



Capital Improvement Projects for New Treatment Plants, Capital Expansions, and Growth-related Projects Located in the Drinking Water Protection Zone Overview

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July 2, 2013

Outline

- Background about previous policy
- New Financial Policy No. 8
- Summary of identified projects
- Summary of how projects address capacity needs

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Background on Previous Policy

- Previous Financial Policy was not consistent with State Law
- Directed by Office of the City Auditor (OCA) in coordination with City Attorney to develop proposal for revising Financial Policy
 - OCA recommended Commercial Paper use
 - Adjust voter authorized bond requirements to comply with state law
 - Consistent with other Utility financial policy

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Background on Previous Policy, Continued

- Presented proposed revisions to both WWW Commission and Audit and Finance Committee
 - Discussed Commission and citizen opportunities for review and it would fit into budget process
 - Both recommended approval
- Presented proposed revisions to City Council
 - Approved in January 2013

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New Financial Policy No. 8

- Capital improvement projects for new water and wastewater treatment plants, capital expansions, and growth-related projects that are located in the Drinking Water Protection Zone (DWPZ) will be identified and submitted, as part of the annual budget process, to the following Boards and Commissions: Water and Wastewater Commission, Resource Management Commission, Environmental Board, Planning Commission, and the Zoning and Platting Commission.
- These Boards and Commissions will review growth-related DWPZ capital projects spending plans, obtain Board and Commission and citizen input, review consistency with Imagine Austin Comprehensive Plan, review effect on growth within the DWPZ, and make recommendations on project approval for inclusion in Austin Water Utility's 5-year capital spending plans.

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DWPZ Projects in Proposed FY 2014-18 Capital Spending Plan

The following Capital Improvement Program (CIP) projects are located in the Drinking Water Protection Zone (DWPZ) , and is a capital expansion for existing and/or agreed upon future customers. These projects are not considered growth-related projects as it is not necessitated by or attributable to growth. Additional capacity may be provided by these projects as noted below:

- It is inherent to the project, adding infrastructure per design standards for existing customers for reliability and/or to allow maintenance of facilities adds capacity to the system
- The existing system does not have adequate capacity to safely serve existing and/or agreed upon future customers so, non-growth additional capacity is needed

- Projects in Planning:

– Highland Park Improvements	\$2.0 M
– Loop 360 Westlake to Waymaker	\$1.6 M
– Thousand Oaks Interceptor	<u>\$0.5 M</u>
	<u>\$4.1 M</u>

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**Funding amounts shown for FY14-18 5-year total only*

DWPZ Projects in Proposed FY 2014-18 Capital Spending Plan

The following Capital Improvement Program (CIP) projects for new water and wastewater treatment plants, capital expansions, and growth-related projects are located in the Drinking Water Protection Zone (DWPZ):

- Projects in Construction Phase via Council Approval:

– Water Treatment Plant No. 4	\$56.2 M
– Jollyville Transmission Main	\$27.0 M
– Ridgeview Subdivision	\$ 0.2 M
– NWC Pump Station	<u>\$ 3.9 M</u>
	\$87.3 M

**Funding amounts shown for FY14-18 5-year total only*

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Capital Improvement Program

- AWWU's proposed FY 2014-18 spending plan is \$985.7M
- The total of the projects listed above in the DWPZ represent 9.3% of the total proposed spending plan
- Projects are meeting current capacity needs

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For More Information

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Questions?

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Memorandum

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To: Water and Wastewater Commission
Resource Management Committee
Environmental Board
Planning Commission
Zoning and Planning Commission

From: Greg Meszaros, Director, Austin Water Utility

Date: July 1, 2013

Subject: Board and Commission and Citizen Review of new Growth-related Capital Improvement projects for new water and wastewater treatment plants, capital expansions, and growth-related projects that are located in the Drinking Water Protection Zone (DWPZ)

The Austin City Council approved an amendment to Austin Water Utility's (AWU) Financial Policy No. 8 to provide for enhanced Board and Commission and citizen reviews of AWU's new growth-related capital improvement projects (CIP) located in the Drinking Water Protection Zone (DWPZ). This new ordinance (No. 20130117-017) took effect on January 28, 2013 and as part of the 2014 annual budget process, AWU is presenting the new growth-related projects to Boards and Commissions as set forth in the ordinance.

