

## Memorandum

To: Bassett Creek Watershed Management Commission  
From: Barr Engineering Co.  
Subject: Item 5D – Mid-year Engineering Budget Review  
BCWMC August 15, 2013 Meeting Agenda  
Date: August 7, 2013  
Project: 23270051 2013

## 5D. Mid-Year Engineering Budget Review

### Summary

The 2013 Engineering budget of \$279,250.00 and Planning budget of \$50,458.99 (including P8 and XP SWMM 2012 carry-over) were approved by the BCWMC at its June 21, 2012 and February 21, 2013 meetings. Generally, based on the current trend, but assuming some reduction in monthly spending as less time will be required to assist the new administrator in “coming-up-to-speed” and as the new administrator continues to take on new duties, the overall Engineering budget is anticipated to be exceeded by \$36,000 – \$43,000 depending on remaining 2013 activities. However, assuming the development reviews are offset by \$16,000 in additional permit fees, the net increase is anticipated to be in the range of \$20,000 - \$27,000.

### Recommendations:

For Discussion. The Commission should consider the following budget approaches and provide the Engineer with appropriate direction:

1. Continue service as tasked and use reserve funds to cover over-budget costs.
2. Reduce service or postpone/cancel some 2013 items (inspections, attendance at TAC meetings, lake level monitoring, etc.
3. Request Budget Committee to review on behalf of the BCWMC.

### Background

Based on the BCWMC’s active year—hiring a new administrator, Next Generation Planning and a full TAC agenda—Commission staff has been asked to perform additional works tasks that were not included in the budget. In recent years, the Commission has implemented a mid-year budget review to address budget issues and provide direction. During previous budget discussions, Commission Attorney LeFevre explained that historically, the BCWMC carried a contingency budget to address potential budget shortages. The recent BCWMC philosophy has been to eliminate contingency budgets and instead

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use reserve funds for unanticipated expenses. The BCWMC has also reduced services or postponed/canceled work to address budget issues. Following are comments regarding the Commission Engineer's review of the Engineering and Planning budgets:

1. The status of the **Engineering tasks** are summarized as follows:

- Technical Services—the 2013 budget is \$120,000 and covers the day-to-day technical operations, such as preparing for the Commission and TAC meetings, performing preliminary site reviews, pre-submittal coordination with Cities and applicants, correspondence, and communications with the Commissioners, administrator, recording administrator, watershed communities, developers, agencies, and other entities, review of wetland issues, review of property floodplain and other hydraulic/hydrologic issues. The majority of this budget is used for preparing for TAC and BCWMC meetings. The initial 2013 budget was based on preparation for eighteen meetings, including twelve BCWMC meetings and six TAC meetings. Through July, the Commission Engineer has already been asked to attend eighteen meetings, including six BCWMC meetings, four TAC meetings and eight Next Generation Plan Steering Committee meetings/workshops. Attendance at the meetings is included under the “Meetings” budget, however, preparation for the meetings is included under the Technical Services budget for the BCWMC and TAC meetings, or under the Planning budget for the Next Generation Plan Steering Committee meetings/workshops. Based on the continued Commission activities and increased meetings, this budget will likely be exceeded by \$15,000 – \$20,000.
- Plat Reviews—the 2013 budget is \$60,000, which is anticipated to be largely funded by permit fees. Through the end of July, 29 projects have already been submitted to the BCWMC for review. This is several more than anticipated when the 2013 budget was developed. The submittals to-date include 26 fee-generating projects (total fees of \$39,100) and three other submittals (Southwest LRT, and two MnDOT projects). For comparison, a total of 20, 25, and 33 projects were submitted to the Commission for review during 2010, 2011 and 2012, respectively. This budget will likely be exceeded by \$20,000, but may be off-set by additional permit fees of about \$16,000.
- Commission and TAC Meetings—the 2013 budget is \$14,250 and includes the cost for the Engineer to attend 12 monthly Commission meetings and six bimonthly TAC meetings (total of 18 meetings). As noted, through July, the Commission Engineer has been asked to attend eighteen meetings, including six BCWMC meetings, four TAC meetings and eight Next Generation Plan Steering Committee meetings/workshops. This budget will likely be exceeded by \$3,000-\$5,000.
- Surveys and Studies—the 2013 budget is \$10,000 and includes the costs of conducting special studies, assisting with the watershed tour and addressing unanticipated issues, questions, etc. that can arise during the year. Future costs in 2013 could include addressing Medicine Lake water level issues.

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- Water Quality/Monitoring—the 2013 budget is \$40,000 and includes detailed lake monitoring of Northwood Lake and North and South Rice Pond and other general water quality tasks as requested by the BCMWC, member cities, or regulatory agencies.
- Water Quantity—the 2013 budget is \$11,000 and includes the work associated with the BCWMC's lake and stream gauging program.
- Inspections—there are two separate budget items under this task:
  - Watershed Erosion Control Inspections—the 2013 budget is \$7,000 and covers the BCWMC's construction site erosion control inspection program (permit fees offset a portion of the watershed inspection cost). *Note: beginning in the 2014 fiscal year, the BCWMC will no longer perform these inspections.*
  - Annual Flood Control Project Inspections—the 2013 budget is \$15,000 and includes BCWMC's annual inspection of the flood control project system and the sediment survey of Bassett Creek Park Pond.
- Municipal Plan Review—the 2013 budget is \$2,000 and includes the review of member cities' local plan amendments or adjacent WMO plan amendments. It is likely that this item could be \$2,000 under budget, as no plan reviews are anticipated.

2. **Planning** services includes the following tasks:

- Watershed Wide XP-SWMM Model: the 2013 budget is \$490.57, which was carried over from the unspent portion of the 2012 budget.
- Watershed Wide P8 Water Quality Model: the 2013 budget is \$9,968.42, which was carried over from the unspent portion of the 2012 budget.
- Next Generation Plan: the 2013 budget is \$40,000 and includes technical and planning tasks associated with development of the next generation plan. Most of the budget is for the Commission Engineer's costs, but some of the budget was dedicated to other costs, including article-writing and meeting facilitation services (about \$2,600). The Commission (and the Commission Engineer's) work on the plan has ramped up as the year has progressed, so this budget is anticipated to be expended by the end of the year.

3. Budgets for **Capital Improvement Projects** are tracked separately.