



FY 2016
Capital Improvement Program (CIP)
BOWC Update

March 4, 2015

FY 2016 CIP

CIP Development Process



FY 2016 CIP Development Process

- Annually the CIP is reviewed and updated to recommend capital improvements over a five year planning horizon.
- For the FY 2016 CIP, the plan presents projected expenditures for FYs 2016 through 2020.
- The CIP incorporates needs identified in the ongoing master plan study and operating experience.
- The CIP strikes a balance between identified system needs and rate affordability.



FY 2016 CIP Development Process (continued)

- June 2014 – CIP development process started
- October 7, 2014 - New CIP projects presented/discussed with customers
- December 22, 2014 - Preliminary CIP presented to the ORCAP Committee
- December 22, 2014 - Preliminary CIP sent to Water and Sewer customers for review and comments
 - Customers review comments due January 8, 2015
- January 14, 2015 - Preliminary CIP presented to BOWC Workshop
- February 12, 2015 - Final CIP Presented to ORCAP Committee for Review/Approval



FY 2016 CIP Development Process (continued)

- February 17, 2015 – CIP update to Finance Committee
- March 3, 2015 – CIP Presented to ORCAP Committee for review/approval
- March 4, 2015 – CIP update to BOWC
- March 11, 2015 – CIP presented for BOWC approval



CIP Document (Preliminary) Online

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DWSD BOARD OF WATER COMMISSIONERS' 2015 CALENDAR

All meeting dates in the schedule below are proposed target dates. Agendas will be posted prior to the meeting on this site. Meeting dates and materials can also be viewed on DWSD's Legistar website by [clicking here](#).

Regular meetings are held on the last Wednesday of each month in the 5th Floor Board Room of the Water Board Building, 735 Randolph in Detroit, beginning at 2:00pm. The location and time of other DWSD Board of Water Commissioner meetings, hearings and workshops will also be posted below.

For a listing of the 2014 final agendas and approved minutes, [click here](#).

BOWC Meeting Dates	Agendas	Minutes	Presentation / Reference Material
January 12, 2015 Finance Committee Meeting 7:30am, Board Room, 5th Floor Water Board Building, 735 Randolph, Detroit	Final Agenda	Approved Minutes	
January 12, 2015 Operation, Regulatory, Compliance and Procurement (ORCAP) Committee Meeting 12:30pm, Board Room, 5th Floor Water Board Building, 735 Randolph, Detroit	Final Agenda	Approved Minutes	
January 14, 2015 Workshop 1:00pm			Sewer FY 2016 Preliminary CIP Water FY 2016 Preliminary CIP Sewer Highlights Water Highlights
January 28, 2015 BOWC Regular Meeting 2:00pm	Final Agenda	Approved Minutes	Public Hearing on Proposed Budget & CIP



The CIP reports categorize projects based on their status

- **ACTIVE** Projects:
 - ✓ Work in progress – the CIP contains projected expenditures necessary to complete these ongoing projects
- **UNDER PROCUREMENT** Projects:
 - ✓ Project is in the procurement process and is about to begin. (A DRMS number (accounting code) has been assigned, but notice to proceed has not yet been issued)
- **NEW** Projects:
 - ✓ Project proposal has been approved but the procurement process has not yet been initiated
- **Pending Closeout** Projects: **Project is complete and about to close.**



The CIP report contains information designed to identify project purpose and cost allocation status

Criteria in Report - Water

✓ **Primary Project Purpose**

- Regulatory Compliance
- System Reliability
- Efficiency Measures
- New Service Areas

✓ **Cost Allocation Status**

- D - Detroit Only
- CTA - Common to All



The CIP report contains criteria designed to identify project purpose and allocation status

Criteria in Report – Sewer

✓ **Primary Project Purpose**

- Regulatory Compliance
- System Reliability
- Efficiency Measures
- New Service Areas
- **Cost Allocation Status**
 - D - Detroit Only
 - S - Suburban Only
 - OMI - Oakland Macomb Interceptor District Only
 - 83/17 - New Wet Weather Facilities
 - CTA - Common to all



