

Utilities

The County utilities are comprised of the Sewer Utility (and all related funds), Water Utility and Solid Waste Sewer Revenue Bonds.

Major Accomplishments in 2002

In September, 2002, the Department's new Environmental Services Building (ESB) located in University Place was completed and opened for business. The ESB houses 80 employees from the **Sewer Utility**, Solid Waste Division, Water Programs, and related administrative programs. The ESB was just one of five Chambers Creek Master Site Plan projects completed in 2002 all designed to transform the former County road shop and commercial gravel pit. Other projects completed in 2002 in conjunction with building included: two multipurpose playfields adjacent to the ESB which will be open for use in fall 2003; a plaza with a contemplative walking area known as a Labyrinth; the second and third segments of the Grandview/64th Street Trail and Buffer, which will extend the current paved trail to more than one mile in length; and, road improvements to the north side of 64th Street West in front of the ESB (a jointly funded project with the City of University Place).

2002 was also a busy construction year for the Chambers Creek Regional Wastewater Treatment Plant (WWTP). The Southend SCADA project which is an ongoing effort to design and install an automated supervisory control and data acquisition system at the Southend of the Chambers Creek WWTP was substantially completed in 2002. Along the same lines, installation of similar technology for the Collection System was nearly completed in 2002 as well. Substantial progress was made in 2002 to convert from using chlorine contact chambers as a primary means of disinfecting effluent to the use of ultra violet disinfection. The retrofitting of the chlorine contact chambers and the installation of the Wedeco Ultra Violet system was completed this year with rigorous performance testing to follow in 2003. 2002 also saw the completion of a multi year, approximately \$7 million upgrade to the WWTP's three existing digesters to enhance performance and provide additional system capacity and reliability.

Construction of sewer system improvements occurred throughout the County in 2002. Construction commenced on the last phase of the Spanaway Loop Pump Station Bypass. Once completed, this project will allow the Spanaway Loop Pump Station to be retired by extending a 72 " diameter gravity sewer line. This improvement will enhance the ability to provide sewer capacity to the service areas east of I-5. Also commenced in 2002 was the Canyon Road Interceptor Project – Phase 2 which involves the extension of gravity sewer mains along the Canyon Road commercial corridor, from 160th Street to 116th Street. This improvement will allow the Sewer Utility to meet the intent of the County's comprehensive plan by providing urban infrastructure needs in the urban growth area.

System expansion through development also continued in 2002. 1,699 single family units, 376 multi family units, and 32 new commercial accounts were added through the efforts of the Development Engineering Section. In addition, 8.36 miles of public sewer line and 10.90 miles of private sewer lines were added to the County's system.

Finally, 2002 saw the completion of the transfer of sewer facility and treatment capacity on the Bonney Lake plateau from Pierce County to the City of Bonney Lake. The transfer agreement, which was several years in the making, transferred County interests in the Sumner WWTP and collection system on the plateau. In exchange, Bonney Lake assumed the role of sole sewer provider for that service area and will provide sewer service to unincorporated Pierce County residents in that area.

The **Solid Waste Division** took the **Pierce County Responds** program public in January 2002.

Program elements launched this year included: the Pierce County Responds Hotline; the prosecution of the Dirty Dozen (the twelve worst illegal dumpsites in Pierce County); a program to

assist property owners manage small quantities of illegally dumped waste; crafting of the beginnings of a program to assist property owners with the removal of nuisance vehicles; the development and passage by

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Utilities

County Council of a sustainable budget to carry the program for at least five years. By the end of 2002, the Pierce County Responds hotline received over 2000 calls, four of the original Dirty Dozen sites were cleaned of all illegal dumping and junk vehicles, and one Dirty Dozen property owner was sentenced to two and a half years in the County Jail.

Building upon a successful partnership with City of Tacoma on the handling of household hazardous waste, the Division co-sponsored an electronics recycling event at Cheney Stadium in May – the first such event held in the South Puget Sound region. 600 Tacoma residents and over 1200 from the rest of Pierce County participated in this two-day event.

Also during 2002, the Solid Waste Division participated in the following community fairs and celebrations: Tacoma Dome Home and Garden Show (January); Livable Communities Fair (February); Puyallup Spring Fair (April); Parks Appreciation Day (April); Meeker Days (June); Pierce County Fair (August); Western Washington Fair (September); Nisqually Watershed Festival (September); Naturefest (October); and the Holiday Gift Festival (October). In addition, Environmental Educators provided classroom presentations, adult education services, and resource loans that reached over 18,500 Pierce County residents.

During 2002, staff assigned to the **CWSP** and **Water Utility** participated in the development of technical assessments for three multi-stakeholder watershed management plans under the Watershed Management Act for the Nisqually, Kitsap and Chambers Water Resource Inventory Area (WRIA). Additionally, staff developed preliminary cost estimates and participated in discussions with retail water purveyors interested in the County's possible supply of Chambers Creek Properties water on a wholesale basis.

