Transition of Locating Services for Gravity Interceptors from Contracted Services to FTE

Commission Meeting
November 27, 2019
Scope of Work

• Fulfill Diggers Hotline requirements

• Locate 95 miles of gravity sewers

• Process approximately 5,100 tickets per year
Summary of Work and Costs – Past 5 Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Tickets per USIC Invoices</th>
<th>Contracted Services Cost per ticket</th>
<th>Contracted Services Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>4,086</td>
<td>$9.75</td>
<td>$39,800</td>
</tr>
<tr>
<td>2016</td>
<td>4,358</td>
<td>$9.75</td>
<td>$42,500</td>
</tr>
<tr>
<td>2017</td>
<td>5,232</td>
<td>$10.04</td>
<td>$52,500</td>
</tr>
<tr>
<td>2018</td>
<td>5,429</td>
<td>$10.34</td>
<td>$56,100</td>
</tr>
<tr>
<td>2019</td>
<td>6,028 (1)</td>
<td>$10.65</td>
<td>$64,200+</td>
</tr>
</tbody>
</table>

Notes

(1) Total tickets on USIC invoices Jan. 1, 2019 – Oct. 31, 2019
Procurement Process

- Advertised in October
- Approx. 7 plan holders
- 5 providers emailed directly
- 2 proposals received
Proposal Pricing

- Proposals received Nov. 6, 2019

<table>
<thead>
<tr>
<th>Provider</th>
<th>Price per Ticket</th>
<th>Estimate Base Cost for 5100 tickets</th>
<th>Hourly Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLS</td>
<td>$ 17.50</td>
<td>$ 89,000</td>
<td>$20 per 15 minutes for tickets exceeding 60 minutes</td>
</tr>
<tr>
<td>USIC</td>
<td>$ 45.50</td>
<td>$ 229,000</td>
<td>$80 per hour for any hourly work</td>
</tr>
</tbody>
</table>

Madison Metropolitan Sewerage District
## Contracted Services vs. FTE

<table>
<thead>
<tr>
<th>Cost Comparison</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted Services</td>
<td>$124,600</td>
<td>$126,000</td>
<td>$131,900</td>
</tr>
<tr>
<td>Transition to FTE</td>
<td>$102,100</td>
<td>$105,100</td>
<td>$108,100</td>
</tr>
</tbody>
</table>

**District Cost Savings:**

- **2020:** $22,500
- **2021:** $21,100
- **2022:** $23,800
## Comparison of Other Programs

<table>
<thead>
<tr>
<th>Other Regional Providers</th>
<th>Miles of Sewer</th>
<th>Staff for Locating</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW Water</td>
<td>110</td>
<td>7 field services technicians, plus engineering technicians assigned tickets based on work locations/route</td>
</tr>
<tr>
<td>Milwaukee Metropolitan Sewerage District</td>
<td>300</td>
<td>4,400 labor hours per year between technicians in office screening tickets and field locate crews (only ~9% of tickets field located)</td>
</tr>
</tbody>
</table>
Recommendation and Next Steps

• Approve the resolution

• Transition utility locating services of gravity sewers to FTE
## Contracted Services vs. FTE

### Cost to District for Contracted Services

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price per Ticket</td>
<td>$17.50</td>
<td>$18.25</td>
<td>$19.10</td>
</tr>
<tr>
<td>Rate per hour for any hourly work</td>
<td>$80.00</td>
<td>$83.25</td>
<td>$86.75</td>
</tr>
<tr>
<td>Estimated tickets - gravity sewers only</td>
<td>5100</td>
<td>5100</td>
<td>5100</td>
</tr>
</tbody>
</table>

Subtotal based on 10% of tickets charged at hourly rate\(^1\) $ 121,125 $ 126,225 $ 131,912

Ticket Management Software Setup $ 3,500 $ - $ -

**Contracted Services yearly cost:** $ 124,625 $ 126,225 $ 131,912

### Cost to District for Transition to FTE

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE with benefits</td>
<td>$96,000</td>
<td>$98,880</td>
<td>$101,846</td>
</tr>
<tr>
<td>Annual Operating Costs: Vehicle, vehicle maintenance and fuel, equipment</td>
<td>$7,675</td>
<td>$7,780</td>
<td>$7,888</td>
</tr>
</tbody>
</table>

Subtotal of Costs $ 103,675 $ 106,660 $ 109,735

Ticket Management Software Setup $ - $ - $ -

Eliminate duplicate ticket charges (1000 tickets/year) $ (1,600) $ (1,600) $ (1,600)

**Transition to FTE yearly cost:** $ 102,075 $ 105,060 $ 108,135

**District Cost Savings:** $ 22,550 $ 21,165 $ 23,777
Sample Ticket on Diggers Hotline Portal

### Ticket Details

**Excavator**
- **Phone:** (608) 255-1673
- **Company Name:** STRUCK & IRWIN FENCE
- **Address:** 826 WILLIAMSON ST
- **City/State/Zip:** MADISON WI 53703
- **Fax:** (608) 255-1675
- **Type:** Contractor
- **Source:** Phone
- **Copy To:** Fax
- **Caller:**
  - **Name:** TODD STECKELBERG
  - **Cell:** (608) 206-2212
- **Field Representative**
  - **Contact:** TODD STECKELBERG
  - **Phone:** (608) 206-2212
  - **Email:**
- **Working For:** HOMBURG CONSTRUCTION
- **Duration:**
  - Explosives
  - Premark
  - Directional Boring
  - Overhead
- **Custom**
  - **Address To:**
  - **Intersection 2:**
  - **Side of Street:** SE

### Work Location

- **Ticket/Work:** Standard
- **FENCE INSTALLATION**
- **Start Date/Time:** 11/21/2019 10:15 AM
- **Su/County/Place:** WI DANE MONONA CITY
- **Address:** 2301 INDUSTRIAL DR KILGUST RD
- **Distance/Direction:** 600 FT SW
- **Marking Instructions:** MARK AN AREA FROM THE W SIDE OF THE BUILDING TO THE W LOT LINE FOR THE WIDTH OF THE LOT
- **Remarks:** DIS/DIR FROM EASTERN MOST INTER
- **Member:**
  - MADISON GAS & ELECTRIC CO MGE12
    - (608) 466-9821
  - MADISON GAS & ELECTRIC CO - COPY - MGE06 MGE12
    - (608) 252-7373
  - MADISON GAS & ELECTRIC CO - COPY - MGE06
    - (608) 252-7373
  - MADISON METRO SEWERAGE DIST MMS01, MMS02, HHS003
    - (608) 446-9821
  - TDS METROCOM IMD411
    - (608) 446-9821

### Map

Map showing the location of the ticket with a marked area in orange.