FY 2016 CIP

CIP Financial Summary



CIP Document - Water

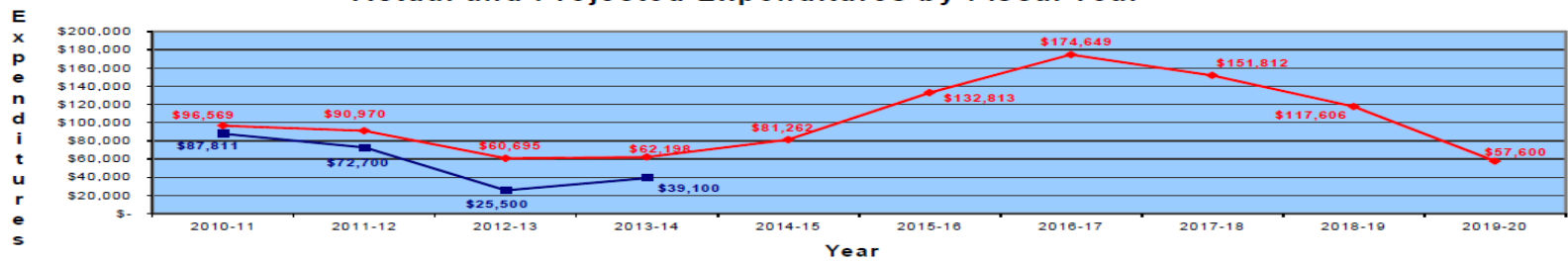
Water Supply System Capital Improvement Program CIP Executive Summary (000)

For ORCAP Committee Approval
3-3-2015

* For information purposes only. Not counted in Total.

Ongoing	Update* 2014-15	2015 - 16	# of Projects	2016 - 17	2017 - 18	2018 - 19	2019 - 20	5 Year Sub Total	Remaining	Total
Active	59,589	57,113	16	34,204	4,254	300	0	95,871	0	95,871
Under Procurement	3,200	22,850	7	25,420	23,950	8,791	0	81,011	0	81,011
Pending Close-out	7,973	40	8	0	0	0	0	40	0	40
Ongoing Total	70,762	80,003	31	59,624	28,204	9,091	0	176,922	0	176,922
New Projects Total	10,500	52,810	26	115,025	123,608	108,515	57,600	457,558	16,316	473,874
Total CIP	\$ 81,262	\$ 132,813	57	\$ 174,649	\$ 151,812	\$ 117,606	\$ 57,600	\$ 634,480	\$ 16,316	\$ 650,796

Actual and Projected Expenditures by Fiscal Year



■ Projected Expenditures ■ Actual (unaudited) Expenditures

Notations: 2010-11 thru 2013-14 totals are projected and actual (unaudited) expenditures
2014-15 thru 2019-20 are projected expenditures



Water CIP - Projection Summary by Facility

	Water Supply System							
	(000)							
Facility/System	2015-16	2016-17	2017-18	2018-19	2019-20	5-Year Total	Remaining	Total
Metro Area Construction	37,000	65,247	50,150	36,700	10,000	199,097	0	199,097
Urban System Improvements	39,060	25,823	14,800	14,000	14,000	107,683	0	107,683
Computer Systems	6,142	1,000	2,250	250	0	9,642	0	9,642
General Plant	16,486	25,418	24,260	21,000	21,000	108,164	1,500	109,664
Water Works Park	5,200	13,200	14,375	5,000	0	37,775	0	37,775
Springwells WTP	21,700	22,850	30,344	32,641	10,000	117,535	10,900	128,435
Northeast WTP	500	4,200	333	0	0	5,033	0	5,033
Southwest WTP	870	4,300	2,400	0	0	7,570	2,940	10,510
Lake Huron WTP	900	5,300	9,400	7,715	2,600	25,915	126	26,041
Pumping Stations/Reservoirs	4,955	7,311	3,500	300	0	16,066	850	16,916
Total	132,813	174,649	151,812	117,606	57,600	634,480	16,316	650,796