DEPARTMENT BUDGETS				
Department Name	2002 Budget	2003 Budget	Absolute Change	Percent Change
Sewer Facil Restricted Reserve	\$ 21,759,880	\$ 16,036,530	\$ (5,723,350)	(26.3) %
Sewer Revenue Bonds	6,634,340	6,541,670	(92,670)	(1.4)
Sewer Utilities Fund	40,962,040	39,164,420	(1,797,620)	(4.4)
Sewer Utility Construction	32,255,000	23,479,000	(8,776,000)	(27.2)
Solid Waste Management Fund	5,589,840	5,664,540	74,700	1.3
Water Utility Fund	432,880	426,490	(6,390)	(1.5)
Total Utilities	\$ 107,633,980	\$ 91,312,650	\$ (16,321,330)	(15.2) %

Sewer Revenue Bonds *Enterprise Fund*

Departmental Summary:

This fund is used to accumulate monies for repayment of the following bond issues:

Limited Tax General Obligation Refunding Bonds, 1997:

The \$12,330,000 general obligation refunding bonds, which currently refunded \$5,260,000 of the Limited Tax General Obligation Refunding Bonds, 1987 and currently refunded \$6,655,000 of the Limited Tax General Obligation Sewer Refunding Bonds, 1987, are serial bonds due in annual installments ranging from \$397,000 to \$2,235,000 plus interest of 3.80% to 4.90%. Financing is provided from the General Fund regular tax levy for the principal amount of \$5,455,000 plus interest thereon and from revenues of the sewer utility for the principal amount of \$6,875,000 plus interest thereon. The bonds are not callable. The outstanding bonds balance on December 31, 2002 for the general fund and the sewer utility fund are \$960,000 and \$1,275,000, respectively.

Sewer Improvement and Refunding Revenue Bonds, 1993:

The \$36,900,000 Sewer Improvement and Refunding Revenue Bonds, which advance refunded the outstanding bonds at July 1, 1993 for the Sewer Revenue and Refunding Bonds, 1985; the Sewer Revenue Bonds, 1989; the Sewer Revenue Bonds, 1991; and the Sewer Revenue Bonds, 1992; and which provided financing for the purchase of land for expansion of the sewage treatment facility, are a combination of serial and term bonds as follows: (a) Serial bonds maturing in annual installments of \$955,000 to \$2,665,000 plus interest of 2.65% to 5.45%. The final serial bond maturity is February 1, 2008. (b) Term bonds maturing on February 1, 2013 in the amount of \$6,305,000 at 5.625%. Mandatory call provisions of the term bonds begin February 1, 2009, in the average annual amount of \$1,261,000 until the year 2013. The outstanding balance at December 31, 2002 is \$13,300,000.

Sewer Revenue Bonds, 1997:

The \$1,510,000 sewer revenue bonds, which were issued to provide sewer service to the South Hill area, are a combination of serial and term bonds as follows: (a) Serial bonds maturing in annual installments of \$75,000 to \$80,000 plus interest of 5.00% to 5.55% and having a final of February 1, 2014. (b) Term bonds maturing on February 1, 2017 in the amount of \$225,000 and interest of 5.70% and having mandatory calls of \$75,000 in each of 2015 and 2016. The outstanding balance at December 31, 2002 is \$1,125,000.

Sewer Revenue Bonds, 2001:

The \$18,495,000 sewer revenue bonds, which were issued to provide sewer service to the Dupont area, are serial bonds due in annual installments ranging from \$915,000 to \$1,100,000 plus interest of 4.25% to 5.10%. Bonds maturing August 1, 2009 through August 1, 2012 are callable beginning August 1, 2002 or on any scheduled interest payment date thereafter from excess ULID assessment payments. Bonds maturing on or after August 1, 2012 are callable on August 1, 2011 or on any scheduled interest payment date thereafter. The bond balance on December 31, 2002 is \$17,580,000.

Sewer Revenue Bonds

FINANCIAL SUMMARY

Bond Issue	2003 Revenue	2003 Expense
Sewer Revenue Bonds Accounts		
Operating Transfer from Sewer Assessment Account	\$ 2,297,090	\$ —
Operating Transfer from Sewer Revenue Bond Reserve Account	305,000	
Principal	—	990,000
Interest and Amortization Expense	—	1,612,090
Subtotal	2,602,090	2,602,090
Ltd Tax General Obligation/Sewer Revenue Bond Accounts		
Operating Transfer from Sewer Maintenance Fund	1,337,490	—
Principal	—	1,275,000
Interest and Amortization Expense	—	62,490
Subtotal	1,337,490	1,337,490
Assessment Collection Account		
Assessments Receivable	997,090	—
Interest and Penalties on Assessments	1,200,000	—
Investment Interest	100,000	—
Operating Transfer to Sewer Revenue Bond Account	—	2,297,090
Subtotal	2,297,090	2,297,090
Sewer Revenue Bond Reserve Account		
Investment Interest	155,000	—
Operating Transfer to Sewer Bond Account		305,000
Use of Fund Balance	150,000	—
Subtotal	305,000	305,000
Grand Total	\$ 6,541,670	\$ 6,541,670

Sewer Utilities Fund

Enterprise Fund

The mission of the Sewer Utility is to provide customers with high quality, cost effective sanitary sewer services by collecting and treating all wastewater generated from County service areas in accordance with applicable Local, State and Federal permit requirements.

