

Wastewater Treatment Facility Improvement Project Update [Apr 9, 2020]

How the Project Cost Evolved?



Project Cost Comparison
Strategic Plan vs Preliminary Design



Why Did the Project Cost Evolve?

Biosolids Processing and Reuse

Improvements will reduce operating costs, enhance biosolids quality, add program flexibility, and improve program resiliency. Preliminary Design cost exceeds Plan cost because the design incorporates odor control and dryer capacity adequate to dry all biosolids. The Plan assumed capacity to dry only 70% of biosolids.

Reliability, Safety, and Performance

Improvements enhance the reliability, safety, and performance of essential processes and equipment. Preliminary Design cost exceeds Plan cost largely because the design includes more extensive and pervasive electrical distribution and emergency power improvements.

Energy Efficiency and Recovery

Improvements enhance energy efficiency and convert biogas to usable renewable energy: heat and electricity.

Low-Level Phosphorus Compliance

Improvements allow compliance with the impending low-level effluent phosphorus limit.

What is the Decision for Council?

Council Alternatives

The Utility and Donohue developed two alternatives that do not jeopardize the Facility mission of consistent and cost-effective Permit compliance.

1 Hold Project budget at \$55.5M as outlined in the Strategic Plan by eliminating energy recovery and odor control

Energy recovery will save approximately \$300k/year and has a 15-year payback

Typical Quarterly Residential Bill = \$45.75

2 Raise Project budget to \$62M and retain energy recovery and odor control

Typical Quarterly Residential Bill = \$47.25

? Proceed with Alternative 1 or 2? Eliminating energy recovery and odor control would only save typical residential users \$0.50 per month.

Schedule Imperatives

- **Must** submit construction documents to the WDNR by September 30, 2020 or lose \$1.8M in principal forgiveness
- **Should** bid Project in early 2021 to get competitive Contractor bids and close on low-interest loan
- **Must** commission the low-level phosphorus improvements by mid-2023