The revised 2013 Financial Policy No. 8 reads as follows:

Capital Improvement projects for new water and wastewater treatment plants, capital expansions, and growth-related projects that are located in the Drinking Water Protection Zone (DWPZ) will be identified and submitted, as part of the annual budget process, to the following Boards and Commissions: Water and Wastewater Commission, Resource Management Commission, Environmental Board, Planning Commission, and the Zoning and Planning Commission.

These Boards and Commissions will review growth-related DWPZ capital projects spending plans, obtain Board and Commission and citizen input, review consistency with Imagine Austin Comprehensive Plan, review effect on growth within the DWPZ, and make recommendations on project approval for inclusion in Austin Water Utility's 5-year capital spending plans.

During the month of July, AWU representatives will be making a brief presentation to the Commissions on the CIP projects located in the DWPZ related to the financial policy.

Attachments: Presentation
Project Summary
Project Detail with Map



The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.

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12**AWU DWPZ Project Summary per AWU Financial Policy No. 8:**

The following summary table of FY2014-FY2018 Capital Improvement Program (CIP) projects for new water and wastewater treatment plants, capital expansions, and growth-related projects that are located in the Drinking Water Protection Zone (DWPZ) are categorized below by project phase (e.g. Planning, Design, and Construction):

ID	Project Name	FY14	FY15	FY16	FY17	FY18	Future FYs	Total Project Spending
Projects in Planning Phase								
6935.037*	Water - Highland Park Improvements	\$0	\$0	\$0	\$500,000	\$1,500,000	\$1,500,000	\$3,500,000
6939.003*	Water - Loop 360 Westlake to Waymaker	\$0	\$300,000	\$1,000,000	\$300,000	\$0	\$0	\$1,600,000
4954.006*	Wastewater - Thousand Oaks Interceptor	\$0	\$0	\$0	\$0	\$500,000	\$14,100,000	\$14,600,000
Planning Total		\$ 0	\$300,000	\$1,000,000	\$800,000	\$2,000,000	\$15,600,000	\$19,700,000
FY14-18 Total		\$4,100,000						
Projects in Construction Phase via Council Approval								
6683.002	Water - Water Treatment Plant No. 4	\$8,711,072	\$1,735,297	\$0	\$0	\$0	\$0	\$104,817,403
6683.009	Water - WTP #4- Environmental Commissioning	\$155,000	\$60,000	\$0	\$0	\$0	\$0	\$2,224,835
6683.019	Water - WTP4 CMAR	\$45,518,660	\$0	\$0	\$0	\$0	\$0	\$287,275,418
6935.016	Water - Jollyville Transmission Main	\$26,929,258	\$156,000	\$0	\$0	\$0	\$0	\$110,401,769
3353.079	Water - Ridgeview Subdivision	\$0	\$0	\$165,000	\$0	\$0	\$0	\$165,082
5038.001	Water - NWC Pump Station	\$3,860,000	\$0	\$0	\$0	\$0	\$0	\$ 11,893,272
Construction Total		\$85,173,990	\$1,951,297	\$165,000	\$0	\$0	\$0	\$516,777,779
FY14-18 Total		\$87,290,287						
Grand Total								
FY14-18 Total		\$91,390,287						
* This CIP project is located in the Drinking Water Protection Zone (DWPZ), and is a capital expansion for existing and/or agreed upon future customers. This project is not considered a growth-related project as it is not necessitated by or attributable to growth. Additional capacity may be provided by this project as noted below:								
<ul style="list-style-type: none">It is inherent to the project, adding infrastructure per design standards for existing customers for reliability and/or to allow maintenance of facilities adds capacity to the systemThe existing system does not have adequate capacity to safely serve existing and/or agreed upon future customers so non-growth additional capacity is needed								

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13**AWU DWPZ Project Detail per AWU Financial Policy No. 8:**

The following list of FY2014-FY2018 Capital Improvement Program (CIP) projects for new water and wastewater treatment plants, capital expansions, and growth-related projects that are located in the Drinking Water Protection Zone (DWPZ) are categorized below by Project Status (e.g. Planning, Design, and Construction):

Projects in Planning Phase:**Water Distribution System Improvements (2 "Planning" Projects):****1. 6935.037 - Highland Park Improvements**

