

Remedial Measures Plan (RMP) Update



SEPTEMBER 10, 2013



Remedial Measures Plan

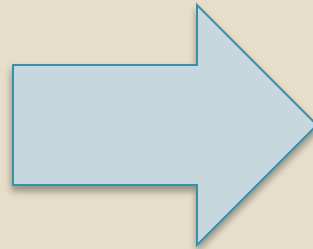


- 2 Year – 24 Hour

- 3.2”

- \$600,000,000

- 2024



- 5 Year – 24 Hour

- 3.7”

- \$900,000,000

- 2024

Remedial Measures Plan



- 82 Projects
- \$44-\$57 Million/Year
- 6-17 Projects/Year
- 48 Miles of Pipe
- 108,000,000 Gallons Wet Weather Storage (WWS)
- 15 Pump Stations

Challenges



- Budget/Revenue/Debt
- Schedule
- Public Education/Engagement
- Disruption

Statements of Fact



- There will be future SSOs
- There will likely be future fines

Storm Event Comparison



- 2-year storm is likely the smallest storm EPA would consider
- Selection of 2-year storm would result in lowest cost and lowest rate increases
- Selection of larger storm event would have higher costs, but would have less SSOs, less residential impacts, and less regulatory fines
 - Building improvements for the 2-year storm would result in an estimated 13 SSOs during a 5-year storm, and 53 SSOs during a 10-year storm

