

# Budget Hearings

June 10, 2026

## FRESNO CITY COUNCIL



### Supplement Packet

ITEM(S)

(ID 26-686)

Department of Public Utilities

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CITY OF FRESNO  
CITY CLERK'S OFFICE

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Contents of Supplement: Presentation

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MAYOR'S PROPOSED BUDGET FY 2027

# Department of Public Utilities

Budget Presentation

JUNE 10, 2026

## Department of Public Utilities FY 2027 Total Budget

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Amended	FY 2027 Proposed
Personnel	\$ 58,056,882	\$ 62,727,975	\$ 78,365,900	\$ 85,576,900
Non-Personnel	175,588,291	176,176,611	265,350,200	346,566,600
Interdepartmental	40,752,940	44,541,980	50,802,500	58,231,900
<b>Total</b>	<b>\$ 274,398,113</b>	<b>\$ 283,446,566</b>	<b>\$ 394,518,600</b>	<b>\$ 490,375,400</b>

### Notes

1. Proposed budget includes \$13,879,600 for Administration, \$61,613,800 for Solid Waste, \$208,622,200 for Water, and \$206,259,800 for Wastewater
2. Includes \$32,417,500 for Debt Service and \$ 221,845,300 for Capital Improvement Projects
3. Personnel budget accounts for attrition rate of 6.18%



## Department of Public Utilities FY 2027 Total Budget –Administration Division

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Amended	FY 2027 Proposed
Personnel	\$ 3,348,587	\$ 3,544,790	\$ 3,998,800	\$ 4,527,700
Non-Personnel	1,013,153	990,620	1,403,300	7,418,500
Interdepartmental	1,059,958	1,857,312	2,221,800	1,933,400
<b>Total</b>	<b>\$ 5,421,698</b>	<b>\$ 6,392,722</b>	<b>\$ 7,623,900</b>	<b>\$ 13,879,600</b>

### Notes

1. Non-Personnel cost includes:
  - \$800,500 for administrative staff relocation from the former Fresno Bee Building to a leased space
  - \$5,849,300 from delinquent utility bill penalties and fines previously within Utilities, Billing and Collections Division (UB&C, Finance Department) and moved to DPU Administration in FY 2027
2. Personnel budget accounts for attrition rate of 6.18%



## Department of Public Utilities FY 2027 Total Budget – Solid Waste Management Division

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Amended	FY 2027 Proposed
Personnel	\$ 16,682,372	\$ 18,054,676	\$ 20,379,100	\$ 21,283,200
Non-Personnel	14,312,902	20,015,916	20,183,800	21,610,800
Interdepartmental	13,800,915	14,002,858	14,818,900	18,719,800
<b>Total</b>	<b>\$ 44,796,188</b>	<b>\$ 52,073,450</b>	<b>\$ 55,381,800</b>	<b>\$ 61,613,800</b>

### Notes

1. Includes \$2,482,500 contribution to the former Fresno Bee Bldg demolition, and \$344,400 for the Landfill Programmable Logic Controller (PLC) Upgrades
2. Personnel budget accounts for attrition rate of 6.18%



## Department of Public Utilities FY 2027 Total Budget – Water Division

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Amended	FY 2027 Proposed
Personnel	\$ 19,747,374	\$ 21,586,072	\$ 21,516,300	\$ 30,461,900
Non-Personnel	96,246,793	93,321,642	142,311,400	157,405,000
Interdepartmental	15,890,097	16,481,230	19,532,400	20,755,300
<b>Total</b>	<b>\$131,884,264</b>	<b>\$131,388,943</b>	<b>\$190,360,100</b>	<b>\$208,622,200</b>

### Notes

1. Budget includes various grants detailed in slide 9
2. Personnel budget accounts for attrition rate of 6.18%.



## Department of Public Utilities FY 2027 Total Budget – Wastewater Management Division

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Amended	FY 2027 Proposed
Personnel	\$ 18,278,550	\$ 19,542,437	\$ 25,471,700	\$ 29,304,100
Non-Personnel	64,015,443	61,848,432	101,451,700	160,132,300
Interdepartmental	10,001,971	12,200,581	14,229,400	16,823,400
<b>Total</b>	<b>\$92,295,964</b>	<b>\$93,591,450</b>	<b>\$141,152,800</b>	<b>\$206,259,800</b>

### Notes

1. Personnel budget accounts for attrition rate of 6.18%.
2. Includes \$45.9M Clean Water State Revolving Fund (SRF) Loan for Sidestream Treatment Construction at the Regional Water Reclamation Facility



## Department of Public Utilities FY 2027 Budgeted Positions

Category	FY 2025 Adopted	FY 2026 Adopted	FY 2026 Amended	FY 2027 Changes	FY 2027 Proposed
Administration	36.30	39.30	39.30	0.50	39.80
Water	201.00	202.75	206.75	0.25	207.00
Solid Waste	202.00	202.00	202.00	0.00	202.00
Wastewater	181.00	183.50	183.50	0.50	184.00
<b>Total</b>	<b>620.30</b>	<b>627.55</b>	<b>631.55</b>	<b>1.25</b>	<b>632.80</b>

### Notes:

1. Administration: Made whole – two (2) positions added in FY 2026 @ 0.75 FTE each
2. Water: Made whole – one (1) position added in FY 2026 @ 0.75 FTE
3. Wastewater: Made whole - two (2) positions added in FY 2026 @ 0.75 FTE each



## Department of Public Utilities Operational Impacts

Description	FY 2027 Proposed
1) Contractual Personnel Increases	\$ 7,211,000
2) Vehicle Acquisitions & Replacement	\$ 1,253,900
3) Litter Abatement & Pressure Washing	\$ 500,000
4) Staff Relocation	\$ 800,500
5) Contractual obligations	\$ 689,100

