

DEPARTMENT OF PUBLIC UTILITIES

Department Description

The Department of Public Utilities (DPU) protects surface water quality, promotes public health and safety, and sustains economic development. The department is responsible for collecting and treating wastewater generated within the City of Columbus and 25 suburban communities, as well as those unincorporated areas of Franklin County. DPU provides safe and reliable drinking water within the City of Columbus and 22 suburban communities.

The Department of Public Utilities also manages stormwater within the city to mitigate flooding and water quality impacts, educates the public on watershed stewardship and water conservation, and regulates industrial water pollution discharged to sewers.

In addition, DPU supports fire suppression activities with reliable fire hydrants, provides and maintains more than 50,000 street lights, and offers dependable electrical power at a competitive price.

The department is comprised of the Director's Office and four divisions: Water, Power, Sanitary Sewerage and Drainage, and Stormwater.

The **Director's Office** provides overall direction for the department. Fiscal, human resources, public information, technology, regulatory compliance, emergency preparedness, and customer service are all coordinated by this office.

The **Division of Water** oversees the treatment and distribution of drinking water through three water treatment plants. The division is responsible for infrastructure maintenance and improvements, water source protection programs, and water quality monitoring.

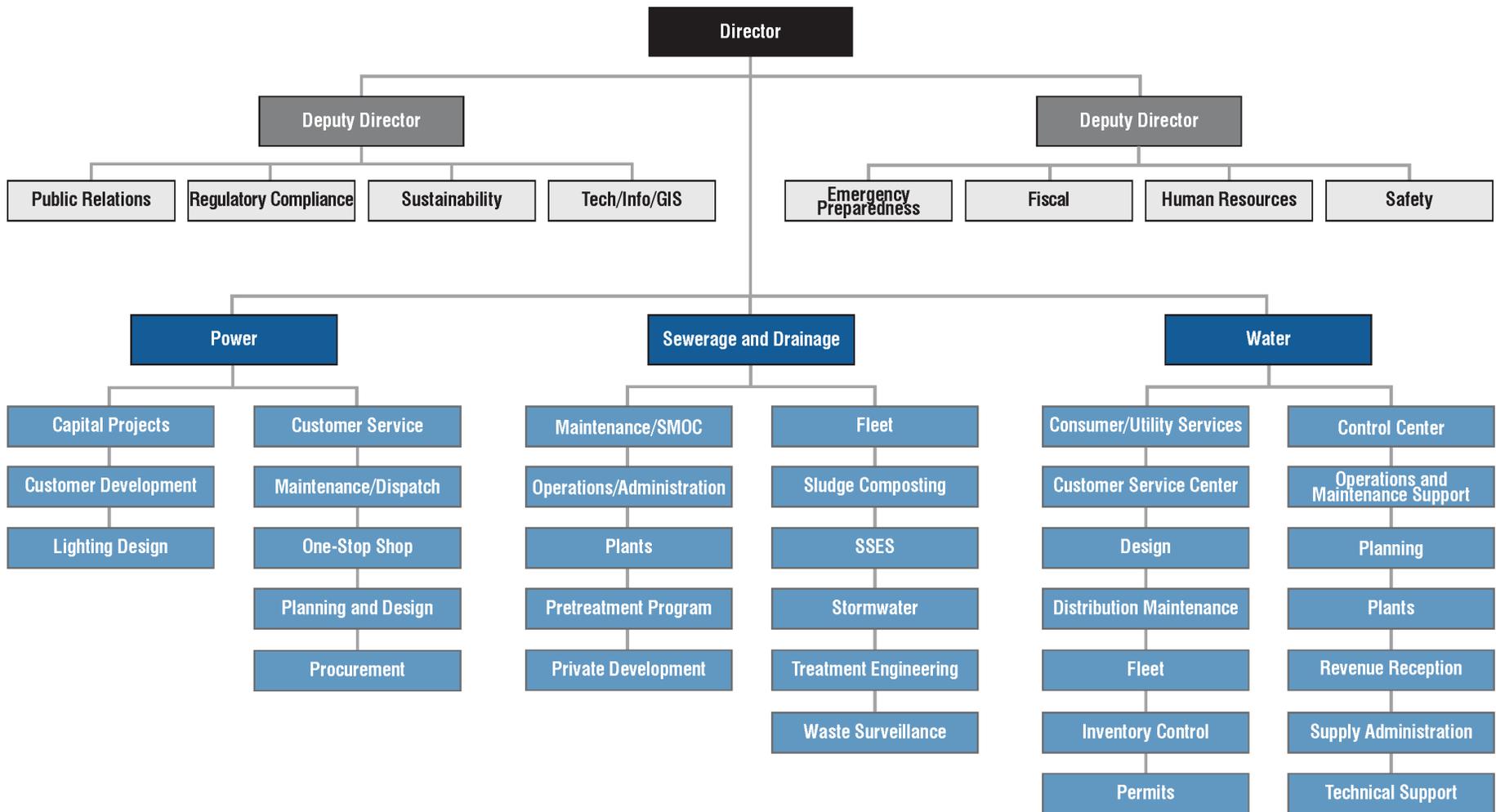
Department Mission

To enhance the quality of life, now and into the future, for people living, working, and raising families in central Ohio through the economic, efficient, and environmentally responsible stewardship of superior public utilities.

The **Division of Power** is a full-service, publicly owned electrical utility that delivers power to industry and residential customers through its own distribution system. The division also serves the community by providing the city's street light system.

The **Division of Sanitary Sewerage and Drainage** manages wastewater collection and treatment at two treatment plants. The division of **Stormwater** oversees stormwater collection systems. Both divisions work to protect surface water quality.

Public Utilities



Strategic Priorities for 2018



Neighborhoods

The Division of Sewerage and Drainage continues to implement Blueprint Columbus in targeted neighborhoods throughout the city to eliminate the source of sanitary sewer overflows and basement backups. Blueprint Columbus addresses the problem at its source through the lining of sewer laterals, a voluntary sump pump program, and the redirection of roof water runoff. Additionally, green infrastructure, such as rain gardens and pervious pavement, is installed on city right-of-way property to treat rain water that has been redirected before it enters the storm sewer system. Approximately 30 rain gardens have been completed in Clintonville, our first Blueprint neighborhood, with more to come in 2018.

