

BENEFIT B-5: Labor Savings

Several meetings were held with the Utility Services and Customer Care staff to discuss the possible impacts of AMI. While the full extent of the impact will be better understood after a solution is selected, the managers made their best estimate to what resources are expected to be needed over the course of the project and beyond. Within the Center of Excellence, 4 additional resources were identified as the organizational changes and new business processes are expected to require more training than currently. In the Meter Services Division, meter reading activities are expected to decline during the project as AMI is deployed, but 2 meter readers will remain for each service depot since the location of reads not collected by AMI may be spread across a large area. The reduction is expected to be from 37 full-time to 8 full-time. The staff will transition from meter reading to other work activities such as collections, field maintenance, and data analysis. Since the turnover of meters will involve the entire meter population, it is expected that there will be many more meter test requests from customers as well as quality control checks needed on new meters. 5 additional Meter Shop Mechanics are expected to be needed along with 1 additional Senior Meter Shop Mechanic.

Personnel Impact				2022	2023	2024	2025	2026	Midpoint Salary
	Current	WIAMI	Saved	WIAMI	WIAMI	WIAMI	WIAMI	WIAMI	
Center of Excellence (78200)									
Training Specialist	1	2	-1	2	2	2	2	2	\$ 90,230
Quality Management Specialist	1	2	-1	2	2	2	2	2	\$ 90,230
Workforce Management Planner	1	2	-1	2	2	2	2	2	\$ 90,230
Quality & Training Associate	1	2	-1	2	2	2	2	2	\$ 67,792
Meter Services Division (76800)									
Sr Shop Meter Mechanic	1	2	-1	2	2	2	2	2	\$ 56,077
Shop Meter Mechanic	4	9	-5	9	9	9	9	9	\$ 50,190
Meter Reader II	37	8	29	31	23	23	8	8	\$ 46,303
	42	19	23	42	40	34	19	19	
Overhead % = 51.0%									
Annual Increase 4.5%									

Current	2022	2023	2024	2025	2026	2022	2023	2024	2025	2026
Total Lbr	Total - No AMI	Total - No AMI	Total - No AMI	Total - No AMI	Total - No AMI	Total w/AMI	Total w/AMI	Total w/AMI	Total w/AMI	Total w/AMI
\$136,247	\$142,378	\$148,785	\$155,481	\$162,477	\$169,789	\$284,757	\$297,571	\$310,962	\$324,955	\$339,578
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\$102,366	\$106,972	\$111,786	\$116,817	\$122,073	\$127,567	\$213,945	\$223,572	\$233,633	\$244,147	\$255,133
\$84,676	\$88,486	\$92,468	\$96,629	\$100,978	\$105,522	\$176,973	\$184,937	\$193,259	\$201,955	\$211,043
\$303,150	\$316,792	\$331,047	\$345,945	\$361,512	\$377,780	\$712,781	\$744,857	\$778,375	\$813,402	\$850,005
\$2,586,949	\$2,703,361	\$2,825,013	\$2,952,138	\$3,084,984	\$3,223,809	\$2,264,978	\$2,214,199	\$1,835,113	\$667,024	\$697,040
\$3,485,882	\$3,642,747	\$3,806,671	\$3,977,971	\$4,156,980	\$4,344,044	\$4,222,948	\$4,260,277	\$3,973,265	\$2,901,392	\$3,031,955
						Estimate of Labor Cost Difference with AMI:				
						\$580,201	\$453,607	(\$4,706)	(\$1,255,587)	(\$1,312,089)

Total 20-year lifecycle benefit	\$30,036,274
Total 20-year NPV benefit	\$17,991,615

Source: WSSC Water

Assumptions: Labor costs reflect salaries and fringe benefit rate = 51% and annual salary increases of 4.5%. The current estimate is based on expected impacts from the high volume of meter changes and conversion from quarterly to monthly billing. Actual staff needs will be more well-defined after the solution is selected and impacts on operations are more fully understood.

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BENEFIT B-6: Reduction in Workers' Compensation Claims

This table shows the impact of the percent reduction in field staff activities and expected savings from the decline in workers compensation claims.

Factor	Current	2022 w/AMI	2023 w/AMI	2024 w/AMI	2025 w/AMI	2026 w/AMI
Estimated Claim Value at 100% Staffing	\$ 133,142	\$135,804	\$138,520	\$141,291	\$144,117	\$147,000
Percent Reduction Compared to 2021 Meter Reading Field Staff Activities		16%	22%	38%	78%	78%
Annual Savings from Reduction in Expected Worker's Comp Claims		\$ 22,022	\$ 29,950	\$ 53,462	\$112,957	\$115,216

Total 20-year lifecycle benefit	\$2,365,932
Total 20-year NPV benefit	\$1,508,039

Source: WSSC Water

Assumptions: Labor estimate is accurate and 2026 level will continue 2027-2041.

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