Departmental Summary:

The Sewer Utilities Fund accounts for all activities involved with the collection and treatment of wastewater produced within unincorporated Pierce County. The fund is under the administration of the Public Works and Utilities Department. The system currently is comprised of an 24 million gallon a day secondary treatment plant located near the Chambers Creek entrance to Puget Sound, over 576 lineal miles of collection and transmission pipe, 80 major pumping stations, and over 900 minor pumping stations. The Sewer Utility's major service areas include University Place, Lakewood, Parkland, Spanaway, Frederickson, South Hill, Puyallup, Brown's Point, Midland, Milton, Dupont, and the lower Hylebos area of northern Pierce County. The department works with Steilacoom, Federal Way Water and Sewer, and Tacoma in the area of wastewater collection and treatment under different interlocal sewerage service agreements.

The fund's major activities revolve around the maintenance of the pumping stations, collection system, and the treatment plant facilities as well as the treatment of wastewater at the Chambers Creek Wastewater Treatment Plant. When required, the fund finances construction projects, which benefit its customers. The fund derives its revenues predominately from customer user charges and development permit fees.

Budget Highlights:

The recommended 2003 Sewer Utility budget is 4.4% below the current year, due primarily to a reduced allocation for capital projects. The budget reflects the operating costs of the new Environmental Services Building, major capital improvement allocations (\$7.9 million), and a rate study analysis.

Performance Measures

- | | |
|--|--|
| <p>1) During 2003, comply with the NPDES permit effluent requirements by providing treatment and disinfection for 100% of the wastewater received at the Chambers Creek Regional Wastewater Treatment Plant. (Goals B, H, I)</p> | <p>2) Continue pre-design of the Chamber Creek Properties Golf Course and establish the schedule and timing for final design and selection of funding opportunities by December 31, 2003. (Goals B, D, E, G)</p> |
|--|--|

FUNDING SOURCES

	2000 Actual	2001 Actual	2002 Budget	2003 Budget	Absolute Change	Percent Change
Est Use Of Begin Fund Balance	\$ —	\$ —	\$17,150,060	\$15,883,070	\$ (1,266,990)	(7.4) %
Intergovernmental Revenue	1,173	491,707	254,890	—	(254,890)	(100.0)
Charges For Services	20,384,491	21,117,055	21,730,500	22,660,300	929,800	4.3
Miscellaneous Revenue	1,476,398	1,118,371	1,128,000	470,000	(658,000)	(58.3)
Contributed Capital	—	94,353	—	134,000	134,000	∞
Other Financing Sources	(340,299)	(598,573)	698,590	17,050	(681,540)	(97.6)
Total	\$21,521,763	\$22,222,913	\$40,962,040	\$39,164,420	\$ (1,797,620)	(4.4) %

Sewer Utilities Fund

PROGRAM EXPENDITURES

	2002 FTE	2003 FTE	2002 Budget	2003 Budget	Absolute Change	Percent Change
Collection System Maintenance	34.00	34.00	\$ 3,985,890	\$ 4,225,310	\$ 239,420	6.0 %
Wastewater Treatment O & M	37.20	37.20	7,097,810	7,286,330	188,520	2.7
Admin, Engineering, & Planning	33.46	33.46	7,079,440	7,053,870	(25,570)	(0.4)
Depreciation/Depletion	—	—	9,730,820	11,023,220	1,292,400	13.3
Debt Service	—	—	1,336,720	1,337,490	770	0.1
Capital Improvement Program	—	—	11,731,360	8,238,200	(3,493,160)	(29.8)
Total	104.66	104.66	\$40,962,040	\$39,164,420	\$ (1,797,620)	(4.4) %

WORKING CAPITAL SUMMARY

	2002 Estimate	2003 Budget
Operating Revenues		
Charges for Services	\$ 21,710,380	\$ 22,660,300
Grant Reimbursements	5,170	—
Subtotal	21,715,550	22,660,300
Operating Expenses		
Administration and Planning	7,277,700	7,053,870
Collection Systems Maintenance	3,882,820	4,225,310
Wastewater Treatment O & M	6,831,610	7,286,330
Depreciation/Depletion	9,985,760	11,023,220
Subtotal	27,977,890	29,588,730
Net Operating Income (Loss)	(6,262,340)	(6,928,430)
Non-Operating Revenue (Expense)		
Interest Income	340,000	340,000
Miscellaneous	388,300	130,000
Operating Transfers - Parks	575,000	—
Operating Transfers - Debt Service	(1,336,720)	(1,337,490)
Subtotal	(33,420)	(867,490)
Net Operating Income (Loss)	(6,295,760)	(7,795,920)
Other Sources (Uses) of Working Capital		
Depreciation/Depletion - add back	9,985,760	11,023,220
Equipment Purchases	(381,130)	(333,200)
Construction/Asset Acquisition	(9,972,480)	(7,905,000)
Contributed Capital	(209,550)	151,050
Subtotal	(577,400)	2,936,070
Net Increase (Decrease) in Working Capital	\$ (6,873,160)	\$ (4,859,850)