In 2018, the department will continue to encourage responsible water conservation practices through a partnership with the Franklin Soil and Water Conservation District on the Community Backyards rain barrel/native plants rebate program, youth education programs, and water quality campaigns for pet waste disposal and healthy lawns. It will also continue to partner with the Mid-Ohio Regional Planning Commission to distribute high efficiency showerheads to income-eligible residents and promote water conservation education.

The department will continue to support the GreenSpot program and its 17,000 members in 2018. This program inspires, educates, and recognizes residents, businesses, and community groups for committing to the conservation and protection of natural resources consistent with the city's Sustainability Initiative.



Economic Development

The Division of Water will continue to address the needs of the region's growing population, residential and business water demands, and new water quality regulations through a series of ongoing improvements at all three drinking water plants and two wastewater treatment facilities.

Future needs will be closely monitored in order to determine when to begin designing a fourth water treatment plant, for which land has already been acquired.



Public Safety and Health

The Division of Water will continue to design and construct projects for enhanced security throughout our treatment, storage, and distribution systems in order to ensure a secure and safe drinking water supply.

The Division of Power will continue its Neighborhood Street Lighting Program, working with neighborhoods that apply for decorative streetlights through the petition and assessment process, in addition to standard lighting. The division is also moving forward with a program to replace standard streetlights with Light emitting diode (LED) lighting that will have the latest technology to service future expansions with digital controls.

Strategic Priorities for 2018 (cont.)



Operational Efficiencies

Beginning in the middle of 2017 and continuing for the next three years, the department will work with a third party to conduct an audit of our billing system. The purpose of the audit is to ensure that customers for water, sewer, storm water, and power service are properly billed by DPU. The goal of the audit is to promote billing accuracy, ensure maximum revenue recovery, and establish procedures to maintain account accuracy. The consultants are reviewing accounts within the billing system, conducting field investigations, and cross referencing work orders. DPU will verify that customers used city services before notifying customers of the billing adjustment. City code allows the department to retrieve up to two years' worth of unrealized revenue. The revenue recovery project is starting with commercial customers before moving to residential accounts. Payment plans are available for those impacted by the changes.

Also planned for 2018 is the first phase of installation of advanced meters for power and water customers, which will provide many new benefits, such as detecting leaks sooner for the department and customers.



