

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING AN APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 1993

ORDERED: That the following transfer be made in the General Fund to the Water Fund of the City of Cambridge:

| FROM                      | AMOUNT       | TO                         | AMOUNT       |
|---------------------------|--------------|----------------------------|--------------|
| Debt Services             | \$188,000.00 | Water Department           |              |
| Extraordinary Expenditure |              | Salary & Wages             | \$120,000.00 |
|                           |              | Other Ordinary Maintenance | \$68,000.00  |

REASON (S) Unbudgeted overtime and increased electrical costs.

In City Council May 23, 1994.  
Adopted by a yeas and nays vote:-  
Yeas 9; Nays 0; Absent 0.  
Attest:- D. Margaret Drury, City Clerk.

A true copy; *D. Margaret Drury*  
ATTEST:-  
D. Margaret Drury  
City Clerk



CITY OF CAMBRIDGE  
CAMBRIDGE, MASSACHUSETTS 02139

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FAX 349-4307

EXECUTIVE DEPARTMENT  
ROBERT W. HEALY  
City Manager

RICHARD C. ROSSI  
Deputy City Manager

May 23, 1994

To The Honorable, The City Council:

Attached is an order requesting the transfer of \$188,000.00 from the Debt Service Extraordinary Expenditures Account to the Water Department Salary & Wages Account \$120,000 and Other Ordinary Maintenance \$68,000.

The FY94 Debt Services budget included both a \$200,000 principal payment and a \$100,000 interest payment for a June 1993 bond issue. Due to unfavorable market conditions at that time, the sale was postponed until February, 1994. Since the first principal payment on these bonds will not be due until February 1995, the funds that were budgeted for this purpose in FY94 will not be used, thus making them available to transfer to the Water Department operating budget for the purposes outlined below:

SALARIES: A total of \$120,000 is required to offset the unbudgeted overtime in connection with leak repair and snow plowing activities this past winter. Also, a 4% salary increase was applied to non-union personnel which was unbudgeted. A breakdown of these expenditures are as follows:

| <u>ITEM</u>         | <u>EXPENDITURES</u> |
|---------------------|---------------------|
| O.T. - Leak Repair  | \$88,500            |
| O.T. - Snow Plowing | \$13,500            |
| Non-Union Salaries  | \$18,000            |
| TOTAL               | \$120,000           |

Due to the severe winter experienced this past year, unbudgeted overtime coverage was required to keep our facilities accessible and, more importantly, to maintain a continuous uninterrupted water supply to our customers. The cold temperatures and related frozen soil conditions resulted in a high incidence of pipeline (i.e., mains and services) failures when compared to the historical statistics over the last 5 years. A total of 80 pipeline failures were repaired this winter. This total is 30 more or 60% higher than last years' total of 50. The incremental amount of leaks above last years' total required overtime coverage beyond what was budgeted. Please refer to the following table for the 5 year comparisons.

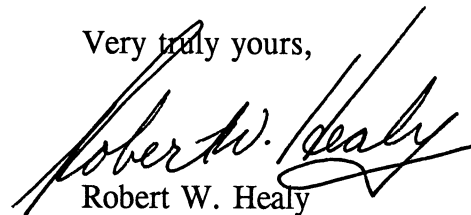
### 5 YEAR COMPARISON

| YEAR | # OF LEAKS |
|------|------------|
| 1990 | 36         |
| 1991 | 22         |
| 1992 | 27         |
| 1993 | 50         |
| 1994 | 80*        |

OOM: A total of \$68,000 is required to cover unanticipated expenditures associated with increased electrical costs. The monthly electric charges ran about \$7,000 higher than what was budgeted. Although a portion (i.e. \$16,000) of the total unanticipated overage was absorbed by the budget, a variance of \$68,000 resulted. This variance is attributed to the following conditions:

- An overall 10% increase in the cost of electricity due to the severe winter.
- Increased pumping to Payson Park by 1MGD.
- Added mechanical equipment such as: new variable speed pumps and chemical feed pumps.
- Enhanced ventilation in the sodium hypochlorite room pursuant with recommended health and safety practices.
- Added heating requirements to the chlorine room.

Very truly yours,



Robert W. Healy  
City Manager

RWH/mev

Consent Agenda # 9 *7-82*  
Transfer of \$188,000 to the Water  
Dept.

In City Council,

May 23, 1994

*Order adopted  
9-0-0.*