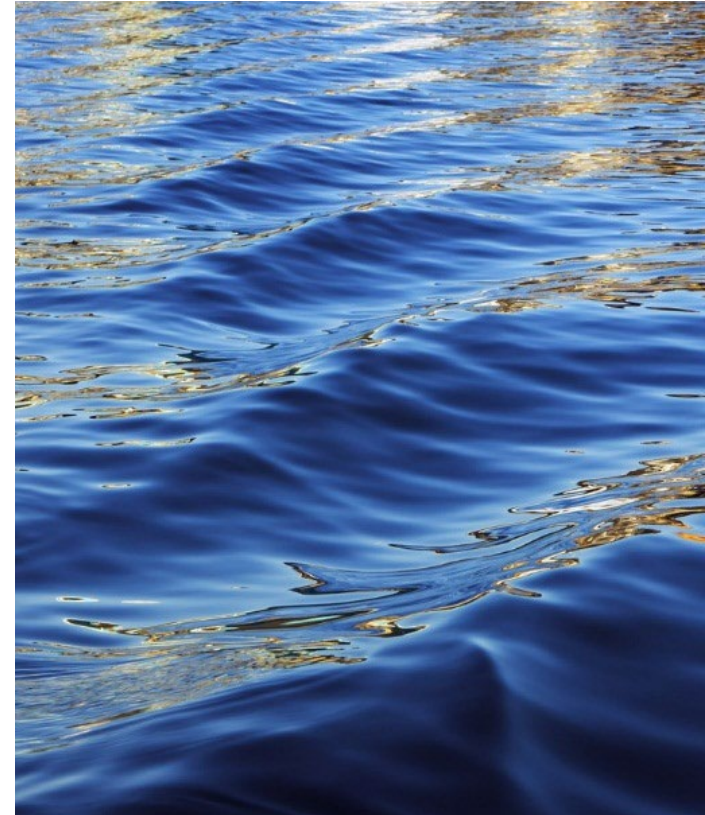




Department of Public Works

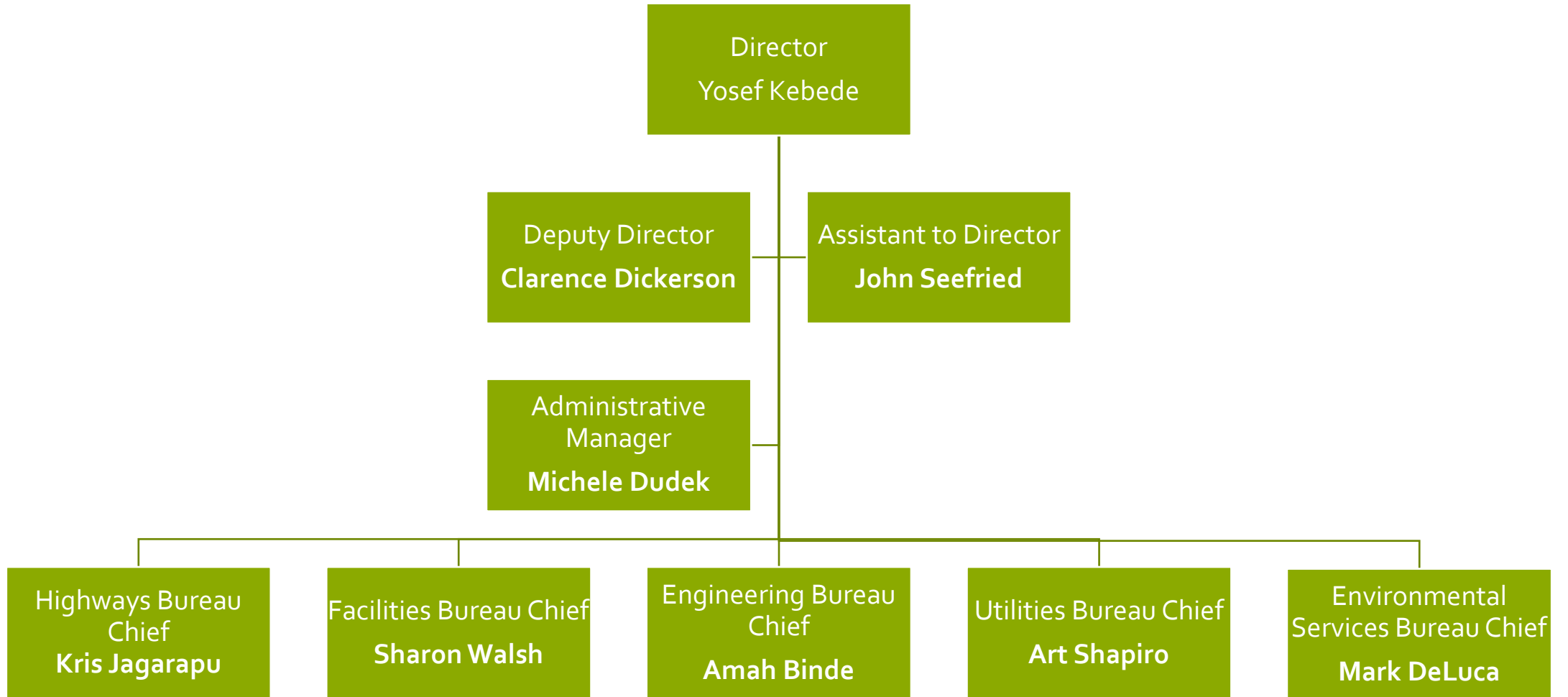
Proposed Operating Budget – Fiscal Year 2024