Diversity and Inclusion

The Department has enhanced its Diversity & Inclusion (D & I) program to provide a greater voice for employees from all divisions and support offices. A new steering team that is comprised of first time members and seasoned DPU employees provide not only a fresh perspective, but also one that recognizes and embraces previous D & I efforts and can build upon those successes.

With the help of D & I team members, the department will continue to create opportunities for professional growth and greater customer service experiences for those we serve.



Early Childhood and Education

The department will continue the Children's Water Festival educational initiative. The 2017 event provided 630 middle school students with education about the importance of water and insight into future careers in the water industry. The festival promotes environmental awareness of our valuable water resources through interactive displays, hands-on activities, and workshops led by utility and science professionals. DPU employees joined dozens of other volunteers to make the annual event a success.

Strategic Priorities for 2018 (cont.)



Smart Columbus

DPU has a solid commitment to Smart Columbus and is engaged in various projects in support of its goals and Key Performance Indicators (KPI).

DPU is implementing grid modernization programs like Advanced Metering Infrastructure (AMI), which will replace old analog meters with new advanced ones that can communicate wirelessly. AMI will allow the department to respond to issues more efficiently, provide customers with real-time information about their usage, and will ultimately reduce greenhouse gas emissions by eliminating 24 vehicles from the roads that average 7,000 miles a year.

In terms of decarbonization, DPU's Division of Power intends to purchase a minimum of 1.2 million MWh of green power between 2017 and 2022, raising current green energy from 5.7 percent of total power sold to 29 percent. Green power is defined as renewable energy certificates from any of the resources defined as Alternative Energy Resource, including Advanced Energy Resources and Renewable Energy Resources as defined in the Ohio Revised Code. The Division of Power has also added an EcoSmart Choice Green Pricing Program option for its customers allowing them to offset up to 100 percent of their electric usage. This green pricing program funds the purchase and retirement of renewable energy certificates through American Municipal Power. Currently, the only users of this pricing are the city's water and wastewater treatment facilities; however, through marketing and outreach, the Division of Power hopes to increase participation in the program by five percent by 2019.

The Columbus Division of Power continues its commitment to clean energy by partnering in the rehabilitation of the City's 5 MW hydroelectric plants located in the O'Shaughnessy Dam. When this plant is returned to full operations, it is anticipated to generate 10,000 MWh per year.

The Division of Power will also begin its conversion to Light-emitting diode (LED) streetlights. The initial project will replace 4,500 of the city's approximately 53,000 streetlights with LED fixtures, focusing on arterial corridors and lights whose energy is from a supplier other than the division to generate the highest possible power and costs savings.

2018 BUDGET NOTES

DIRECTOR'S OFFICE

The Sewer and Water Advisory Board (SWAB) will recommend to Columbus City Council increases to water and storm rates of one percent and sanitary sewer rates of two percent, respectively in 2018. In addition:

- The oversight of the customer service section has been moved from the Division of Water to the Director's Office. This move increases the Director's Office budget by just over nine million dollars.
- The 2018 Director's Office \$29.7 million budget is 51.5 percent higher than the 2017 budget.
- The 2018 budget includes \$21.3 million in personnel funding for 207 full-time and 5 part-time positions. Included in these numbers are 69 full-time customer service positions transferred from the Division of Water.

WATER

The division's 2018 budget is 4.7 percent lower than in 2017. The division continues to focus on the continued implementation of their capital improvement program which increases the safety and capacity of our drinking water system. Debt service payments represent 44.6 percent of the water enterprise fund's \$188.7 million budget. In addition:

- The 2018 budget includes \$47.1 million for personnel, providing funding for 446 full-time positions. These employees are responsible for the administration, distribution, maintenance, supply, and safety areas, as part of providing the Columbus metropolitan area with clean and reliable drinking water.
- 69 employees and just over nine million dollars in overall expenses were transferred to the Director's Office with the move of the customer service section. In addition, revenues will decrease by \$6.9 million with the elimination of the internal charge for the customer service section.

POWER

The division's largest expense in the 2018 budget is for the purchase of generated electric power for resale. The budget includes \$58.2 million for this expense, nearly 67 percent of the total budget.

- The 2018 budget includes \$11.6 million for personnel for 101 full-time and 3 part-time positions.
- Included in the 2018 budget are resources to provide maintenance and energy to over 55,000 city streetlights.