Water CIP – Projection Analysis

FY 2016 CIP Vs. FY 2016 Preliminary CIP

	Water Supply System						Not counted in Sub Total or Total. For information only.		
	('000)								
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	5 Year Sub Total	Remaining	Total
Per FY 16 Preliminary Water CIP	80,344	132,718	174,967	153,312	117,606	57,600	636,203	16,316	652,519
Per FY 16 Water CIP	81,262	132,813	174,649	151,812	117,606	57,600	634,480	16,316	650,796
Comparison: FY 16 CIP vs. FY 16 Preliminary CIP	918	95	(318)	(1,500)	-	-	(1,723)	-	(1,723)
Comparison %: FY 16 CIP vs. FY 16 Preliminary CIP	1.14%	0.07%	-0.18%	-0.98%			-0.27%	0.00%	-0.26%



Water CIP – Projection Analysis

FY 2016 CIP Vs. FY 2015 CIP

	Water Supply System							Not counted in Sub Total or Total. For information only.		
	'(000)									
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	5 Year Sub Total	Remaining	Total
Per FY 15 Water CIP	62,198	125,213	153,273	107,099	71,257	47,589		504,431	7,561	511,992
Per FY 16 Water CIP		81,262	132,813	174,649	151,812	117,606	57,600	634,480	16,316	650,796
Comparison: FY 16 CIP vs. FY 15 CIP		(43,951)	(20,460)	67,550	80,555	70,017	57,600	130,049	8,755	138,804
Comparison %: FY 16 CIP vs. FY 15 CIP		-35.10%	-13.35%	63.07%	113.05%			25.78%	115.79%	27.11%



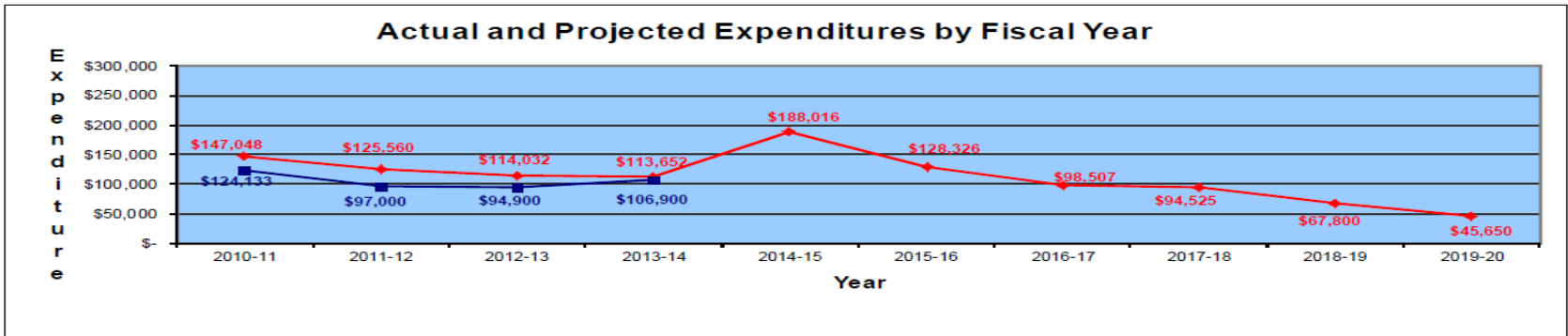
CIP Document - Sewer

Sewage Disposal System Capital Improvement Program CIP Executive Summary (000)

For ORCAP Committee Approval
3-3-2015

* For information purposes only. Not counted in Total.

Ongoing	Update* 2014-15	2015 - 16	# of Projects	2016 - 17	2017 - 18	2018 - 19	2019 - 20	5 Year Sub Total	Remaining	Total
Active	136,877	63,378	17	9,357	3,825	0	0	76,560	5,661	82,221
Under Procurement	5,850	28,500	8	28,750	22,150	1,350	150	80,900	0	80,900
Pending Close-out	30,189	148	17	0	0	0	0	148	0	148
Ongoing Total	172,916	92,026	42	38,107	25,975	1,350	150	157,608	5,661	163,269
New Projects Total	15,100	36,300	12	60,400	68,550	66,450	45,500	277,200	22,782	299,982
Total CIP	\$188,016	\$ 128,326	54	\$ 98,507	\$ 94,525	\$ 67,800	\$ 45,650	\$ 434,808	\$ 28,443	\$ 463,251



