

# Department New Request Form Fiscal Year 2025

|                         |  |   |   |
|-------------------------|--|---|---|
| <b>Program</b>          | <b>Public Works</b>  | <b>Title of New Request:</b>                | <b>Rank:</b> <span style="border: 1px solid black; padding: 2px 10px;">7</span> |
| <b>Department</b>       | <b>Water</b>   | Water Service Line Replacement Crew-Phase 1 |   |
| <b>Request Category</b> | <b>New Request/Service/Feature</b>                           |   |   |
| <b>Request Rating</b>   | <b>New Program</b>   |   |   |
| <b>Department Goal</b>  | Assist the customer with replacing their water service lines | <b># of FTE's in this request</b>           | 1.00  |

**1. How will request assist in achieving Department Goal and benefit the customer**

Reducing water leakage is one of the department's most important goals. Leakage on customer-owned water service lines is believed to account for half or more of the total system leakage. There are approximately 16,000 galvanized iron water services that have outlived their expected useful life. The typical cost of replacing one of these services is \$10,000-\$15,000. Most customers don't understand that they are responsible for maintaining their water service lines and many don't have the financial capability to repair or replace their service if it leaks. If Missoula Water establishes its own service replacement crew, it would provide another resource for the community to being tackling this problem. Missoula Water believes it can complete service line replacements more cost effectively than private contractors. Missoula Water's crew would have limited capacity so there would still be plenty of work for private contractors. Missoula Water would likely need to develop some guidelines about which service lines it could take on, either based on estimated leakage volumes, customer income levels, or some combination. No customer would be required to hire a Missoula Water crew. While the purpose of this crew wouldn't be to perform repairs on utility infrastructure, it would be available for emergency repairs and would improve the reliability of the water system.

**2. What specifically is needed to achieve this goal?**

This request is a first step towards assembling a complete service line replacement crew. Phase 1 includes hiring a crew foreman and purchasing a mini-excavator and trench box. Additional labor required for the crew in this first year will be provided from Missoula Water's existing labor force. Additional laborers will be hired in future years. A full crew would require 3 laborers plus at least 1 administrative and/or engineering employee to coordinate with homeowners and process contracts and loan applications.

| 3. Cost Impact of New Program: |                          |     |           |                    |                   |                  |                |                          |
|--------------------------------|--------------------------|-----|-----------|--------------------|-------------------|------------------|----------------|--------------------------|
| Account #                      | Item                     | Qty | Unit Cost | Requested One-Time | Requested Ongoing | FY 2025 Unfunded | FY 2025 Funded | Proposed FY 2026 Ongoing |
| <b>Ongoing Expenses</b>        |                          |     |           |                    |                   |                  |                |                          |
| 5210.335.430530.100            | Service replacement crew | 1   | 117000    |                    | 117,000           | 117,000          | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
|                                |                          |     |           |                    | —                 | —                | —              |                          |
| <b>Expense Sub-Total</b>       |                          |     |           | <b>202,000</b>     | <b>117,000</b>    | <b>319,000</b>   | <b>—</b>       | <b>—</b>                 |
| <b>One-time Expenses</b>       |                          |     |           |                    |                   |                  |                |                          |
| 5210.335.430550.940            | Mini excavator           | 1   | 100000    | 100,000            |                   | 100,000          | —              |                          |
| 5210.335.430550.940            | Trench box               | 1   | 12000     | 12,000             |                   | 12,000           | —              |                          |
| 5210.335.430550.940            | 3/4Ton pickup with tools | 1   | 75000     | 75,000             |                   | 75,000           | —              |                          |
| 5210.335.430550.940            | equipment trailer        | 1   | 15000     | 15,000             |                   | 15,000           | —              |                          |
|                                |                          |     |           | —                  |                   | —                | —              |                          |
| <b>Expense Sub-Total</b>       |                          |     |           | <b>202,000</b>     | <b>117,000</b>    | <b>319,000</b>   | <b>—</b>       | <b>—</b>                 |

| Revenue Offset:   |   |  |                     |                          |                          |
|-------------------|---|--|---------------------|--------------------------|--------------------------|
| Account #         |   |  | Revenue Description | Proposed Onetime Revenue | Proposed Ongoing Revenue |
| 5210              | E | This new request has been included in the water proforma which will be used to recommend a |                     |                          | 117,000                  |
| 5210              | N | Proceeds from capital lease  |                     | 202,000                  |                          |
|                   |   |  |                     |                          |                          |
|                   |   |  |                     |                          |                          |
| Revenue Sub-Total |   |  |                     | 202,000                  | 117,000                  |

| 4. What sort of data will be used to report results and outcomes of request?  | Requested/Proposed Funding Source |          |         |
|---|-----------------------------------|----------|---------|
| We will quantify the cost per water service replaced and the number of services that can be replaced per week or month. This information will be used to inform future decision making about expanding to a full 3-person service replacement crew. The knowledge that we gain will help us to better inform customers about the typical cost of replacing water service lines. |                                   | One-time | Ongoing |
|   | <b>Tax or Assessment</b>          | -        | -       |
|   | <b>Non-tax</b>                    | 202,000  | 117,000 |
|   | <b>Fund Balance</b>               | -        | -       |
|   | <b>Total</b>                      | 202,000  | 117,000 |