Sewer Utilities Fund

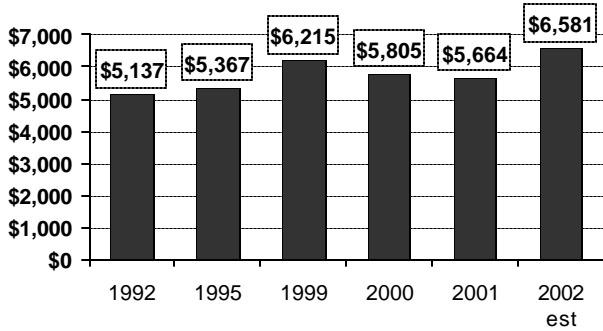
STAFFING SUMMARY						
	1998 FTE	1999 FTE	2000 FTE	2001 FTE	2002 FTE	2003 FTE
Dir – Public Works & Util	0.20	0.33	0.33	0.33	0.23	0.23
Deputy PW & Utilities Dir	0.20	0.33	0.33	0.33	0.23	0.23
WW Utility Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Svcs Mgr	0.50	0.50	0.50	0.50	0.50	0.50
Special Asst to Dir of PW & U	—	—	—	0.70	0.90	0.90
WWTP Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer	9.00	9.00	9.00	9.00	9.00	9.00
WW Collection System Mgr	1.00	1.00	1.00	1.00	1.00	1.00
WW Construction Proj Mgr	1.00	1.00	1.00	1.00	1.00	1.00
WWTP Engineer	—	—	—	—	1.00	1.00
WW Asst Coll System Mgr	—	—	—	—	1.00	1.00
WWTP Chief Operator	1.00	1.00	1.00	1.00	1.00	1.00
WWTP Lab Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
WWTP Maint Supv	1.00	1.00	1.00	1.00	1.00	1.00
Right of Way Agent	0.50	0.50	0.50	0.50	0.50	0.50
WW Coll Maint Supv	2.00	2.00	2.00	2.00	2.00	2.00
Admin Program Mgr	0.40	0.40	0.40	0.40	0.40	0.40
Engineering Tech	6.50	7.60	9.00	10.70	11.00	11.00
Planner	1.50	2.00	1.50	1.50	1.00	1.00
WWTP Lab Analyst	1.00	1.00	1.00	1.00	1.00	1.00
WW Maint Spec Elec	3.00	3.00	3.00	2.00	2.00	2.00
WW Maint Spec Inst	3.00	3.00	3.00	4.00	4.00	4.00
WW Maint Spec Mech	2.00	2.00	3.00	3.00	5.00	5.00
Accounting Assistant	3.90	3.85	3.85	3.85	3.80	3.80
WWTP Operator	11.00	11.00	10.00	10.00	10.00	10.00
WW Coll Maint Tech Lead	—	—	3.00	3.00	3.00	3.00
WWTP Laboratory Tech	—	1.00	1.00	1.00	1.00	1.00
WWTP Pretreatment Tech	—	—	—	—	3.00	3.00
Supervisory Admin Asst	0.55	0.55	0.55	0.55	0.55	0.55
WW Maint Tech	18.00	20.00	21.00	25.00	24.00	24.00
Administrative Asst	—	—	1.00	0.75	0.55	0.55
Office Assistant	9.00	9.00	9.00	9.00	9.00	9.00
WW Inventory Expeditor	1.00	1.00	1.00	1.00	1.00	1.00
WWTP Utility Worker	1.00	1.00	1.00	1.00	2.00	2.00
WW Asst Const Proj Mgr	1.00	1.00	1.00	1.00	—	—
WWTP Lab/Pretmt Tech	4.00	3.00	3.00	3.00	—	—
Exec Dir - Operations	0.50	0.50	0.50	—	—	—
Executive Secretary	0.50	0.50	0.50	—	—	—
Asst to Exec Dir of Oper	0.40	1.00	0.70	—	—	—
WW Maint Tech Lead	4.00	4.00	1.00	—	—	—
GIS Technician	—	—	0.60	—	—	—
WW Maint Worker	7.00	5.00	4.00	—	—	—
Water Resources Manager	—	—	—	—	—	—
Total	98.65	101.06	103.26	102.11	104.66	104.66

Sewer Utilities Fund

WORKLOAD SERVICE DATA							
	Unit of Measure	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Estimate
Laboratory analysis	Tests	28,500	25,115	26,145	28,806	25,000	25,000
Pretreatment program	Reviews	2,001	1,553	2,301	1,425	1,500	1,500
Accidental spill prev program	Reviews	971	572	731	492	500	500
Residual hauling/acceptance	Wet tons	10,487	10,588	12,648	14,359	13,000	13,500
Residual dryness	Percentage	17.5	16.4	15.7	15.2	15.6	15.6
Avg daily wastewater flow rec.	ADF/MGD	15.0	16.3	14.4	15.2	16.0	16.3
Preventative maintenance	Orders	5,046	5,268	4,860	4,787	4,986	6,186
Pump station maintenance visits	Visits	3,883	3,837	3,610	4,340	4,000	4,000
Auxiliary power system maint.	Visits	1,110	1,087	1,055	1,267	1,000	1,100
Residential grinder pump	Visits	1,275	1,138	1,364	1,330	1,138	1,200
Sewer line cleaning	Linear Ft	671,146	653,052	668,322	662,595	650,000	650,000
Sewer utilities locates	Visits	12,789	16,776	16,002	12,559	12,000	12,500
Smoke testing	Linear Ft	320,369	337,600	346,480	357,083	320,000	320,000
Sewer manhole	Repairs	910	1,135	1,025	581	500	600
Inflow and Infiltration	Repairs	n/a	338	405	427	300	350
Television inspection	Linear Ft	243,038	276,914	236,346	241,606	225,000	225,000
Emergency pump station calls	Incidents	100	100	81	114	133	135
Sewer line blockages	Incidents	14	15	25	10	29	29
Active billing accounts	Accounts	36,279	38,108	40,378	42,334	43,330	45,950
Permits, reviews and inspections	Cases	4,383	4,849	4,211	4,997	5,000	4,900
Collector pipe	Miles	506	531	537	576	589	600