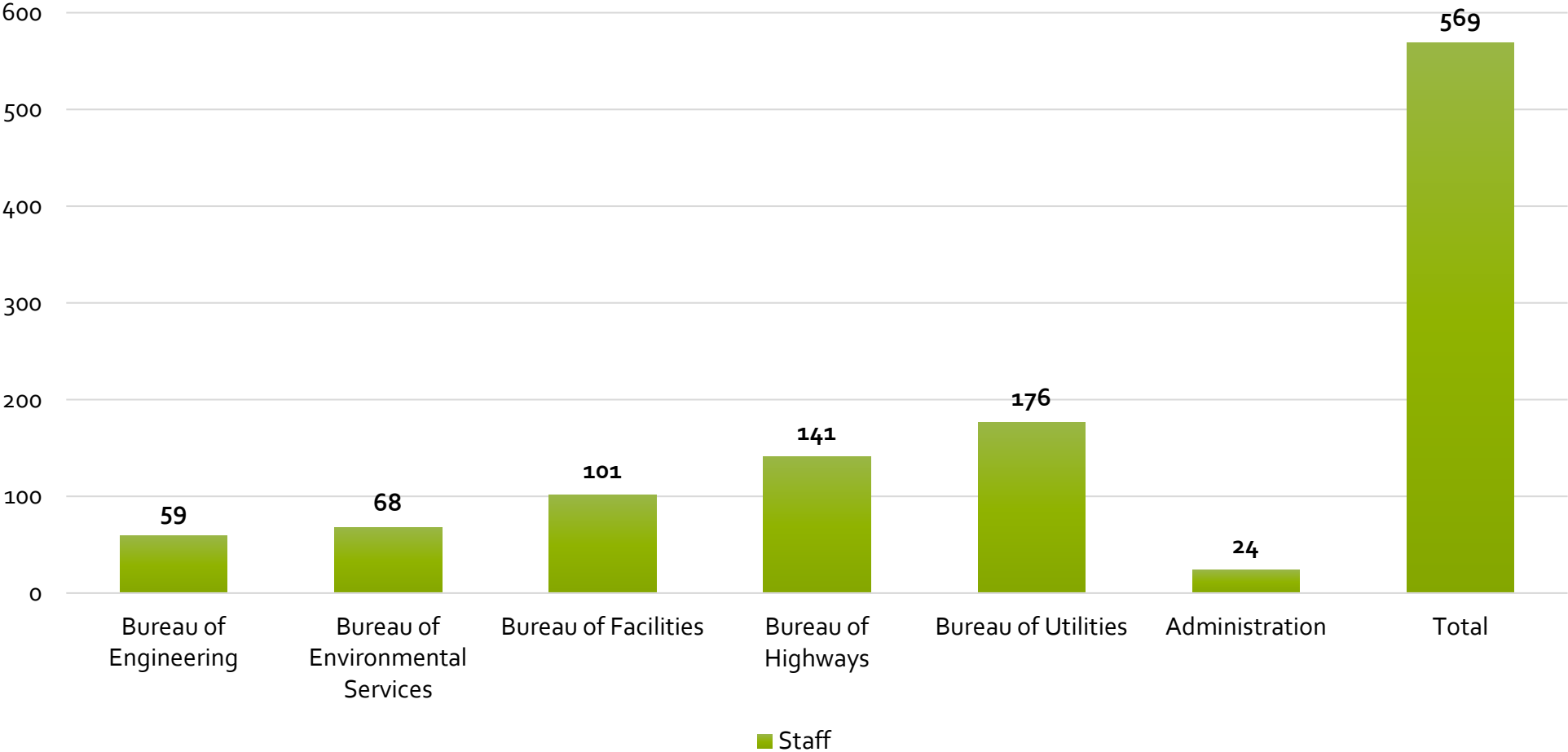
Agenda

- Overview
- FY 24 Budget Request
- Activity Profile
- Workforce Challenges and Mitigation
- Fee Increases
- Conclusion