SANITARY SEWERAGE AND DRAINAGE

The division's 2018 budget is 1.3 percent higher than the 2017 budget. A significant portion of this budget is comprised of funds for debt service payments, reflecting the division's extensive capital improvement program. Debt service costs associated with maintaining and improving

the city's wastewater system comprise over 53 percent of the division's operating budget of \$274.9 million. In addition:

- The 2018 budget includes \$48.9 million for personnel, providing funding for 470 full-time and 7 part-time positions. These employees are responsible for the administration, maintenance, safety, and operation of the city's wastewater treatment plants, a compost facility, and approximately 4,500 miles of sewer lines.

STORMWATER

The division's 2018 budget is one percent lower than in 2017. As with the other divisions of this department, a significant portion of the operating budget is devoted to debt service payments. In 2018, debt service payments account for almost 40 percent of the stormwater budget. In addition:

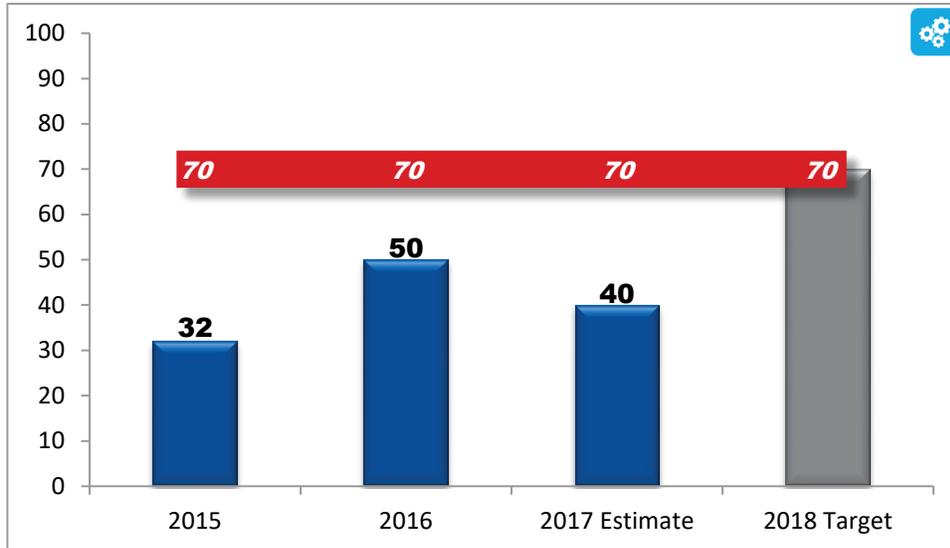
- The 2018 budget includes funds to reimburse the Department of Public Service for costs associated with street cleaning and snow and ice removal. These activities help to protect water quality and minimize the burden on the storm sewer system from ice, snow, and debris. \$8.4 million is budgeted in 2018 for these programs.
- The 2018 budget also includes \$400,000 for the purchase of a new street sweeper for the Department of Public Service to assist in street cleaning and snow and ice removal.



PERFORMANCE MEASURES

Water Quality

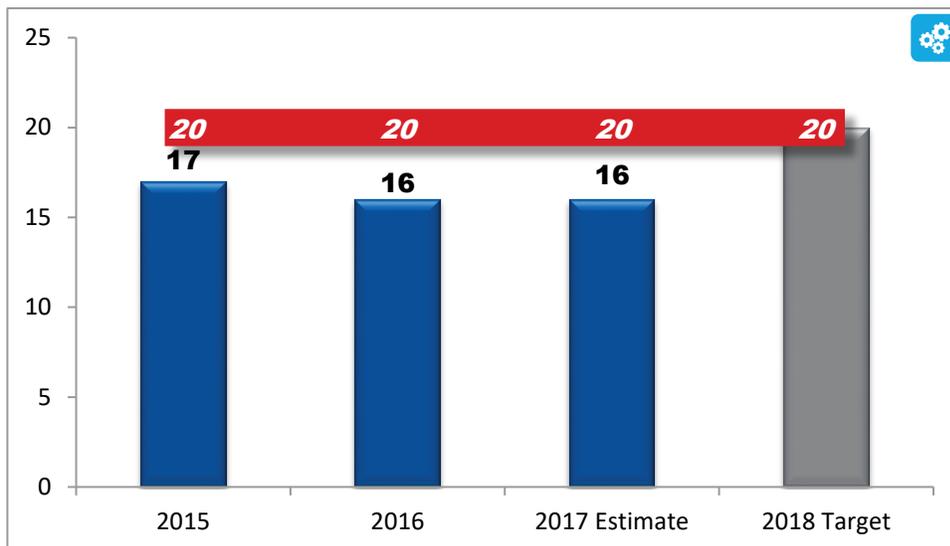
Number of water quality complaints per month



This measure reflects the average monthly number of water quality complaints received by the Division of Water. External conditions can cause the actual number of complaints to vary. In 2018, the target for this measure remains at 70 or below.

