)	\$ 2,520,100	\$ 3,087,700	\$ 567,600
Other Sources of Cash (+)		\$ 1,752,000	\$ 1,800,800	\$ 48,800
Other Uses of Cash (-)	Capital Improvements	\$ 2,500,000	\$ 2,520,000	\$ 20,000
	Capital Equipment Purchases	\$ 830,200	\$ 394,800	\$ (435,400)
	Bond / Lease Principal Payments	\$ 261,900	\$ 134,700	\$ (127,200)
	Total Other Uses of Cash	\$ 3,592,100	\$ 3,049,500	\$ (542,600)
	INCREASE (DECREASE) IN CASH	\$ 680,000	\$ 1,839,000	\$ 1,159,000
	2023 YE Estimated Cash Balance		\$	10,720,051
	2024 YE Estimated Cash Balance		\$	12,559,051



# Capital Projects: 520 Gas

2024 Gas Capital Improvement Projects	Funded by Current Year Revenues
Building shell at Stora Enso	\$ 250,000
Gas main extensions and services blanket project	\$ 1,650,000
Great Lakes pig receiver valve replacements	\$ 30,000
Meter relocations/bollards/EFV	\$ 500,000
<b>Total Project Costs</b>	<b>\$2,430,000</b>



# Public Works & Utilities: 520 Gas

## Fun Facts:

February 2, 2023 was the biggest gas day this year, flowing 48.9 MCF (million cubic feet) of gas.

## 2023 Accomplishments:

Completed first integrity project to repair damages and imperfections on part of the City's 63 year old 16" main trunk line.

## Notable Changes in 2024 Budget:

- Restructure Gas Supply staff to better ensure 24hr monitoring and emergency response

## Challenges Faced:

- Staffing, contracting, and supply chain issues
- Installation of 20,000+ Excess Flow Valves for residential customers

## Opportunities Ahead:

- Continued uprating of system pressure will reduce maintenance and operation costs
- Changing out gas meters that are not capable of remote reading technology



# Financial Information: 530 Sewer

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 19,888,400	\$ 20,445,500	\$ 557,100
Expenses	Personnel Services	\$ 3,887,300	\$ 4,380,700	\$ 493,400
	Supplies	\$ 467,600	\$ 516,700	\$ 49,100
	WLSSD Treatment	\$ 9,980,900	\$ 9,860,300	\$ (120,600)
	Utilities	\$ 163,800	\$ 164,000	\$ 200
	Depreciation	\$ 1,646,200	\$ 1,689,900	\$ 43,700
	Debt Service / Lease Interest	\$ 25,200	\$ 8,100	\$ (17,100)
	Sanitary Sewer Grants	\$ 200,000	\$ 200,000	\$ -
	Other	\$ 1,313,900	\$ 1,424,300	\$ 110,400
	Total Expenses	\$ 17,684,900	\$ 18,244,000	\$ 559,100
	Estimated Operating Income (Loss)	\$ 2,203,500	\$ 2,201,500	\$ (2,000)
Other Sources of Cash (+)		\$ 1,642,000	\$ 1,688,300	\$ 46,300
Other Uses of Cash (-)	Infrastructure Replacement Fund	\$ 54,500	\$ 8,300	\$ (46,200)
	Capital Improvements	\$ 2,200,000	\$ 3,020,000	\$ 820,000
	Capital Equipment Purchases	\$ 189,100	\$ 325,300	\$ 136,200
	Bond / Lease Principal Payments	\$ 664,200	\$ 379,000	\$ (285,200)
	Total Other Uses of Cash	\$ 3,107,800	\$ 3,732,600	\$ 624,800
	INCREASE (DECREASE) IN CASH	\$ 737,700	\$ 157,200	\$ (580,500)
	2023 YE Estimated Cash Balance	\$	\$	\$ 6,994,009
	2024 YE Estimated Cash Balance	\$	\$	\$ 7,151,209



