



City of Detroit
Water & Sewerage Department
Finance Division

DATE: January 14, 2015

TO: Honorable Board of Water Commissioners (BOWC)
Director
Chief Financial Officer

FROM: Syed Ali, Head Engineer, Capital Management Group

RE: **FY 2016 “Preliminary” Sewage Disposal System CIP
Brief Summary/Highlights for BOWC Workshop**

Attached is the FY 2016 “Preliminary” Sewage Disposal System CIP for your review and consideration. The preliminary CIP was presented to the ORCAP committee on December 22, 2014 for their review.

Given below is the brief summary/major highlights.

Sewage Disposal System (SDS)

- Total Sewer CIP plan (5 year + Remaining) is \$468.8 million and the 5-year CIP plan is \$440.4 million.
- A shaded column with FY 2014-15 updated expenditure projections is provided in the CIP for information purposes only; it is not counted in the sub- total or total and is not a part of the 5-year plan.
- **New for this year** - contract amount, start date and completion date have been added in the CIP.
- Five (5) new project proposals totaling approximately \$81.6 million have been added.
- Total 5- year “Wastewater Treatment Plant Allowance” is \$50.0 million (\$10.0 million each) (CIP #1257, item 9, page 38).
- Total 5- year “Interceptor Allowance” is \$25.0 million (\$5.0 million each FY) (CIP #1263, item 11, page 38).
- Total 5- year “Sewer Replacement Allowance” is \$90.0 million (CIP #448, item 13, page 39).
- Total 4- year “IT Systems Allowance” is \$7.5 million (CIP #1262, item 16, page 40).
- Following projects that existed in FY 2015 CIP have been deleted, *as these projects are either complete, no more needed or closed by Accounting:*
 - PC-756 New Troughs and Weirs for Primary Clarifiers 13-16 – *Project is complete.*
 - PC-784A Sewer Meter Replacement – *Project is complete.*
 - PC-748 Baby Creek CSO Facility – *Project is complete.*
 - CS-1364/PC-755 Oakwood CSO Facility and Pump Station – *Project is complete.*

- PC-772 Fischer PS Improvements - *Project is complete.*
 - CS-1465 Customer Billing and Management System (CBMS) Upgrade - *Project is complete.*
 - CS-1476 As Needed Technical Services - *Project is complete.*
 - CS-1541(Design) and Construction (CIP #1250) of RRO 2 Conduit (totaling \$88.0 million). *This project is no more needed because of MDEQ approving the DWSD proposed alternative project estimated approximately \$28.0 million.*
 - DWS-886 East Side Sewer Rehabilitation in City of Detroit (totaling \$16.4 million) – *Cancelled/Construction contract not procured.*
 - DWS-887 West Side Sewer Rehabilitation in City of Detroit (totaling \$16.4 million) – *Cancelled/Construction contract not procured.*
 - Process Improvements for the Secondary Treatment at WWTP (CIP #1195) - *No more needed.*
- Following projects have been moved from the “Active” category to “Pending Closeout” category as the projects are anticipated to be completed and closed out. *Contract expenditures (unaudited numbers) up to the end of FY 2014 are shown in italics. Projects marked with * are 50/50 combined water and sewer projects; sewer portions of the contract expenditures are shown here.*
 - PC-774 Complex I & II Incinerator Improvements (item 2, page 27) - *\$30,330,339.*
 - PC-780 Rehabilitate Sludge PS 1 & 2 (item 4, page 28) - *\$5,854,353.*
 - PC-786 Rouge River Outfall No.2 (RRO-2) Segment 1 - WWTP Modifications (item 5, page 28) - *\$11,048,814.*
 - *CS-1345 As-needed Engineering Services (item 6, page 29) - *\$4,012,396.*
 - CS-1443 Plant-wide Fire Alarm System Upgrade/Integration and Fire Protection Improvements – WWTP (item 7, page 29) - *\$624,791.*
 - PC-782 Plant-wide Fire Alarm System Upgrade/Integration and Fire Protection Improvements (item 8, page 30) - *\$2,923,401.*
 - *CS-1490 Geotechnical and Related Services on an As-needed Basis (item 10, page 31) - *\$2,135,487.*
 - *CS-1499 Department-wide General Engineering Services on an As-needed Basis (item 11, page 31) - *\$4,192,136.*
 - *DWS-884A Central Services Facility (CSF) Improvements (item 12, page 31) - *\$520,873.*
 - CS-1421 Fisher Pumping Station Improvements (item 14, page 32) - *\$2,787,895.*
 - PC-788 Hubbell-Southfield CSO Control Facility & In-System Storage Gate Improvements (item 15, page 32) - *\$10,830,143.*
 - DWS-899 Emergency Sewer Repair/Rehabilitation (item 16, page 33) - *\$0.*
 - DWS-876 East Side City of Detroit Sewer Repair Contract for Inspection and In-Place Rehabilitation of Existing Circular and Non-Circular Sewers (item 17, page 33) - *\$42,242,001.*

- DWS-877 West Side City of Detroit Sewer Repair Contract for Inspection and In-Place Rehabilitation of Existing Circular and Non-Circular Sewers (item 18, page 34) - \$41,882,188.
- Following projects have been moved from the “New” category to “Under Procurement” category as a result of approval of authorization to proceed to procure the services:
 - PC-757 Rehabilitation of Primary Rectangular Clarifiers and Pipe Gallery (item 1, page 24)
 - PC-796 Aeration System Improvements (item 2, page 24).
- Projects’ expenditures have been revised based on the current status in terms of the progress/schedule and cost, and the input/information provided by the project managers.

PROJECTION ANALYSIS - SEWAGE

	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 Amended Sewer CIP	113,652	193,684	113,813	96,503	76,375	72,700		553,075	56,449	609,524
Per FY 16 - Preliminary Sewer CIP		186,216	129,581	104,957	95,275	65,550	45,000	440,363	28,443	468,806
Comparison: FY 16 Preliminary CIP vs. FY 15 CIP		(7,468)	15,768	8,454	18,900	(7,150)		(112,712)	(28,006)	(140,718)
Comparison %: FY 16 Preliminary CIP vs. FY 15 CIP		-3.86%	13.85%	8.76%	24.75%	-9.83%		-20.38%	-49.61%	-23.09%