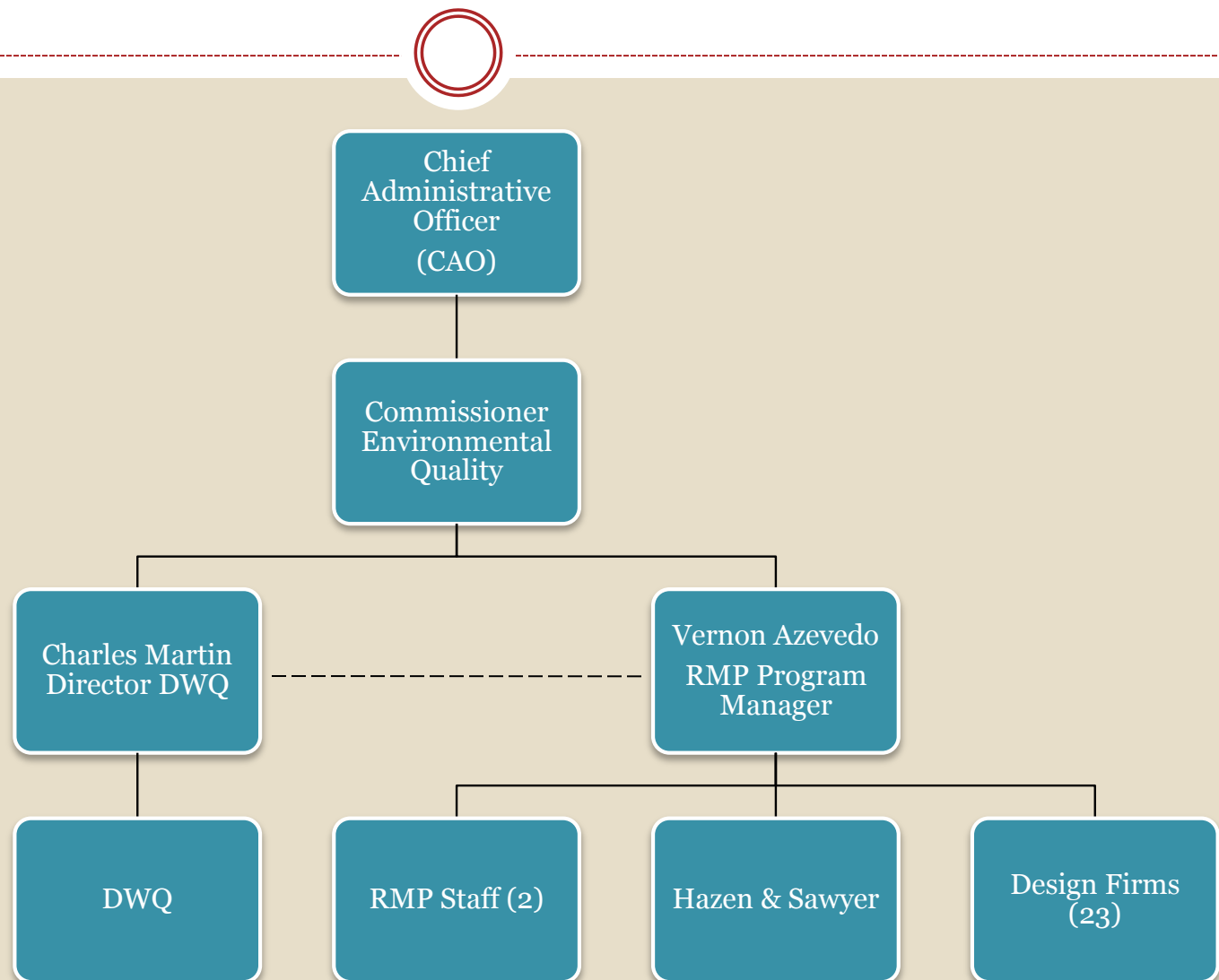
Potential Regulatory Penalties



- Fines
 - Any SSO after its elimination deadline
 - \$1000 to \$5000 depending on volume
- Frame of reference:
 - 13 SSOs projected for 5-Year storm: Potential Fine = \$65,000 every 5 years
 - 53 SSOs projected in a 10-Year storm: Potential fine = \$265,000 every 10 years
 - Annual principal paid over 20 years on a \$300 M increase in project costs (from 2-year storm to 5-year storm)

\$15.0 M per year!

RMP Organizational Management Structure



Project Management - Design



- Engineer Procurement Process
- Value Engineering
- Scope of Work
- Cost-Effective Designs
- Communications

Project Management - Construction



- Standard Contract Documents
- Bonds
- Tracking Costs
- Communications

Engineers



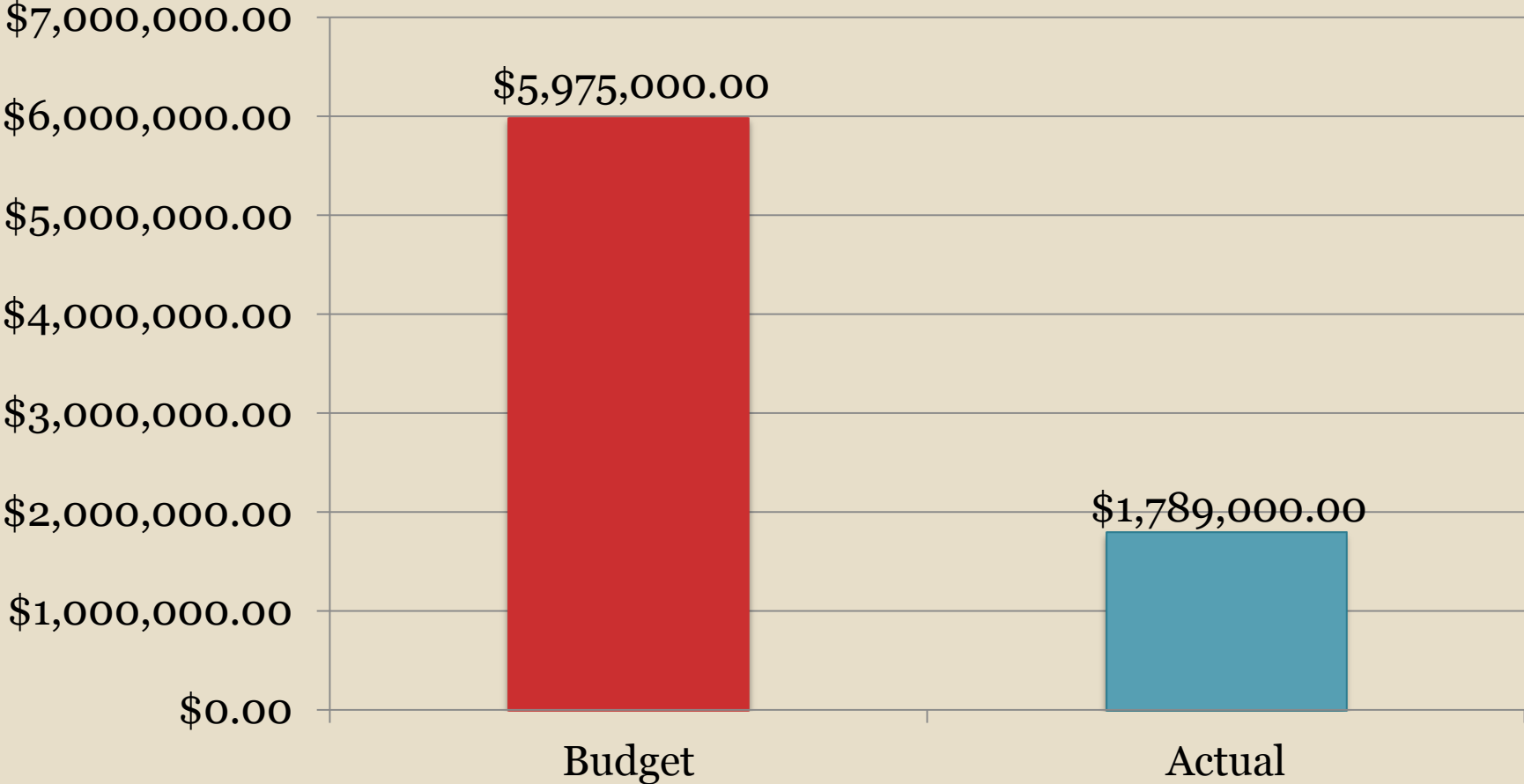
- Program Manger: Hazen & Sawyer
- Indefinite Services Delivery Contract
- Six Functional Categories
- 23 Different Firms