- Description: Highland Park reservoir and pump station have reached the end of their useful life and are undersized for the area. The area (approximately 2,300 accounts) is currently supplied with a single 12" line with no looping. Project is to construct a secondary supply to the area.
- This project is not considered a growth-related project as it is not necessitated by or attributable to growth. Additional capacity may be provided by this project as noted below:
 - It is inherent to the project, adding infrastructure per design standards for existing customers for reliability and/or to allow maintenance of facilities adds capacity to the system
 - The existing system does not have adequate capacity to safely serve existing and/or agreed upon future customers so non-growth additional capacity is needed
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$0	\$0	\$0	\$500,000	\$1,500,000	\$1,500,000	\$3,500,000

2. 6935.042 - Loop 360 Westlake to Waymaker

- Description: Install 24" line in Loop 360 from Westlake Dr to Waymaker Way. This would allow the pumping division to take the Davenport PS and Reservoir offline temporarily for maintenance.
- This project is not considered a growth-related project as it is not necessitated by or attributable to growth. Additional capacity may be provided by this project as noted below:
 - It is inherent to the project, adding infrastructure per design standards for existing customers for reliability and/or to allow maintenance of facilities adds capacity to the system
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$0	\$300,000	\$1,000,000	\$300,000	\$0	\$0	\$1,600,000

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14Wastewater Collection System Improvements (1 "Planning" Project):

3. 4954.006 - Thousand Oaks Interceptor

- Description: The Thousand Oaks Interceptor Project consists of a planned gravity interceptor that would relieve the Bee Cave and Treemont Lift Stations and replace the Skunk Hollow Interceptor that is currently at capacity.
- This project is not considered a growth-related project as it is not necessitated by or attributable to growth. Additional capacity may be provided by this project as noted below:
 - It is inherent to the project, adding infrastructure per design standards for existing customers for reliability and/or to allow maintenance of facilities adds capacity to the system
 - The existing system does not have adequate capacity to safely serve existing and/or agreed upon future customers so non-growth additional capacity is needed

• Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$0	\$0	\$0	\$0	\$500,000	\$14,100,000	\$14,600,000

Projects in Construction Phase via Council Approval:Water Treatment Plant No. 4 (WTP4) and Transmission Main (4 "Active" Projects):

4. 6683.002 - Water Treatment Plant No. 4

- Description: This project is for design and construction phase services (Professional Services Contracts) for the 50 Million Gallon per Day (MGD) water treatment facility (WTP4) on the Bullick Hollow Site and the raw water system and pump station.
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$8,711,072	\$1,735,297	\$0	\$0	\$0	\$0	\$104,817,403

5. 6683.002 - WTP #4-Environmental Commissioning

- Description: Consultant
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$155,000	\$60,000	\$0	\$0	\$0	\$0	\$2,224,835

6. 6683.019 - WTP4 CMAR

- Description: Provide for negotiation, execution, and construction of Guaranteed Maximum Price construction contracts in accordance with CMAR Contract for construction of Water Treatment Plant No. 4. Includes Project Advisor Contract.
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$45,518,660	\$0	\$0	\$0	\$0	\$0	\$287,275,418

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7. 6935.016 - Jollyville Transmission Main

- Description: Jollyville/NWA Transmission Main- 36,000LF of 84-inch from WTP4 to Jollyville Res.
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$26,929,258	\$156,000	\$0	\$0	\$0	\$0	\$110,401,769

Water Service Extension Requests (SERs) (1 "Active" Project):

8. 3353.079 - Ridgeview Subdivision

- Description: 3,000 feet of 12-inch water line along U.S. Highway 290 West. Council approved (2/1/07) cost participation of \$165,082 for 3,000 feet of oversized 12-inch water line (33% is 4-inches of oversize from an 8-inch) required under SER 2523.
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$0	\$0	\$165,000	\$0	\$0	\$0	\$165,000