### Notes:

1. Contractual obligations driven by Memorandum of Understanding (MOU) agreements
2. Replacement of vehicles that have reached the end of their useful life critical in providing transportation for staff, equipment, and materials to job sites
3. Litter abatement and pressure washing for Downtown and the Tower District
4. Following the catastrophic failure of the mechanical systems at the former Fresno Bee Building, staff will relocate to new DPU Administration office. Appropriations will cover annual lease, security, janitorial, furnishings, and moving costs.
5. Miscellaneous agreements essential for providing various services such as biosolids hauling, lab sample analysis, treatment supplies and materials, essential repairs, and overall operational efficiency



# Department of Public Utilities

## Federal & State Grants

Description	FY 2027 Proposed
<i>Federal Grants</i>	
1) Polyethylene Pipe Replacement Grant	\$ 3,791,100
2) Wellhead Treatment for 345-1	\$ 787,900
3) WaterSMART Grant	\$ 240,200
<i>State Grants</i>	
4) Urban Community Drought Relief Grant (UCDR)	\$4,388,700
5) New Horizons-Del Oro	\$ 610,000
6) CalRecycle SB1383 Grant	\$ 949,500
CalRecycle Beverage Container Recycling	\$ 137,000
CalRecycle Used Motor Oil	\$ 74,100

### Notes:

1. Proactive replacement of degraded and failing polyethylene service lines with copper piping
2. Installation of wellhead treatment to remove both hydrogen sulfide and manganese from groundwater at Well 345-1
3. Enhance residential irrigation efficiency through the purchase, installation, and programming of 1,500 EPA WaterSense® smart timers
4. Improvements to enhance Leaky Acres recharge facility percolation rates and expand the Lawn to Garden Rebate Program (EL2G) to increase conservation of water used for irrigation
5. Connect New Horizons Mobile Home Park and community served by Del Oro Water Company – Metropolitan District to the City water system, disconnect and destroy onsite wells
6. CalRecycle grants support outreach and compliance requirements for State organics recycling regulation SB1383, and outreach and compliance activities for beverage container recycling and for disposal of used motor oil and filters

# Department of Public Utilities

## Capital Project Highlights

Description	FY 2027 Proposed
1) Sidestream Treatment Construction	\$ 45,930,000
2) Sewer Trunk Rehabilitation on S Marks, Kearney, and Church Avenues	\$ 10,733,300
3) Renewable Gas Diversion	\$ 9,425,500
4) Sewer Trunk Rehabilitation on Ashlan, Gettysburg, Millbrook, and Cedar Avenues	\$ 8,660,300
5) Fresno Bee Building Demolition	\$ 8,086,500
6) Fire Hydrant Replacements	\$ 4,245,000

### Notes:

1. Construction of a new de-ammonification system at the RWRP to reduce the total nitrogen discharged from the plant by diverting the sidestream flows generated by the solids dewatering process into a new dedicated biological treatment system that converts ammonia to nitrogen gas. Estimated completion: September 2030
2. Rehabilitate 5,000 feet of 60" diameter pipeline in South Marks Avenue between Kearny Boulevard and Church Avenue installed in 1962. Estimated completion: January 2028
3. Provides funding for the infrastructure to clean digester gas and convey and inject it into the regional gas provider's natural gas distribution pipeline for beneficial reuse and to provide an additional revenue stream. Estimated completion: November 2028
4. Rehabilitate (4,250 feet) and replace (14,150 feet) of 6" and 8" diameter pipelines and manholes in the area bound by East Ashlan Avenue, North Millbrook Avenue, East Gettysburg Avenue, and North Cedar Avenue. Estimated completion: March 2027
5. Demolition is planned for FY2027 due to the catastrophic failure of the HVAC and other mechanical systems. Estimated completion: June 2027
6. Citywide fire hydrant replacements for increased reliability and reduced maintenance costs. Estimated completion: June 2027



# Department of Public Utilities Capital Project Highlights



# Department of Public Utilities Community Outreach Highlights

1. **Water Conservation Program** is committed to the delivery of professional, courteous customer service and water conservation education to the public by offering Leak Surveys, Timer Tutorials, Landscape Consultations, and multiple rebates. Organized and hosted multiple community events, successfully educating and engaging over 1,000 customers in FY 2026
2. **CARTS program:** Mentoring high school students in environmental science by measuring water efficiency of drip irrigation on approximately 100 Common Sage plants
3. **Solid Waste Recycling** participated in 18 outreach events, reached over 9,500 participants, held multiple Free Shred and Free Dump events in FY 2026.
4. **Wastewater Fats, Oils, and Grease (FOG) Program:** Expanded emphasis on the FOG Program to reduce Sanitary Sewer Overflows (SSOs) and blockages, and to protect public health and the environment by minimizing public exposure to unsanitary conditions, increasing the system's operating efficiency and reducing the number of sewer line blockages and overflows



# Department of Public Utilities Community Outreach Highlights



## Department of Public Utilities Beautify Fresno Highlights

- 1. Beautify Fresno:** 124 events with 7,600 volunteers: 102,000 pounds of trash and 100,000 sq ft of graffiti removed, planted 50 trees and completed mural at San Pablo Park and Highway 180  
 Participated in National Day of Service, Greatest American Cleanup, Pickup With Pups, Mayor's Citywide Community Cleanup Day, World Cleanup Day, Fresno Youth Service Day
- 2. Quad Team:** Removed 3 million pounds of litter and delivered service at 22,500+ locations
- 3. Fresno Box Art Program:** streetscape beautification initiative inviting local artists, students and community members to transform the City's utility boxes into vibrant works of public art



# Questions