DPW Governance Structure



Full Time Equivalents (FTE)



DPW Budget

- This is a 'maintenance of effort' budget
- Costs for construction tools and materials have increased from 5% to 25% per year in the last (2) years
- Maintenance contracts have increased from 5% to 9.5% due to higher labor rates and materials since 2022

| Fund | FY 23 | FY 24 (Proposed) | % change |
|----------------------|----------------------|----------------------|------------|
| General | \$75,854,962 | \$80,152,018 | 5.7 |
| Special Revenue Fund | \$33,343,000 | \$37,110,800 | 11.3 |
| Enterprise Fund | \$155,064,592 | \$152,541,805 | -1.6 |
| Total | \$264,262,554 | \$269,804,623 | 2.1 |

DPW Activity Profile

- Highways – 54.8% increase in service requests since FY20
- Environmental Services – 11,988 BMPs in FY 22; 15,327 projected in FY 24. One-third inspected annually
- Utilities - 20% increase (4000) in work orders over 10-yr period
- Engineering – 35 Capital Projects under Construction, 250+ Developer's projects under construction
- Facilities - 200+ facilities (6 new in FY24) with 2.7M sf; 10,286 work orders in FY23 as of 5/11/23; 5% increase over FY22 total.

Workforce Vulnerabilities and Mitigation

Vacancy Rates

- Bureau of Highways – 24%
- Bureau of Engineering – 22%
- Bureau of Utilities – 19%
- Bureau of Environmental Services – 16%
- Bureau of Facilities – 7%



Applications and Research Laboratory



Mitigation Measures

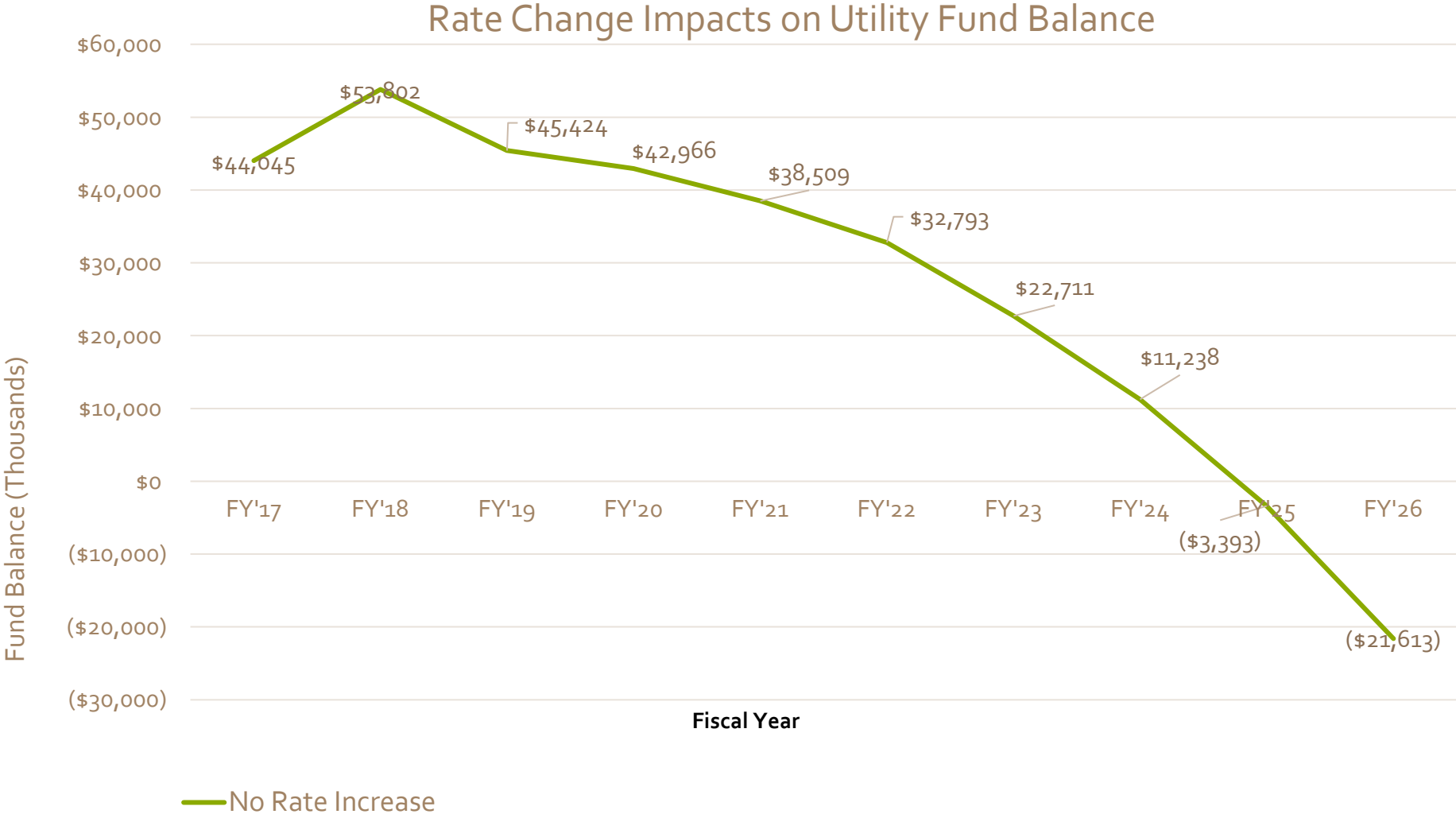
- Close coordination with HR
- Job / Career Fairs
- Close coordination with Workforce Development
- Engagement with local / regional institutions (e.g. HCC, ARL)





