

Public Works Internal Service Charges

Organization Committee
Task Force on Consolidation

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Committee Questions

- How is the internal service charge derived?
- How is the internal service charge allocated?

Background

- Previous budgets included a "plant renewal fee" charged to Departments and Divisions for building repairs
- Utilities (electric, water/sewer, and chilled water) bills were charged to a single Public Works account
- The previous plant renewal fee was applied at \$0.32 per square foot with no reconciling to actual expenditures for specific buildings

New Process

- Major objective is to improve transparency of fees versus costs
- Departments/Divisions will be charged their own utilities fees in order to promote conservation
- Initially based on historic values but will transition to a billing of actual charges

How Derived?

- Actual building maintenance costs for FY 12 were used as a basis for future needs
- Utility bills for the last 3 years were averaged as a basis for future needs
- Carpet cleaning was forecast for various high traffic facilities
- Guard service, fire inspection fees, and alarm service also based on FY 12 costs

How Allocated?

- Single occupant buildings are allocated 100% of the costs
- Multi-occupant buildings are allocated on a square footage basis occupied by a particular Department/Division
- The applicable annual budgeted expense is allocated on a 1/12th basis each month