Current Program Status



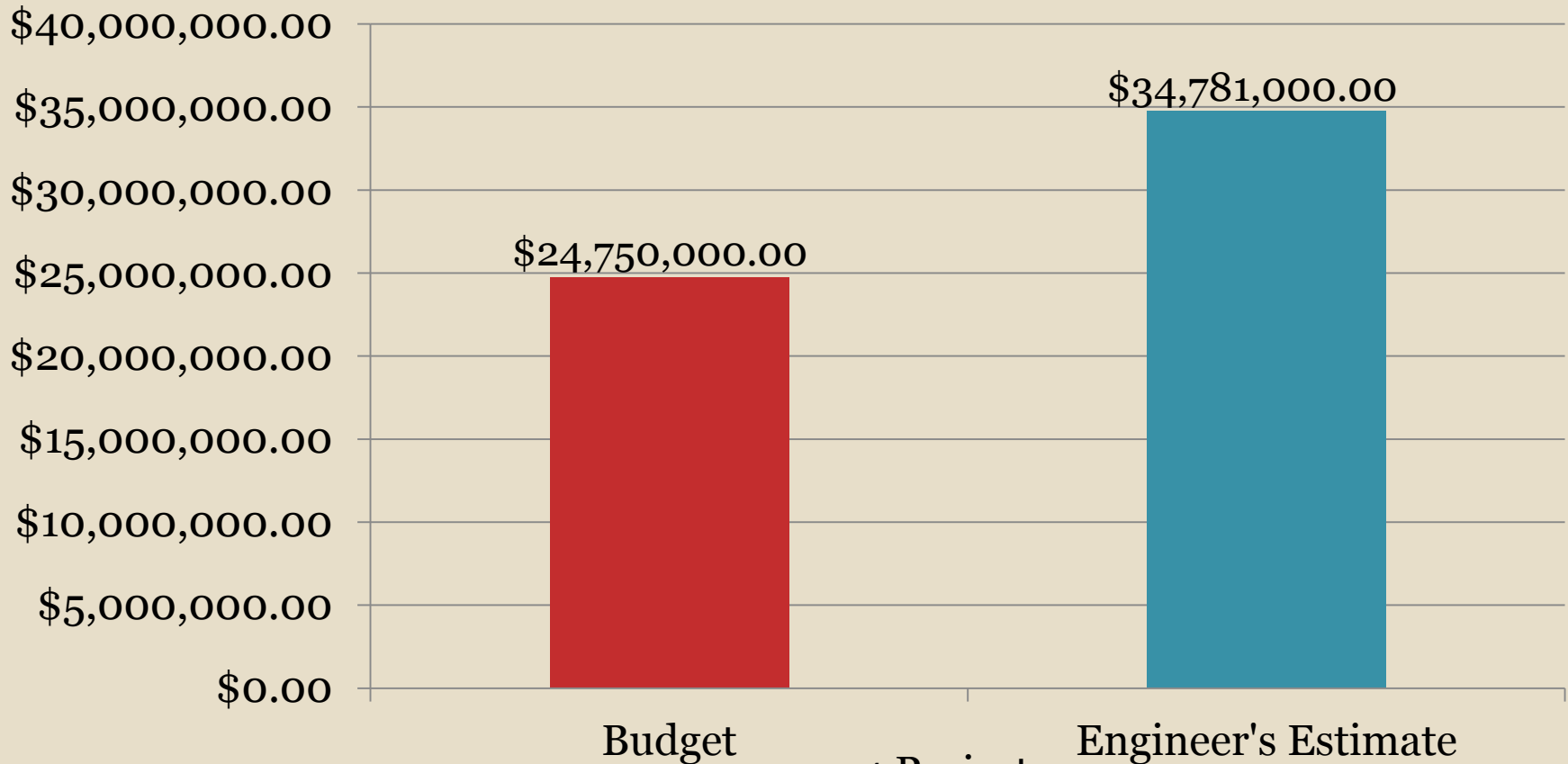
- Planning : 3 Projects
- Design: 5 Projects
- Construction: 1 Project

Engineering Costs



6 Projects

Construction Costs



Note: TB WWS

Cost: \$2.45/Gal → \$1.10/Gal

Phase 1: 10 MG → 22 MG

Sources of Funding



- Reserve Fund
- KIA Loans
- Sale of Bonds
- User Fees

Communications Plan



- Website
- Social Media
- Public Meetings
- Mailers

Project Impact



- Backyards
- Dirt/Dust/Mud
- Traffic
- Site Restoration