Proposed Fee Increases

Water and Sewer Rates



Proposed Rate Increases (Water and Sewer)

| Average Yearly Billing (Water and Sewer) | FY23 | FY24 | Increase | FY25 | Increase | FY26 | Increase |
|---|-------------|-------------|----------|-------------|----------|-------------|----------|
| Residential User | \$ 119.00 | \$ 130.90 | 10% | \$ 143.99 | 10% | \$ 158.39 | 10% |
| Commercial User | \$ 1,258.00 | \$ 1,384.00 | 10% | \$ 1,522.00 | 10% | \$ 1,674.00 | 10% |

Waste Management Rates

- **Increase in Waste Disposal Costs**

- \$43 to \$62 per ton results in approximately 44% increase in the total per ton export cost. Price increase the result of new contract in FY23

- **Increase in Total Waste Tonnage**

- Increased waste tonnages over last 3 years
 - FY20: 118,672 tons
 - FY21: 131,336 tons
 - FY22: 133,026 tons
- Increasing number of export trips to WM facility

- **Increasing debt service**

- Repayment of previously appropriated capital expenditures over next 20 years

Solid Waste Collection Rates

FY 24 Proposed Solid Waste Residential Fee Increase

Based on the Cash Flow Model from the Office of Budget and the Department of Finance Tax Assessment Database, a Trash Fee increase of \$80 is proposed for most residential households. The actual breakdown is shown in the table below.

| Service | Current Fee | FY24 Proposed Fee |
|--------------------------|-------------|-------------------|
| Recycling Only | \$39 | \$55 |
| Trash, Recycling | \$310 | \$390 |
| Trash, Recycling, YT, FS | \$325 | \$405 |

Comparison of Fees with Neighboring Counties

| | Baltimore County | Anne Arundel County | Howard County | Montgomery County | Carroll County |
|--|------------------|---------------------|--|-------------------|----------------------------------|
| Residential Trash Fee set out separately on tax bill | No | Yes | Yes | Yes | No public trash service provided |
| Amount, if yes | n/a | \$341 | \$310 [\$390] w/o yt. \$325 [\$405] w/yt/fs | \$415.20 | n/a |

Shared Septic & Watershed Protection Fee Increases

Shared Septic Program

- 24 shared septic locations
- Over 130 individual users
- Since 2021, constant per annum rate of \$535
- This rate does not support the current operation and maintenance costs
- Proposing system-specific increases to support maintenance of effort

Watershed Protection/MS₄ Program

- Approximately 45% of 182 stormwater ponds rated as “4” for critical
- Current appropriation not adequate to address current *and future* “4s”
- Proposing 37% increase to support maintenance of effort

Conclusion

- DPW budget aims to maintain level of services in the County
- Financial stressors in the market
- Learning to “do more with less”
- Optimistic outlook (federal funding, regional collaboration, enhancing workforce development efforts)