# Capital Projects: 530 Sewer

2024 Sanitary Capital Improvement Projects	Funded by Current Year Revenues
Citywide manhole adjustment project	\$ 75,000
Citywide sanitary sewer rehabilitation/lining	\$ 1,950,000
Lift station rehabilitation (LS 27 & LS 40)	\$ 750,000
Misc. street projects	\$ 100,000
<u>*Other projects with partial utility funding listed in Transportation Projects</u>	
<b>Total Project Costs</b>	<b>\$2,875,000</b>



# Public Works & Utilities: 530 Sewer

## Fun Facts:

We are working with a consultant and WLSSD to explore the possibility of utilizing excess heat from the WLSSD treatment process. This will provide heating assistance to areas served as part of the W Superior St reconstruction project.

## 2023 Accomplishments:

The City's sanitary sewer overflow storage facilities prevented tens of millions of gallons of sewage from entering Lake Superior during our record snow melt this spring.

## Notable Changes in 2024 Budget:

- 30% increase in capital investment in City's sanitary system

## Challenges Faced:

- Increase in materials and services costs
- Increase in electricity costs

## Opportunities Ahead:

- Continuing a maintenance and inspection schedule to reduce potential service interruptions and associated liabilities

# Financial Information: 532 Clean Water

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 1,658,000	\$ 1,658,000	\$ -
Expenses	Depreciation	\$ 566,900	\$ 566,900	\$ -
	Grants and Awards	\$ 400,000	\$ 400,000	\$ -
	Debt Service Interest	\$ 44,000	\$ 27,500	\$ (16,500)
	Other	\$ 19,500	\$ 19,300	\$ (200)
	Total Expenses	\$ 1,030,400	\$ 1,013,700	\$ (16,700)
	Estimated Operating Income (Loss)	\$ 627,600	\$ 644,300	\$ 16,700
Other Sources of Cash (+)		\$ 566,900	\$ 566,900	\$ -
Other Uses of Cash (-)	Capital Improvements	\$ -	\$ -	\$ -
	Bond Principal Payments	\$ 1,125,800	\$ 1,142,500	\$ 16,700
	Total Other Uses of Cash	\$ 1,125,800	\$ 1,142,500	\$ 16,700
	INCREASE (DECREASE) IN CASH	\$ 68,700	\$ 68,700	\$ -
	2023 YE Estimated Cash Balance		\$ 1,192,266	
	2024 YE Estimated Cash Balance		\$ 1,260,966	

# Financial Information: 535 Stormwater

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 6,182,800	\$ 7,578,500	\$ 1,395,700
Expenses				
	Personnel Services	\$ 3,113,900	\$ 3,240,000	\$ 126,100
	Supplies	\$ 360,800	\$ 428,700	\$ 67,900
	Utilities	\$ 28,900	\$ 28,900	\$ -
	Depreciation	\$ 516,300	\$ 528,700	\$ 12,400
	Non-Capital Improvements	\$ 35,000	\$ 20,000	\$ (15,000)
	Debt Service Interest	\$ -	\$ -	\$ -
	Other	\$ 1,394,600	\$ 1,494,900	\$ 100,300
	Total Expenses	\$ 5,449,500	\$ 5,741,200	\$ 291,700
	Estimated Operating Income (Loss)	\$ 733,300	\$ 1,837,300	\$ 1,104,000
Other Sources of Cash (+)		\$ 516,300	\$ 528,700	\$ 12,400
Other Uses of Cash (-)				
	Capital Improvements	\$ 2,250,000	\$ 2,920,000	\$ 670,000
	Capital Equipment Purchases	\$ 148,100	\$ 302,400	\$ 154,300
	Bond Principal Payments	\$ -	\$ -	\$ -
	Total Other Uses of Cash	\$ 2,398,100	\$ 3,222,400	\$ 824,300
	INCREASE (DECREASE) IN CASH	\$ (1,148,500)	\$ (856,400)	\$ 292,100
	2023 YE Estimated Cash Balance		\$ 4,769,518	
	2024 YE Estimated Cash Balance		\$ 3,913,118	