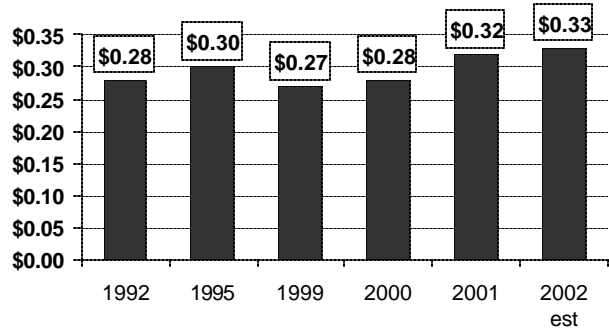
BUDGET RATIOS

Maintenance Cost per Mile of Pipe



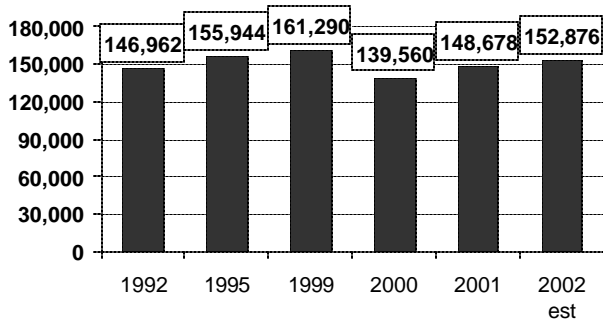
❖ From 1992 to 2002 the maintenance cost per mile of collection pipe increased 28% after adjusting for inflation.

Treatment Cost per Daily Gallon



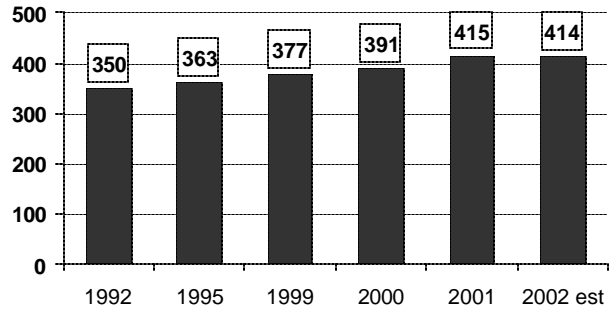
❖ From 1992 to 2002 the treatment cost per daily gallon of wastewater increased 18% after adjusting for inflation.

Wastewater Treated per Employee



❖ From 1992 to 2002 the number of gallons of wastewater treated daily per Sewer Utility employee increased 4%.

Customer Accounts per Employee



❖ From 1992 to 2002 the number of active customer accounts per Sewer Utility employee increased 18%.

Sewer Utilities Fund

Sewer Utility Construction *Enterprise Fund*

Departmental Summary:

The Utilities Construction Fund is used to account for all non-ULID sewer construction work. This fund is financed through appropriations from the Sewer Utility Operating Fund, the Facility Restricted Reserve Fund and interest bearing loans from the Sewer Utility Operating Fund.

Budget Highlights:

The following projects will be undertaken as part of the 2003 Sewer Utility Construction program:

Spanaway Loop Pump Station By-Pass – Installation of 5,700 feet of 72 inch Interceptor sewer pipeline to retire the existing Spanaway Loop Pump Station and provide increased sewer capacity to eastern Pierce County service areas.

Chambers Creek WWTP Digester Improvements Class A – Design and construction of a system to process the current Class B Biosolids to Class A Biosolids. The Class A biosolids are a less restrictive product that allow for direct land application to the Chambers Creek Properties and eventual reclamation of the site.

Maintenance Shop – Construction of a new Sewer Collections Maintenance shop on the Chambers Creek Waste Water Treatment Plant site.

Meridian Interceptor Phase 1 – Installation of approximately 2,650 feet of 15" and 12" diameter gravity sewer and 1,320 feet of 8" gravity sewer along Meridian Street East (SR 161) from 144th Street East to 156th Street East.

Fredrickson Trunk Sewer - Installation of approximately 7,000 Line Feet of 18", 15" and 8" sewer main in 176th Street from 72nd Avenue East to 86th Avenue East.

Canyon Road Interceptor Phase 2 - Construction will consist of approximately 14,500 feet of 18", 15" and 8" gravity sewer line in Canyon Road East from 160th Street East to 116th Street East. The project will tie into the existing system at 116th Street East on the north end and into the existing system at 160th Street East on the south end.

Miscellaneous Sewer Line Extensions – Installation of miscellaneous sewer lines in conjunction with road construction projects within the County sewer service area.