Water Distribution Quality

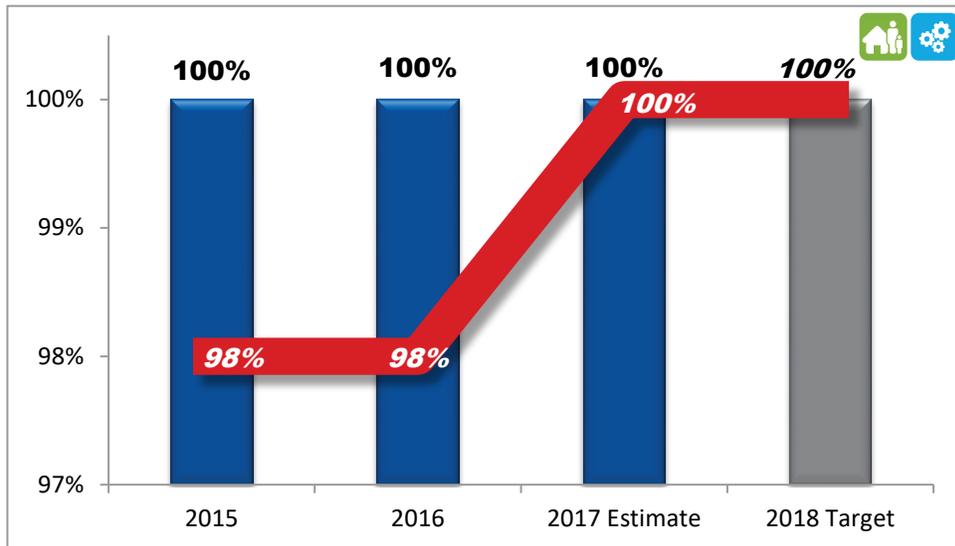
Number of breaks or leaks per 100 miles of water distribution mains per year (city lines only; does not include suburbs)



This measures the number of water line breaks or leaks in the distribution system per 100 miles per year. The measure reflects city lines only and remains at 20 or fewer per 100 miles in 2018.

Sewer Line Backflow Prevention

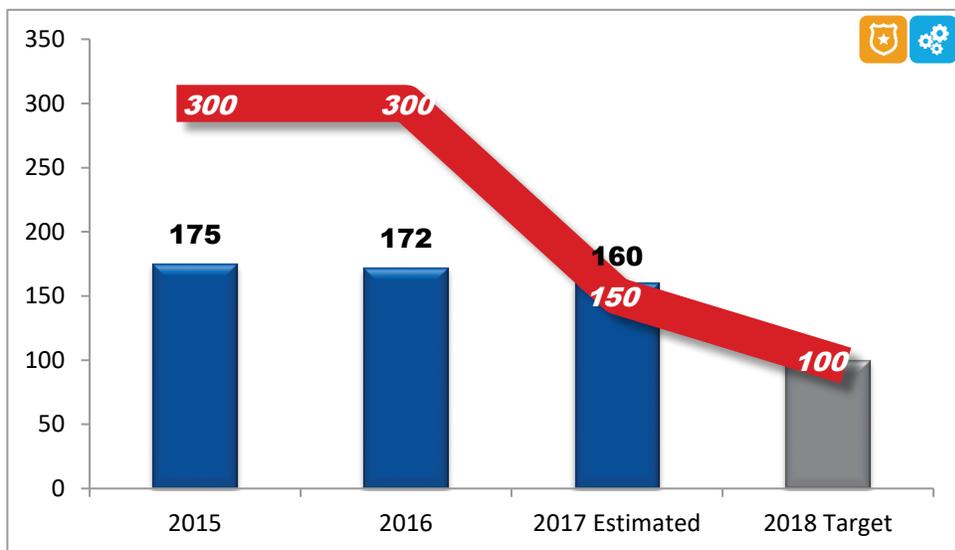
Percent of “water in basement” complaints investigated within 24 hours



This measure reflects the rate at which water-in-basement complaints are investigated within 24 hours of being reported. Since the Division of Sewerage and Drainage has reached 100 percent since 2014, the target was updated to maintain a 100 percent rate in 2017 and 2018.

