

## Accountability Counts

Since August 2011, the City of Sacramento Department of Utilities has been asking our customers what their top priorities are for the Department while it faces significant challenges with aging infrastructure and mounting regulations. The answer has been clear: Utilities customers want the Department to comply with the law and have reliable, fiscally responsible and safe infrastructure. But they also want the City to be accountable for how rates are being used. The Department has put together the following proposal on how to regularly update our customers, the Utilities Rate Advisory Commission and City Council in a transparent way through as many means as possible.

### **Step #1 Post Capital Improvement Programming Guide online**

The CIP guide spells out for customers how the Department evaluates its assets, ranks those assets in need of rehabilitation and repair, funds those projects and completes those projects. Upon approval of the proposed utility rate increases, DOU will be able to post its CIP Guide online at [www.cityofsacramento.org/utilities](http://www.cityofsacramento.org/utilities).

**Deadline: Within 2 months of approval of proposed rate increases**

### **Step #2: Obtain City Council Approval for Capital Improvement Budget**

Upon approval of the proposed utility rate increases, the Department will complete its proposed Capital Improvement Budget for 2012 and bring it to the City Council for approval. Once this budget is approved, the Department will have committed the funds for the purpose of completing capital improvements and the funds cannot be used, without prior Council approval, for other functions.

As part of the management of the Capital Improvement Program (CIP), the Department of Utilities periodically reviews project budgets and timelines. This review process results in recommended budget adjustments on a project-by-project basis to ensure financial resources are allocated such that progress continues on priority projects.

**The City Council approves a Capital Improvement Budget for DOU annually. DOU plans to present the Capital Improvement Budget to Council for approval in Spring 2012.**

### **Step #3: Post Approved Capital Improvement Budget and list of projects on website**

The Department will post the approved Capital Improvement Budget and a list of the projects to be completed during the next fiscal year on its website at [www.cityofsacramento.org/utilities](http://www.cityofsacramento.org/utilities).

**Deadline: The Department will post this information within 2 weeks of the City Council's Approval of the Capital Improvement Budget.**

**Step #4: Provide a Project “One-Sheet” for each approved CIP project and post online.**

The Department is currently drafting project “one-sheets” for each of the projects proposed for FY12/13 (see samples attached). The sheet includes the asset’s age, criticality score, and condition score, as well as its material type, location, and estimated cost of rehabilitation or repair. The Department will post each project one-sheet online at [www.cityofsacramento.org/utilities](http://www.cityofsacramento.org/utilities) so that customers can see the details for each project planned in the coming fiscal year.

***Deadline: The Department will post this information for each project before the beginning of each fiscal year.***

**Step #5: Notify customers adjacent to project areas regarding the work in their area and why the work is being completed (aging infrastructure, regulatory compliance, etc.)**

The Department will continue its practice of notifying residents and businesses adjacent to project areas of the work being completed. At a minimum, communication to the customer will be a postcard mailed to adjacent properties and a sign placed at the site of the work being completed. More complicated and invasive projects will potentially include community meetings, additional mailings, and door tags. Communications will include the project manager’s name, phone number and a URL for additional project information.

***Deadline: The Department will complete all customer communications within 2 weeks prior to the project start date.***

**Step #6: Provide semi-annual written reports to the Utilities Rate Advisory Commission and City Council regarding the progress of obtaining and securing credit and financing and status of projects.**

The Department will provide a semi-annual written report to the Utilities Rate Advisory Commission and the Sacramento City Council each quarter. The report will provide the status of obtaining and securing credit and financing, information pertaining to any new grants, loans, or other revenue received, and the status of capital improvement projects as well as any new regulatory compliance issues.

These reports will be made available to the public upon request.

***Deadline: The semi-annual written reports must be completed in January and July of each year.***

**Step #7: Provide an annual presentation to the Utilities Rate Advisory Commission where the Department will report out its annual progress.** The Commission will provide an evaluation to the Department in each of, but not limited to, the following categories:

- Use of funds in a way compatible with their funding sources (i.e. funds secured by bonds, loans, or grants are used solely for the projects they are intended for and water projects are funded by the Water Fund, etc).
- Status and completion of projects on schedule and within budget.

- Communication with the community regarding the projects, their status and their funding sources.

The Department will then share the evaluations with its customers and the City Council as part of an annual "State of Utilities" presentation to be given to the City Council in January each year. This will be posted on the website.

***Deadline: The Department will present its annual report to the Utilities Rate Advisory Commission in April each year. The Department will present its annual "State of Utilities" report to the City Council by May of each year.***

**DRAFT**

FY12/13

**SEWER PIPE CIP INFORMATION SHEET**  
**PROJECT: Congress Avenue Pipe Replacement**  
**DISTRICT #: 2**  
**SEWER FUND: 414**

Pipe  
Replacement

**1. ASSET PROFILE & LOCATION**

Asset Rank	1
Detect Score (D)	198
Minor	Moderate Critical Super Critical
0	100 200 300 400 500 600 700 800 900
Vulnerability Score (V)	247
Excellent Good Fair Poor Failed	Excellent Good Fair Poor Failed
0	50 100 150 200 250 300 350
Criticality Score (C)	191
Excellent Good Fair Poor Failed	Excellent Good Fair Poor Failed
0	40 80 120 160 200 240 280 320 360 400 440
Total CIP Score	211.3
$(0.5^*D)+(0.3^*V)+(0.2^*C) =$	211.3
Normalized CIP Score	21.17
$[(Total\ CIP\ Score)/998]^*100 =$	21.17
Est. Project Cost (2011):	\$143,316
Est. CIP Sewer Budget	
Project Funding Source	

**2. PROJECT DETAILS**

**PROJECT DESCRIPTION:**  
 Remove and replace approximately 354 feet of existing 6-inch separated system main.

**PROJECT OBJECTIVE:**  
 The project objective is to ensure the reliability of the sewer system and avoid impacts to the environment and public health.

**3. BUSINESS CASE**

**CONSEQUENCE OF FAILURE**

Reliable, high quality customer serv.	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Regulators and Environmental Impact	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Health & Safety of Public/Employees	<input type="checkbox"/> high	<input checked="" type="checkbox"/> med
Economic Impact	<input type="checkbox"/> high	<input checked="" type="checkbox"/> med
Restoration of Service	<input checked="" type="checkbox"/> <4hrs	<input type="checkbox"/> >12hrs
Location/critical facility Impact	<input type="checkbox"/> high	<input type="checkbox"/> med
	<input type="checkbox"/> high	<input checked="" type="checkbox"/> low

**LIKELIHOOD OF FAILURE**

Within the next  year  5-yrs  10-yrs

**LEVEL OF SERVICE ANALYSIS**

SSO - wet weather	<input type="checkbox"/> zero	<input checked="" type="checkbox"/> dne	<input type="checkbox"/> >one
SSO - dry weather	<input checked="" type="checkbox"/> zero	<input type="checkbox"/> dne	<input type="checkbox"/> >one
Emergency Resp. bus. hours	<input checked="" type="checkbox"/> 30 min. or less	<input type="checkbox"/> 30 min.	
Emergency Resp. after hours	<input checked="" type="checkbox"/> 30 min. or less	<input type="checkbox"/> 60 min.	

**PROJECT BENEFIT**

Improves reliability of sewer system and avoid impacts to environment and public health.

**NON CRITICAL INFORMATION ONLY**

**MISCELLANEOUS**

**RELATED ISSUES:**  
 Potential for SSO to occur.

**IMPACTS:**  
 Regulatory, Environmental, Public Health