Chambers Creek WWTP Headwork Modifications - Includes air quality improvements, new grit tank and headworks building modifications. A redesign of existing plans must be performed to include odor control measures for the gravity belt ventilation exhaust and to adjust building and ventilation criteria for the inclusion of the new step screens. Includes 3 additional step screens and rock traps for capacity additions.

Chambers Creek WWTP Dewatering and Soil Mixing Facility – Construction of a biosolid mixing and dewatering facility to produce a soil amendment product. The soil amendment product will be used to help reclaim the adjacent gravel mine property.

Chambers Creek WWTP Bioselector Modifications – The project will modify the inlet piping and metering to the basins, modify the zones in the Bioselectors by moving and/or removing walls, modify the recycle pumping systems in each tank, replace the fine area diffusers in the anoxic zones with mechanical mixers, and improve air distribution piping in the anoxic zones.

Collection System SCADA Project - Replacement of the existing proprietary radio control system installed in the mid 1980's with a more up to date system. The new system will still rely on the existing radio network, but will employ new base stations,

Sewer Utility Construction

radio telemetry units, and software.

Tunnel Rehabilitation Project – Coat portions of the Chambers Creek Tunnel and complete construction of access portals.

Chambers Creek WWTP Chlorine System Upgrade – Remove chlorine gas equipment. Install hypochlorite system to be used for miscellaneous cleaning purposes within the plant.

Collection System Flow Meters – Installation of flow meters throughout the County's collection system. In 2003, fourteen flow meters should be installed.

Phillips Siphon Vault – Excavation of existing valve vault area. Pouring new flooring and foundation. Construction of new building enclosure.

Rainier Meadows Community System Tie-In – Installation of approximately 1,800 feet of 18" diameter gravity sewer line in 89th Avenue East (private road) from 152nd Street East to the existing pump station in the Rainier Meadows subdivision and 1,000 feet of 12" diameter gravity sewer line from the pump station to 160th Street East

Chambers Creek WWTP North End SCADA – Project includes design, construction and implementation of a Supervisory Control And Data Acquisition system for the plant's North end, to improve operations and plant efficiency.

Scum Concentration Tank Addition - Upgrade equipment and increase scum removal efficiency in screenings area.

Chambers Creek WWTP Fire Alarm System Upgrade – Install addressable devices throughout plant and new fire alarm panel in Administration building.

Environmental Services Building Irrigation Extension – Construct an irrigation system at the Environmental Services Building site.

PROJECT SUMMARY

Capital Reserve Fund # 403	2003
Project Name	Budget
Spanaway Loop Pump Station Bypass	\$ 9,000,000
Chambers Creek WWTP Digester Improvements C.I.A	2,650,000
Maintenance Shop	139,000
Meridian Interceptor Phase 1	35,000
Frederickson Trunk Sewer	100,000
Canyon Road Interceptor Phase 2	3,500,000
Miscellaneous Sewer Line Extensions	150,000
SubTotal -- Contributions to Construction Fund #425	15,574,000
Advance to Water Utility	426,530
Geographical Information System Support	36,000
Total	\$ 16,036,530

Sewer Utility Construction

PROJECT SUMMARY

Sewer Utility Construction Fund #425

— Funding Sources —

Project Name	Total Project Cost	2003 Expenditures	Funding Sources	
			Fund 402 Sewer Utility Fund	Fund 403 Facilities Capital Reserve
Spanaway Loop Pump Station Bypass	\$ 19,773,516	\$ 9,000,000	\$ —	\$ 9,000,000
Chambers Creek WWTP Digester Improvements Cl.A	5,865,239	2,650,000	—	2,650,000
Maintenance Shop	3,406,853	139,000	—	139,000
Meridian Interceptor Phase 1	1,320,935	35,000	—	35,000
Frederickson Trunk Sewer	2,500,000	100,000	—	100,000
Canyon Road Interceptor Phase 2	5,518,240	3,500,000	—	3,500,000
Miscellaneous Sewer Line Extensions	1,040,743	150,000	—	150,000
Chambers Creek WWTP Headworks Modifications	4,615,000	75,000	75,000	—
Chambers Creek WWTP Dewatering and Soil Mixing	6,575,000	400,000	400,000	—
Chambers Creek WWTP Bioselector Modifications	3,118,241	2,800,000	2,800,000	—
Collection System SCADA Project	1,965,142	515,000	515,000	—
Tunnel Rehabilitation Project	5,167,614	1,225,000	1,225,000	—
Chambers Creek WWTP Chlorine System Upgrade	350,000	30,000	30,000	—
Collection System Flow Meters	456,795	250,000	250,000	—
Phillips Siphon Vault	670,000	585,000	585,000	—
Rainier Meadows Community System Tie-in	1,000,000	50,000	50,000	—
Chambers Creek WWTP - Northend SCADA	1,600,564	1,320,000	1,320,000	—
Scum Concentration Tank Addition	275,000	255,000	255,000	—
WWTP Fire Alarm System Upgrade	250,000	250,000	250,000	—
ESB Imigation Extension	150,000	150,000	150,000	—
Total	\$ 65,618,882	\$ 23,479,000	\$ 7,905,000	\$ 15,574,000

Sewer Utility Construction

Solid Waste Management Fund

Enterprise Fund

The mission of the Solid Waste Management division is to provide Pierce County citizens with efficient waste reduction, recycling, disposal and household hazardous waste management systems which protect public health and safety and the natural and human environment of Pierce County.