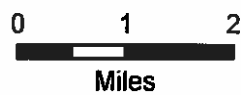
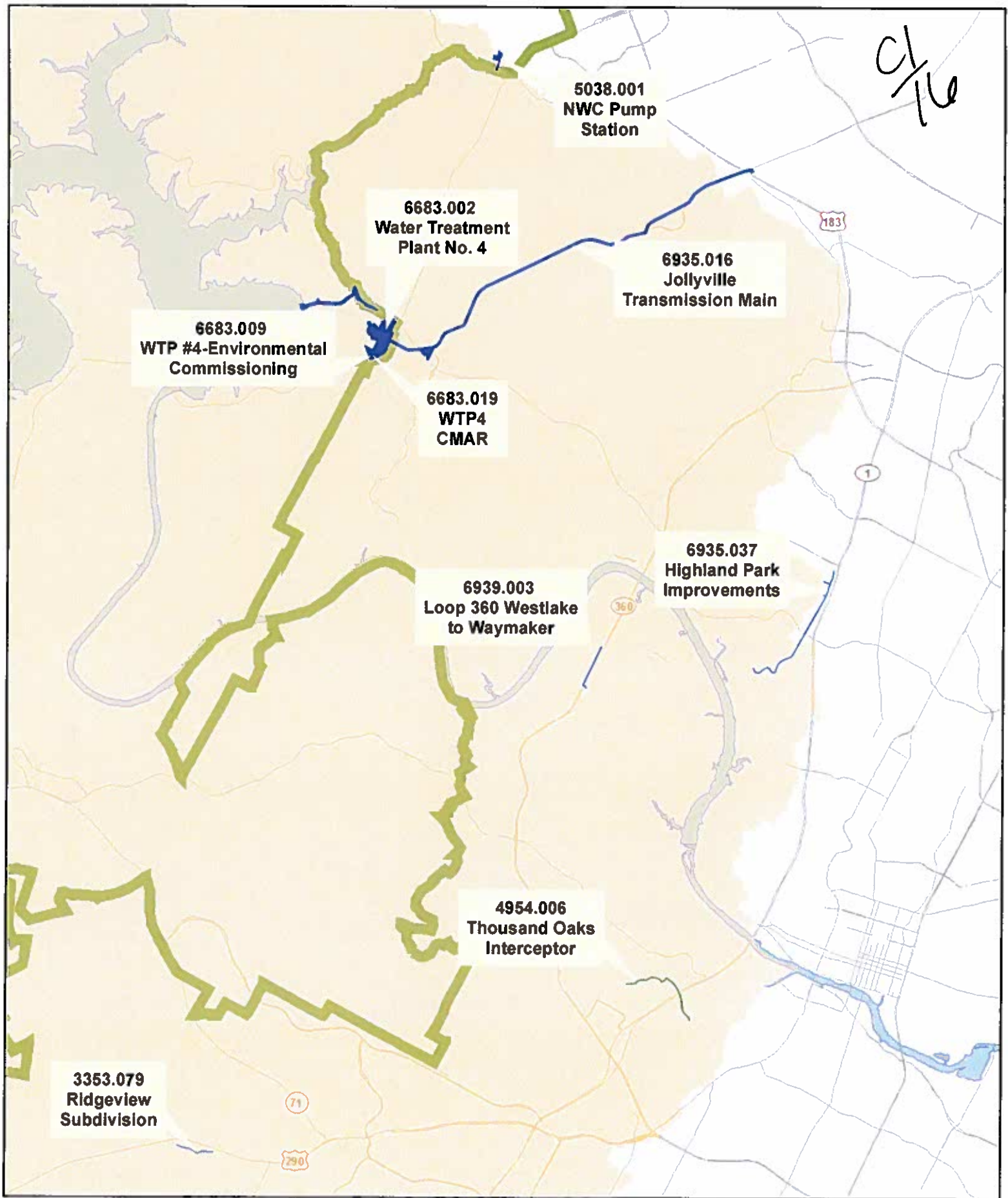
NWC Pump Station and Transmission Main (1 "Active" Project):

9. 5038.001 - NWC Pump Station

- Description: Construct a pump station, 1.5 million gallon potable water tower, approximately 700 Lf of 36 inch diameter and 300 Lf of 42 inch diameter water pipe, and storm water detention pond.
- Spending Plan:

FY14	FY15	FY16	FY17	FY18	Future	Total
\$3,860,000	\$0	\$0	\$0	\$0	\$0	\$ 11,893,272

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City of Austin
Austin Water Utility
June 2013

AWU DWPZ Projects
Financial Policy #8