



## **MEMORANDUM**

**DATE:** August 8, 2017  
**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Chuck Springer, Director of Finance  
**SUBJECT:** City Council Budget Questions and Responses

Information regarding the FY 2017-18 Preliminary Budget was presented to the City Council on June 5<sup>th</sup>. Department presentations have been presented on June 5<sup>th</sup>, 6<sup>th</sup>, 13<sup>th</sup>, 20<sup>th</sup> and 27<sup>th</sup>, July 18, and 25<sup>th</sup>, and Aug 1, 2017. Below is a summary of the most recent questions and requests, from the City Council as I understand them, and the responses compiled to date.

### **1. Please provide information on the cost of After School Action Site and the Summer Camp program.**

The After School Action Site program runs during the school year with a current rate of \$160 per month, or an approximate annual total of \$1,600.

- Hours of Operation from 3:30pm to 6:30pm, 5 days a week, for 10 months
- Pickup from school campus
- Supervised activities
- Assistance with homework

The Summer Camp Program runs during the summer with a current rate of \$120 per week, with a summer total of \$1,200.

- Hours of Operation from 7:00am to 6:00pm, 5 days a week, for 10 weeks
- Supervised Activities
- Field trips within DFW Metroplex that includes visiting water parks, amusement parks, and local attractions.

The additional enrollment numbers for the summer camp program require additional van rentals, staff, and field trip costs.

**2. Please provide information on the revenue funded capital program in water.**

<b>Water Revenue Funded Projects</b>	<b>2018</b>
Southwest Booster Pump Station Supply Line Improve	\$230,000
Lake Lewisville Raw Water Transmission Line	\$4,000,000
Lake Lewisville WTP Upgrade Phase II	\$8,000,000
Performance and Regulatory Upgrade of RRWTP	\$950,000
Redundant SCADA Radio Network	\$220,000
FY 17-18 Field Service Replacements	\$1,433,876
Revenue Funded Infrastructure Replacement	\$2,000,000
Ruddell Extension at Mingo Road Utility Relocation	\$730,000
McKinney Street Widening - Loop 288 to Grissom Rd	\$1,050,000
Fire Hydrant Replacements	\$50,000
Miscellaneous Equipment	\$10,000
Water Meter Installations	\$975,000
Vehicles	\$340,000
<b>2018 Revenue Funded Water Projects</b>	<b>\$ 19,988,876</b>

**3. Please provide more information on the Mosely Road landfill.**

The Moseley Road landfill was permitted in 1975 as a Type 1 Municipal Solid Waste (MSW) facility and is located on approximately 74 acres owned by the City of Denton. The property is located approximately 4.5 miles east of Denton on Moseley Road, approximately 1.2 miles south of Highway 380. The facility has been closed since 1984.

The MSW permit issued by the Texas Department of Health, the predecessor to the Texas Commission on Environmental Quality (TCEQ), indicated the landfill began operation in 1961. On January 3, 2000, the Texas Natural Resource Conservation Commission (also a predecessor to the TCEQ) records review showed the facility had ceased to accept waste, completed all activities necessary to place the landfill into post-closure, completed the required post-closure care period, and received confirmation from the agency that the file for the facility had been marked "closed." As such, the permit has expired and no resumption of waste disposal activity may occur without submitting an application to the

TCEQ for a new permit. Presumably, since at least 1975, the landfill was constructed and operated using the “area fill method”, with daily refuse compacted and covered with 6 inches of compacted soil. All excavations receiving waste were lined with a minimum of 3 feet of compacted low permeability clay to separate the waste from shallow groundwater. Waste material disposed at the facility was typical municipal solid waste generated by the City and several smaller communities.

Two surface water seepages have developed along the base of the west side slope of the facility. Samples have been collected and analyzed, and results of the analytical tests indicate the water seepages represent either storm water that has penetrated the landfill cap and contacted waste prior to seepage, leachate, or a combination of the two.

At this point, staff anticipates that the seepage areas will need to be regraded and covered with a minimum of 3 feet of compacted low permeability clay. Final grading of the entire area is needed in order to promote controlled storm water runoff. Soil and landfill settlement has created low areas where rain water may pond and infiltrate into the landfill. By filling in the low areas and repairing soil erosion, future surface water seeps will be eliminated (or greatly minimized). After grading is completed, vegetative cover will be established by reseeding.

Site access issues are currently being worked out so that Moseley Road, which is owned by the Town of Crossroads, is impacted as minimally as possible. After site access has been resolved, a response plan will be provided to the TCEQ that includes the remediation steps outlined above. The timeline and expected costs are contingent on TCEQ’s review timeline, agency requirements, and site access issues. To prevent further issues until the above response plan is approved, staff has temporarily repaired the existing seepage areas.

The Moseley Road landfill was closed prior to enactment of current requirements of modern landfill standards, as generally described in 40 CFR B - RCRA Subtitle D Non-Hazardous Waste Landfills (often referred to as RCRA Subtitle D). The Mayhill landfill, however, is required to comply with these standards. Requirements of RCRA Subtitle D include modern landfill liners, groundwater monitoring requirements, air emission requirements and dedicated funding for closure and post closure. Since Moseley was closed well before these requirements were in place, there are no post closure funds set aside to cover expenditures associated with any post closure compliance issues. Therefore, funds must come from the Solid Waste budget as described in the July 26, 2017 budget presentation. Closure and post closure funding is required to be budgeted each year and placed in a dedicated account for the Mayhill landfill. As a result, funding will be in place to close the Mayhill landfill and resolve any future mitigation issues.