Departmental Summary:

The Solid Waste Fund finances the planning, administration, program development, permitting and enforcement for the County's solid waste management system. The fund is under the administration of the Public Works and Utilities Department. The fund supports two separate functions: the Solid Waste Division of the Public Works and Utilities Department which is primarily responsible for planning, program development and recycling, and the Waste Management Section of the Tacoma-Pierce County Health Department, which is responsible for regulatory permitting and enforcement issues. Financing is generated through an allocation of the disposal fees collected at disposal sites operated by Land Recovery, Inc.

Budget Highlights:

The Solid Waste Fund budget is 1.3% above the current year's budget, and includes the following items:

- a) Consulting and legal services for the Hidden Valley clean-up action plan/consent decree/remediation services; and for on-going post-closure activities;
- b) A full year's funding for the recently inaugurated Pierce County Responds program; and
- c) Continued emphasis on public information programs for recycling, yard-waste/composting activities.

The budget uses \$2,126,000 in fund balance (principally post closure reserves), and includes a proposed landfill rate increase of \$1.85/ton (March 1, 2003) to fund approximately half of the Pierce County Responds program.

Performance Measures

- 3) Remove and recycle 1,500 nuisance vehicles and assist 500 private property owners with the removal of small quantities of illegal dump waste by December 31, 2003. (Goals D, E, F, G, I)
- 4) During 2003, provide environmental education staff and/or resources for 800 classroom, youth programs, or community/civic groups. (Goals D, G, I)

Solid Waste Management Fund

FUNDING SOURCES

	2000 Actual	2001 Actual	2002 Budget	2003 Budget	Absolute Change	Percent Change
Est Use Of Begin Fund Balance	\$ —	\$ —	\$ 2,543,540	\$ 2,126,140	\$ (417,400)	(16.4) %
Intergovernmental Revenue	536,966	282,840	368,000	368,000	—	—
Charges For Services	2,678,679	2,307,545	1,975,900	2,823,000	847,100	42.9
Miscellaneous Revenue	1,069,337	655,176	702,400	347,400	(355,000)	(50.5)
Contributed Capital	—	48,393	—	—	—	—
Other Financing Sources	7,241	—	—	—	—	—
Total	\$ 4,292,223	\$ 3,293,954	\$ 5,589,840	\$ 5,664,540	\$ 74,700	1.3 %

PROGRAM EXPENDITURES

	2002 FTE	2003 FTE	2002 Budget	2003 Budget	Absolute Change	Percent Change
Administration And Planning	6.16	4.81	\$ 1,462,320	\$ 1,330,430	\$ (131,890)	(9.0) %
Recycling And Debris Cleanup	2.80	4.20	1,121,010	1,836,310	715,300	63.8
Public Information & Education	4.75	4.70	1,119,790	940,710	(179,080)	(16.0)
Capital Improvements	—	—	305,300	162,000	(143,300)	(46.9)
Depreciation	—	—	181,420	195,090	13,670	7.5
Self Insurance	—	—	500,000	500,000	—	—
Landfill Post Closure	—	—	900,000	700,000	(200,000)	(22.2)
Total	13.71	13.71	\$ 5,589,840	\$ 5,664,540	\$ 74,700	1.3 %

STAFFING SUMMARY

	1998 FTE	1999 FTE	2000 FTE	2001 FTE	2002 FTE	2003 FTE
Dir – Public Works & Util	0.03	0.03	0.03	0.03	0.03	0.03
Deputy PW & Utilities Dir	0.03	0.03	0.03	0.03	0.03	0.03
Administrative Svcs Mgr	0.15	0.15	0.15	0.15	0.15	0.15
Solid Waste Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Planner	1.50	1.50	1.00	1.00	1.00	1.00
Admin Program Mgr	0.15	0.15	0.15	0.15	0.15	0.15
Code Enforcement Officer	—	—	—	—	2.00	2.00
Environmental Educator	3.00	3.00	3.00	5.00	4.00	4.00
Solid Waste Recyc Analyst	3.00	3.00	3.00	2.00	3.00	3.00
Accounting Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Supervisory Admin Asst	0.25	0.25	0.25	0.25	0.25	0.25
Administrative Assistant	—	—	—	0.10	0.10	0.10
Office Assistant	1.00	1.00	1.00	1.00	1.50	1.50
Solid Waste Educator	1.00	1.00	1.00	—	—	—
Solid Waste Manager	1.00	1.00	—	—	—	—
Total	12.61	12.61	11.11	11.21	13.71	13.71