Sewer Overflow Prevention

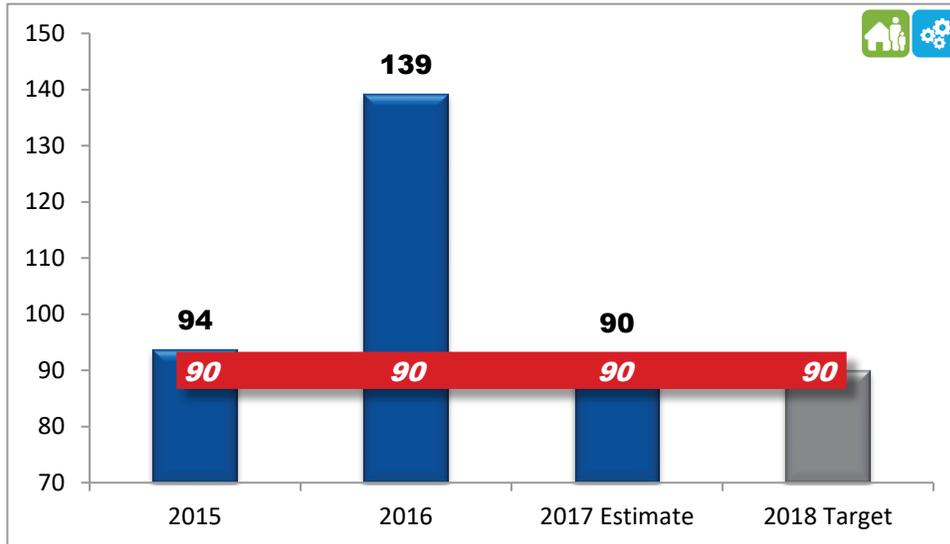
Annual number of combined sewer overflows



The Division of Sewerage and Drainage has recently undertaken an extensive capital improvements program aimed at reducing combined sewer overflows. The improvements have compelled the division to reduce the target number for this measure in 2018 to no greater than 100.

Electric Power Outage Remediation

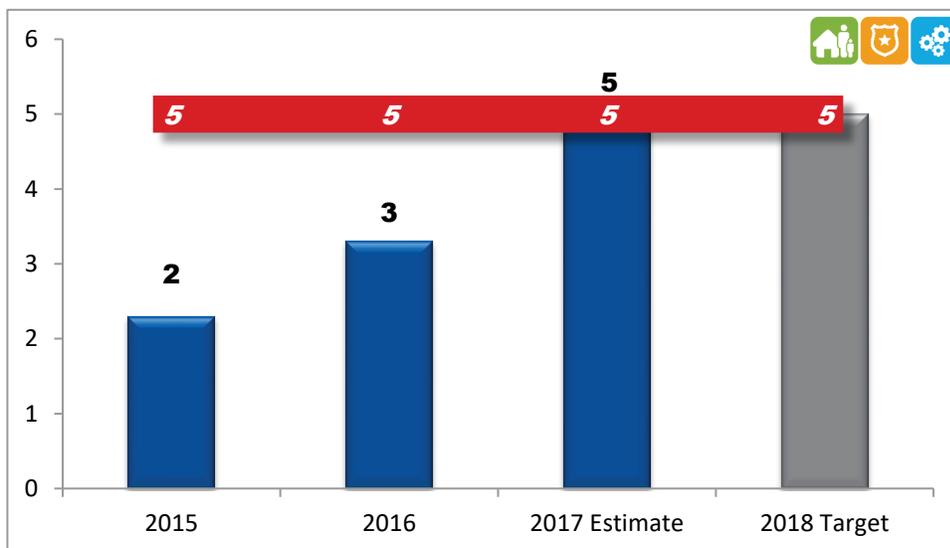
Average duration of electricity outage (minutes)



The Division of Electricity's aim is to minimize the length of time of any power outage. The target for this measure in 2018 is 90 minutes or less.

Streetlight Maintenance and Repair

Response time for streetlight outage repair (days)



The Division of Electricity maintains an extensive street lighting system. This measure reflects the number of days the division would take to respond to a street light outage. In 2018, the target maximum number of days it should take to address a street light issue is five days.