# Capital Projects: 535 Stormwater

2024 Storm Capital Improvement Projects	Funded by Current Year Revenues
Annual CIPP lining	\$ 150,000
Annual Transportation SIP projects	\$ 900,000
Citywide manhole adjustment project	\$ 75,000
Citywide pipe repairs & steep slope "down drains"	\$ 200,000
Creek tunnel repairs TBD	\$ 350,000
Critical culvert/crossing repairs	\$ 300,000
Irving Park - Keene Creek GLC grant match	\$ 80,000
Non-capital storm projects	\$ 175,000
Park Point - Phase 2 sump pump laterals	\$ 150,000
<hr/> <hr/> <b>Total Project Costs</b>	
	<b>\$2,380,000</b>

\*Other projects with partial utility funding listed in Transportation Projects





# Public Works & Utilities: 535 Stormwater

## Fun Facts:

Portions of the Brewery Creek watershed, which lies within Central Hillside and Duluth Heights, received 13+ inches of rain in a 7-day period in September 2023.

## 2023 Accomplishments:

Several projects including Hillside tunnel inspections, Storm Sewer CIPP lining, MPCA Stormwater resilience planning study, etc.

## Notable Changes in 2024 Budget:

30% increase in capital investment in the City's Stormwater infrastructure over 2023

## Challenges Faced:

- Completing numerous outstanding work orders
- Working with community and City departments to ensure compliance with City's MS4 permit requirements to protect waterways

## Opportunities Ahead:

- Continuing a maintenance and inspection schedule to reduce contaminants to area streams, St. Louis River, and Lake Superior
- Implement strategies and equipment to reduce chloride use

# Financial Information: 550 Street Lighting

		Budget 2023	Budget 2024	Increase / (Decrease)
Revenues		\$ 2,593,200	\$ 2,593,200	\$ -
Expenses	Personnel Services	\$ 599,700	\$ 689,400	\$ 89,700
	Supplies	\$ 300,400	\$ 357,200	\$ 56,800
	Utilities	\$ 975,000	\$ 1,100,000	\$ 125,000
	Depreciation	\$ -	\$ -	\$ -
	Other	\$ 382,100	\$ 675,300	\$ 293,200
	Total Expenses	\$ 2,257,200	\$ 2,821,900	\$ 564,700
	Estimated Operating Income (Loss)	\$ 336,000	\$ (228,700)	\$ (564,700)
Other Sources of Cash (+)		\$ -	\$ -	\$ -
Other Uses of Cash (-)	Capital	\$ 995,000	\$ 555,000	\$ (440,000)
	Total Other Uses of Cash	\$ 995,000	\$ 555,000	\$ (440,000)
	INCREASE (DECREASE) IN CASH	\$ (659,000)	\$ (783,700)	\$ (124,700)
	2023 YE Estimated Cash Balance		\$ 889,772	
	2024 YE Estimated Cash Balance		\$ 106,072	



# Capital Projects: 550 Street Lighting

2024 Street Lighting Capital Improvement Projects	Funded by Current Year Revenues
6th Ave E CPR and overlay- 2nd Street to Copper Top	\$500,000
<b>Total Project Costs</b>	<b>\$500,000</b>



# Public Works & Utilities: 550 Street Lighting

## Fun Facts:

City staff maintains over 130 street signals and over 3,000 street light installations.

## 2023 Accomplishments:

A Traffic Operations Coordinator was hired. This position was vacant since December 2021.

## Notable Changes in 2024 Budget:

The City continues to incur increased costs to operate the Signals & Lighting system due to staffing issues.

## Challenges Faced:

- Staffing issues (currently 2 of 5 positions are vacant)
- Funding needed for signal system replacements beyond useful life
- Rising cost of electricity

## Opportunities Ahead:

- Annually review of levy needed

Questions?

