

Environment Committee

Meeting date: January 22, 2013,
For the Council Meeting of March 13, 2013

ADVISORY INFORMATION

Date:	January 16, 2013
Subject:	2013 Unified Operating Budget Amendment
District(s), Member(s):	All
Policy/Legal Reference:	Council Admin Policy 3-1 and Procedure 3-1a / MN Statute 473.13- Council Budget Requirements
Staff Prepared/Presented:	John Atkins 651-602-1020
Division/Department:	MCES / ES-Finance

Proposed Action

That the Metropolitan Council amend the 2013 Unified Operating Budget to increase expenditures by \$3,318,781 funded through the use of Wastewater Operating Contingency Reserves.

Background

\$2,318,781 of expenses were budgeted in 2012 and were approved in that Unified Budget, but due to delays the funds were not expended through the end of 2012. These delays were caused by issues of scheduling, design, contract and bidding, along with parts availability and competing priorities. These expenses were not budgeted for 2013, however these are necessary works in progress and management and recommends carrying forward the budget via this amendment:

- \$1,472,091 Maintenance projects
- \$465,850 Contracted Services and Consultant agreements
- \$311,400 Computer software and hardware costs
- \$69,440 Capital Outlays

In addition, MCES determined in the fall of 2012 that due to 2013 capital projects, the Metro and Empire WWTPs will likely incur substantially increased operating costs for the transportation and disposal of stabilized bio-solids. These costs were not anticipated during the 2013 budget process and therefore not included in the 2013 Operating budget:

- \$1,000,000 Estimated cost associated with bio-solid transportation and disposal

Rationale

This amendment authorizes funding projects and purchases that management believes are needed for MCES operations and maintenance, through the use of Wastewater Operating Reserves.

Funding

These projects or purchases were authorized through a prior budget but not spent in 2012 and the funds at year end are transferred into the Wastewater Operating Contingency Reserve. This amendment makes that surplus available to complete the work and will not cause reserves to fall below the 10% Council Target Reserve Balance policy level.

Known Support / Opposition

None.