Solid Waste Management Fund

WORKING CAPITAL SUMMARY

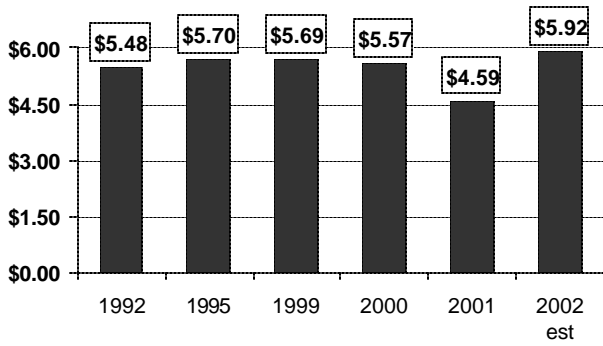
	2002 Estimate	2003 Budget
Operating Revenues		
Charges for Services	\$ 1,978,500	\$ 2,825,400
Grant Reimbursements	368,000	368,000
Subtotal	2,346,500	3,193,400
Operating Expenses		
Administration and Planning	1,547,140	1,330,430
Recycling and Debris Cleanup	856,560	1,836,310
Public Information and Education	978,220	940,710
Self Insurance	300,000	500,000
Depreciation	181,420	195,090
Post Closure Care	700,000	700,000
Subtotal	4,563,340	5,502,540
Net Operating Income (Loss)	(2,216,840)	(2,309,140)
Non-Operating Revenue (Expense)		
Interest Income	322,000	345,000
Debt Service Interest	—	—
Subtotal	322,000	345,000
Net Operating Income (Loss)	(1,894,840)	(1,964,140)
Other Sources (Uses) of Working Capital		
Depreciation/Amortization - add back	181,420	195,090
Equipment Purchases	(67,200)	—
Other Improvements	(179,000)	(162,000)
Debt Service Principal	—	—
Subtotal	(64,780)	33,090
Net Increase (Decrease) in Working Capital	\$ (1,959,620)	\$ (1,931,050)

WORKLOAD SERVICE DATA

	Unit of Measure	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Estimate
County-wide recycling rate	Percentage	47	48	48	49	49	49
Monitor solid waste operations	Sites	6	6	7	7	7	7
In-House recycling collections	Lbs/Year	830,300	762,000	849,120	850,594	852,000	854,000
Household haz. waste cleanup	Participants	2,591	3,007	3,583	4,570	4,000	4,700
Education							
Presentations and Workshops	Students	13,940	14,100	14,950	15,257	18,000	18,000
Fair exhibits / Outreach	Fairgoers	404,000	401,300	418,000	425,000	400,000	400,000

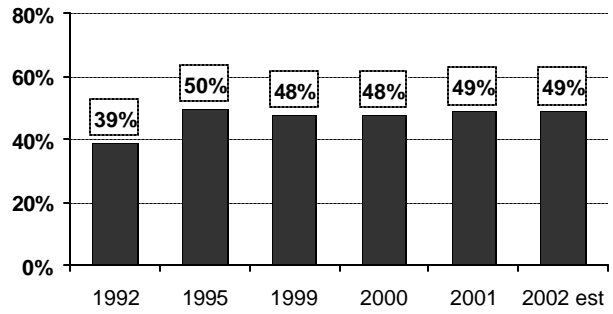
BUDGET RATIOS

Expenditures per Resident Served



❖ From 1992 to 2002 expenditures per resident served, excluding closure expenses and post-closure care, increased 8% after adjusting for inflation.

Percent of Waste Recycled



❖ From 1992 to 2002 the percentage of waste being recycled increased 26%.

Water Utility Fund

Enterprise Fund

Departmental Summary:

The Water Utility was created to develop the ground and surface water rights located at the County's Chambers Creek Properties. The Utility initial plan is to either develop the water rights itself or utilize a water development contract with a third party. The developed water resource would then be wholesaled to one or more water utilities within Pierce County.

Budget Highlights:

The proposed 2003 budget continues to fund the initial development of the Water Utility, which began in 1999. The initial steps include conversion of the water rights at Chambers Creek from industrial to municipal use; investigation of methods to contract out development of the water rights; development of a Water General Plan; assessment of the ground and surface waters; and initial development of a Water System Plan. The major components of the 2003 budget are the on-going expenses associated with these various studies, and the costs for staff assigned to these activities. The initial funding for the development of the Water Utility is a loan from the Sewer Facilities Capital Reserve Fund.

FUNDING SOURCES

	2000 Actual	2001 Actual	2002 Budget	2003 Budget	Absolute Change	Percent Change
Other Financing Sources	\$ —	\$ —	\$ 432,880	\$ 426,490	\$ (6,390)	(1.5) %
Total	\$ —	\$ —	\$ 432,880	\$ 426,490	\$ (6,390)	(1.5) %

EXPENDITURES

	2000 Actual	2001 Actual	2002 Budget	2003 Budget	Absolute Change	Percent Change
Salaries & Wages	\$ 18,362	\$ 23,374	\$ 27,400	\$ 27,820	\$ 420	1.5 %
Personnel Benefits	12,611	5,620	4,710	4,880	170	3.6
Other Services & Charges	194,385	57,102	373,700	366,790	(6,910)	(1.8)
Interest	3,447	14,625	27,070	27,000	(70)	(0.3)
Total	\$ 228,805	\$ 100,721	\$ 432,880	\$ 426,490	\$ (6,390)	(1.5) %

STAFFING SUMMARY

	1998 FTE	1999 FTE	2000 FTE	2001 FTE	2002 FTE	2003 FTE
Water Programs Manager	—	—	0.10	0.20	0.20	0.20
Special Asst to Dir PW&U	—	—	—	—	0.10	0.10
Asst to Exec Dir of Oper	—	—	0.30	0.30	—	—
Planner	—	—	0.50	0.50	—	—
Total	—	—	0.90	1.00	0.30	0.30

Water Utility Fund