Department Financial Summary by Area of Expense						
Fund	2015 Actual	2016 Actual	2017 Budget	2017 Projected	2018 Proposed	
Department of Public Utilities						
Director's Office						
Personnel	\$ 12,942,899	\$ 13,310,968	\$ 14,554,292	\$ 13,671,959	\$ 21,357,379	
Materials & Supplies	142,680	130,061	496,773	441,113	467,014	
Services	2,048,415	1,890,706	4,048,465	3,288,723	7,635,475	
Other	-	-	5,000	1,523	2,651	
Capital	51,120	29,878	258,480	50,765	267,501	
Transfers	-	-	257,279	292,279	-	
Director's Office Subtotal	15,185,114	15,361,614	19,620,289	17,746,363	29,730,020	
Water						
Personnel	47,845,557	48,407,591	51,831,945	49,978,287	47,127,618	
Materials & Supplies	20,357,741	16,551,330	21,749,446	20,658,019	21,442,830	
Services	30,774,788	31,392,828	38,427,764	36,639,196	34,461,997	
Principal	49,662,058	51,868,996	54,210,649	54,210,649	54,843,222	
Other	362,549	47,350	107,100	97,950	112,465	
Capital	1,821,245	2,826,042	1,814,900	1,394,924	1,413,400	
Interest	25,207,357	23,760,986	29,836,385	29,686,385	29,251,433	
Transfers	5,066,810	94,897	-	1,422,823	-	
Water Subtotal	181,098,105	174,950,020	197,978,189	194,088,233	188,652,965	
Electricity						
Personnel	10,133,516	10,068,552	10,721,498	10,242,039	11,649,306	
Materials & Supplies	53,414,292	52,431,140	58,671,748	58,361,704	59,622,500	
Services	8,717,722	10,343,318	10,877,772	9,677,130	10,918,906	
Principal	2,967,095	1,400,480	1,331,021	1,331,021	860,000	
Other	5,295	2,003	25,000	5,072	20,000	
Capital	2,206,618	2,473,348	2,967,000	5,269,650	3,297,000	
Interest	246,335	194,806	264,123	286,323	240,775	
Electricity Subtotal	77,690,872	76,913,649	84,858,162	85,172,939	86,608,487	
Sanitary						
Personnel	43,107,023	42,984,896	47,807,989	45,587,000	48,992,097	
Materials & Supplies	7,054,834	6,385,448	8,703,823	8,759,035	8,703,824	
Services	45,052,192	45,011,588	51,601,582	52,063,515	48,884,485	
Principal	82,017,516	89,737,174	94,995,457	92,730,520	100,507,023	
Other	8,580	25,222	171,500	180,692	175,000	
Capital	3,387,250	3,390,645	4,201,008	3,205,930	4,201,008	
Interest	46,242,213	37,391,048	45,794,506	45,278,668	45,211,888	
Transfers	30,972,804	16,793,228	18,247,975	19,992,798	18,247,975	
Sanitary Subtotal	257,842,413	241,719,249	271,523,840	267,798,157	274,923,300	
Storm						
Personnel	1,585,641	1,617,481	1,883,900	1,643,900	1,915,764	
Materials & Supplies	14,593	12,464	42,240	42,211	56,778	
Services	21,642,730	20,825,540	22,653,482	22,161,931	21,200,230	
Principal	9,566,500	9,660,800	10,062,200	10,062,200	10,463,700	
Other	19,933	-	10,000	303,000	10,000	
Capital	29,191	-	67,000	63,813	435,000	
Interest	4,148,164	4,030,068	4,777,325	4,777,325	5,114,226	
Storm Subtotal	37,006,752	36,146,354	39,496,147	39,054,379	39,195,698	
Department Total	\$ 568,823,256	\$ 545,090,886	\$ 613,476,627	\$ 603,860,071	\$ 619,110,470	

Utilities

Department Personnel Summary					
Fund	FT/PT	2015 Actual	2016 Actual	2017 Budgeted	2018 Proposed
Department of Public Utilities					
Director's Office	FT	127	131	145	207
	PT	2	6	12	5
Water	FT	501	491	535	446
	PT	9	8	28	21
Electricity	FT	96	88	104	101
	PT	1	1	11	3
Sanitary	FT	446	435	486	470
	PT	2	2	14	7
Storm	FT	16	16	23	17
	PT	0	0	2	2
Total		1,200	1,178	1,360	1,279