■ Projected Expenditures ■ Actual (unaudited) Expenditures

Notations:

2010-11 thru 2013-14 totals are projected and actual (unaudited) expenditures
2014-15 thru 2019-20 are projected expenditures



Sewer CIP – Projection Summary by Facility

	Sewage Disposal System							
	(000)							
Facility/System	2015-16	2016-17	2017-18	2018-19	2019-20	5-Year Total	Remaining	Total
Primary Treatment	22,955	22,768	19,446	3,100	6,000	74,269	2,000	76,269
Secondary Treatment	6,519	8,612	5,640	0	0	20,771	0	20,771
Solids Handling	48,315	5,109	1,829	2,250	650	58,153	14,282	72,435
Disinfection	1,605	8,750	11,900	10,000	0	32,255	5,661	37,916
General Purpose	21,464	21,168	23,460	17,200	10,000	93,292	0	93,292
Sewer Interceptor System	5,000	5,000	5,000	5,000	5,000	25,000	0	25,000
Combined Sewer System	6,015	5,100	0	0	0	11,115	0	11,115
Urban System Improvements	10,465	21,000	25,000	30,000	24,000	110,465	1,500	111,965
Information Technology	5,988	1,000	2,250	250	0	9,488	5,000	14,488
Total	128,326	98,507	94,525	67,800	45,650	434,808	28,443	463,251



Sewer CIP-Projection Analysis

FY 2016 CIP Vs. FY 2016 Preliminary CIP

	Sewage Disposal System						Not counted in Sub Total or Total. For information only.		
	'(000)								
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	5 Year Sub Total	Remaining	Total
Per FY 16 Preliminary Sewer CIP	186,216	129,581	104,957	95,275	65,550	45,000	440,363	28,443	468,806
Per FY 16 Sewer CIP	188,016	128,326	98,507	94,525	67,800	45,650	434,808	28,443	463,251
Comparison: FY 16 CIP vs. FY 16 Preliminary CIP	1,800	(1,255)	(6,450)	(750)	2,250		(5,555)	-	(5,555)
Comparison %: FY 16 CIP vs. FY 16 Preliminary CIP	0.97%	-0.97%	-6.15%	-0.79%	3.43%		-1.26%	0.00%	-1.18%



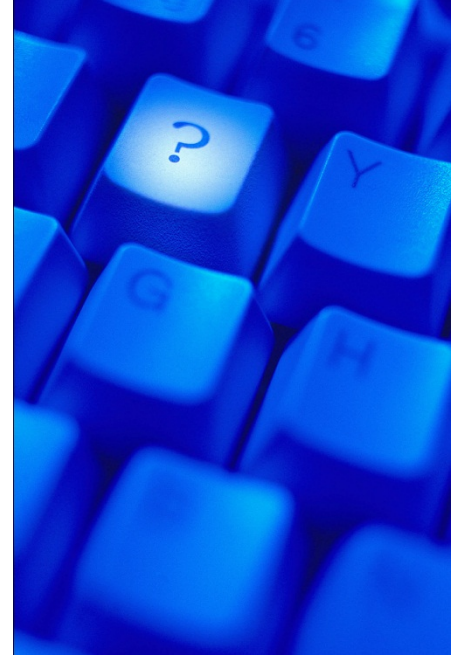
Sewer CIP – Projection Analysis

FY 2016 CIP Vs. FY 2015 CIP

	Sewage Disposal System							Not counted in Sub Total or Total. For information only.		
	'(000)									
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	5 Year Sub Total	Remaining	Total
Per FY 15 Sewer CIP	113,652	193,684	113,813	96,503	76,375	72,700		553,075	56,449	609,524
Per FY 16 Sewer CIP		188,016	128,326	98,507	94,525	67,800	45,650	434,808	28,443	463,251
Comparison: FY 16 CIP vs. FY 15 CIP		(5,668)	14,513	2,004	18,150	(4,900)		(118,267)	(28,006)	(146,273)
Comparison %: FY 16 CIP vs. FY 15 CIP		-2.93%	12.75%	2.08%	23.76%	-6.74%		-21.38%	-49.61%	-24.00%



Questions?



Thank you!