**4. Please provide information on the Traffic LED cost savings.**

The City of Denton Traffic Operations Department sought out LED manufacturers and services in 2002 and then put together a program to replace all the traffic signal incandescent bulbs with the latest LED technology. In February 2003, an ordinance was approved by City Council and by October of that year, all the traffic signal indications had been changed out to LED. After this change out, an electric power consumption analysis was performed using actual monthly bills from DME to determine a cost savings to the city.

At a traffic signalized intersection, there are other components that draw electricity besides the LED indications themselves. These included items such as pedestrian indications, roadway lighting, status monitoring, controllers, and detection devices. The comparison and the results were based upon the electric consumption with all devices running before and after the LED change out.

For the LEDs only, the total wattage for the replaced incandescent bulbs was 135 Watts and the new LED light replacements models varied between 6 and 10 Watts each. The power consumption savings based upon the old and new wattages was 92.8%. The electricity bill results showed that the new power consumption at each intersection, with all devices running, dropped by 80%. The cost savings per year for all the traffic signalized intersection calculated in 2003 was \$82,505, by that, the payback for all the LEDs and services paid for itself in 4 years and 2 months.

This energy decrease was so significant, DME determined that it was not worth sending a meter reader out each month to collect the electric usage. Traffic Operations collaborated with DME and removed all the electric meters on traffic signal services and replaced them with bypass devices, allowing DME to charge a flat rate for each intersection's electric usage. This joint project eliminated the need for electric meter reading, electric meter maintenance, and electric monthly billing services.

Change-over from incandescent to LED continued as bulbs needed replacement and as budget allowed, until a complete changeover was accomplished by FY 2015-16. The budget to pay the electricity cost for the flat-rate usage for traffic signals is in the Street Lighting budget.

- 5. Please provide information on the Airport. Provide a Pro Forma on the Airport revenues and expenditures. Provide information on use of Airport Gas Well funds for Capital Projects. Provide a Pro Forma on hanger (including land) revenues versus hanger expenses. Provide information on ad valorem and sales tax revenues on generated airport property. Provide a breakdown of US Aviation revenues realized by the City.**

This information will be provided to the City Council at a subsequent City Council meeting.

- 6. Please provide information on the breakdown of how advertising dollars are spent in the General Fund.**

This information will be provided to the City Council at a subsequent City Council meeting.

- 7. Please provide information on how many dollars there are in the operating budget for replacement of sidewalks.**

Funds are budgeted in the Street fund for sidewalks and ADA ramps. These funds are used to repair damaged sidewalks, trip hazard, curb/gutters and upgrade ADA ramps. New sidewalks may be constructed if it is a small section usually less than 20 – 50’.

	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b>Sidewalk funding</b>	\$1.301 million	\$1.301 million	\$1.611 million

Exhibit 1 provides a list of main sidewalk projects completed in each fiscal year.

- 8. Please provide information on the breakout of vehicle maintenance by type of vehicle.**

This information will be provided to the City Council at a subsequent City Council meeting.

- 9. Please provide information on the breakdown of Keep Denton Beautiful expenses and income, specifically, sources of funds (private donations, grants, city funding with source of funds identified), rents paid (and source of funding), salaries, amounts fundraised, and distributions.**

This information will be provided to the City Council at a subsequent City Council meeting.

**10. Please provide information on why there is an increase in object code 7915 Sister Cities in the General Fund.**

These funds are used for expenses related to our friendship City Muzquiz, Mexico and any other expenses related to international visitors. These funds are budgeted in the Economic Development division. During the budget process, Economic Development transferred \$1,000 from another line item increasing the budget from \$1,500 to \$2,500 to cover estimated expenses in the upcoming fiscal year.

### Street Department Sidewalk Maintenance Projects

As part of their yearly Operating budget, the Street Department has approximately \$1 million set aside to replace existing sidewalks, install curb and gutter, address ADA ramp upgrades, and repair trip hazards.

#### 2016-2017

Replaced 2.0 miles of sidewalk and approximately 40 ADA ramps. Below is a listing of some of FY 16-17 projects.

<u>Street</u>	<u>Limits</u>	<u>LF</u>	<u>ADA ramps</u>	<u>Cost</u>
Pearl	Denton to Carroll	873		\$43,216
Congress	Carroll to Bolivar	417	1	\$46,216
McCormick	Parvin to Willowwood	3,603	16	\$239,628
Parvin	Willowwood to Mercedes	494	3	\$29,474
Fulton	Oak to Gregg	194	2	\$9,689
Colorado	Mayhill to Loop 288	711		\$35,658
Hilcroft	2600, 2604, 2608	132		\$4,872
Mulberry	301	79		\$3,605

#### 2015-2016

Replaced 2.28 miles of sidewalk and approximately 51 ADA ramps. Below is a listing of some of the FY 15-16 projects.

<u>Street</u>	<u>Limits</u>	<u>LF</u>	<u>ADA ramps</u>	<u>Cost</u>
Congress	Carroll to Ponder	3,417	25	\$295,316
W. Oak and Bolivar		415		\$29,112
Fulton		707	5	\$45,479
Lido Way		250	4	\$29,683
Hope and Providence		697	4	\$51,809
Providence	912-916	146		\$12,961
Syacmore and Industrial		324	3	\$28,518

#### 2014-2015

Replaced 1.29 miles of sidewalk and approximately 27 ADA ramps.