Operating Budget by Program					
Program	2017 Budget	2017 FTEs	2018 Proposed	2018 FTEs	
Utilities Administration	\$ 10,257,734	25	\$ 11,384,953	21	
Fiscal	5,142,086	37	5,618,114	39	
Human Resources	4,263,033	36	4,521,871	33	
Internal Services	86,410,028	0	81,665,617	0	
Regulatory Compliance	4,110,411	31	3,782,423	30	
Public Relations	772,573	6	537,149	4	
Sustainability	555,884	5	509,446	4	
Emergency Preparedness	1,366,347	11	1,149,268	11	
Workforce and Economic Development	839,597	4	-	0	
Customer Service	27,327,098	242	27,738,581	230	
Maintenance	25,710,905	178	24,205,276	179	
Engineering and Development	75,101,281	116	76,857,054	113	
Fleet Management	2,917,250	25	3,075,145	24	
Water Distribution	58,228,693	276	58,664,496	264	
Wastewater Treatment	35,856,117	214	37,306,798	211	
Stormwater Management	3,173,106	23	3,520,719	17	
Electricity Distribution	9,244,447	49	11,063,144	47	
Street Lighting	4,037,396	15	4,127,174	14	
Debt Service	258,162,641	0	263,383,242	0	
Department Total	\$ 613,476,627	1,293	\$ 619,110,470	1,241	

For additional financial information related to the Department of Public Utilities, please refer to the water, sanitary sewer, storm sewer, and electricity operating fund summaries contained within the Enterprise Funds section. Program descriptions begin on the following page.



2018 PROGRAM GUIDE

UTILITIES ADMINISTRATION	To provide administrative support services for the Department of Public Utilities.
FISCAL	To ensure the financial integrity of the department. Includes budgeting, auditing, accounting, procurement, and debt service.
HUMAN RESOURCES	To ensure the effective and efficient management of human resources and safety for the department. Includes labor relations, payroll, benefits, training, selecting employees, classification management, compensation, organizational development, safety, and industrial hygiene.
INTERNAL SERVICES	To account for the internal service charges of the department to maintain operations.
REGULATORY COMPLIANCE	To ensure regulatory compliance and support to all divisions in the areas of environmental and other regulations.
PUBLIC RELATIONS	To provide information to residents of the City of Columbus and contracting areas regarding the department's water, power, and sewerage and drainage systems.
SUSTAINABILITY	To promote green infrastructure and conservation technologies in the department.
EMERGENCY PREPAREDNESS	Coordinates all emergency preparedness activities for the department.
WORKFORCE AND ECONOMIC DEVELOPMENT	To add community benefit by driving local economic growth and sustainability in the City of Columbus.
CUSTOMER SERVICE	To support managers of the other divisions by providing timely and accurate information related to the core business functions of the utility for daily operational decisions and long-term strategic planning.

MAINTENANCE

To provide general maintenance for the department and division facilities including upkeep of buildings, heating, cooling, and ventilation, lighting, parking lot maintenance, and grounds and green space maintenance.

ENGINEERING AND DEVELOPMENT

To provide engineering support and development to the department's capital program and to ensure project engineering plans and specifications are in proper form and accordance with all applicable rules and regulations.

FLEET MANAGEMENT

To provide assistance in all phases of fleet management for the department including coordination with the Fleet Division in the Department of Finance and Management, development and review of specifications, and assistance and execution of vehicle procurement related functions.

WATER DISTRIBUTION

To ensure the residents of the Columbus Metropolitan Area have an uninterrupted distribution of safe, reliable water and that the infrastructure of the utility is maintained.

STEWATER TREATMENT

To promote the health and safety of residents of the Columbus Metropolitan Area through the effective treatment of wastewater.

STORMWATER MANAGEMENT

To provide effective stormwater collection services to the community within the corporate limits of Columbus.

ELECTRICITY DISTRIBUTION

To ensure that customers receive safe and reliable electric power and that neighborhoods receive modern street lighting.

STREET LIGHTING

To promote public safety through the design, construction, maintenance, and operation of an efficient and reliable street lighting system.

DEBT SERVICE

To service and track all required debt service obligations (principal and interest) per bond covenant requirements, policies, and procedures. Ensure debt from bonds and loans are used to finance the department's capital program, including those projects in all divisions.
