

**Information Item:**  
**Proposed 2018-2023**  
**Capital Program and**  
**2018 Capital Budget**

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Environment Committee September 12, 2017



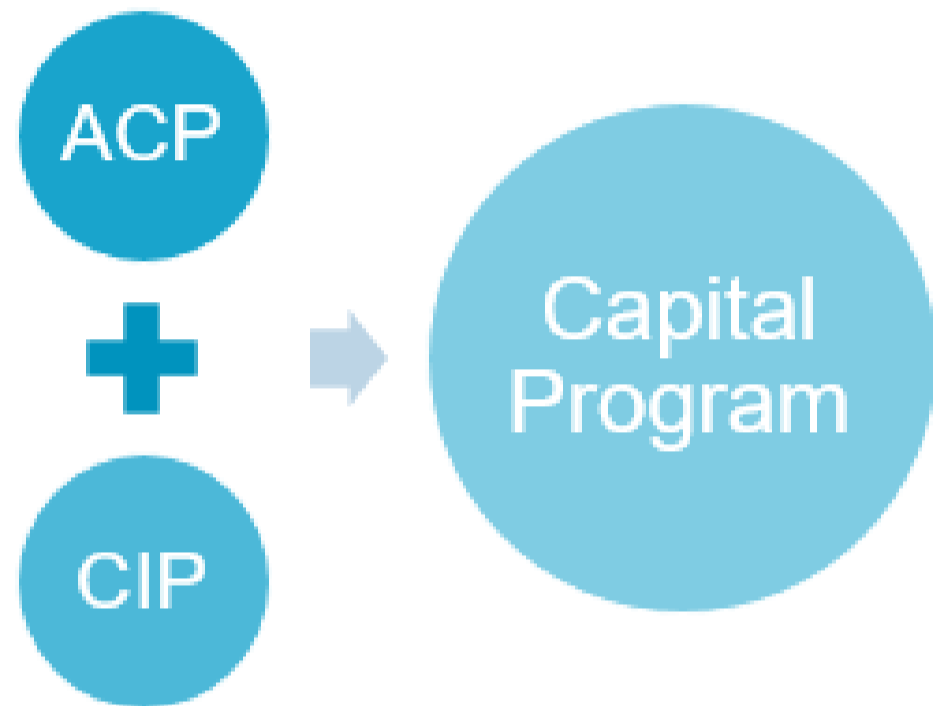
# Topics

- Capital Program
  - 6-Year Plan
- Authorized Capital Program (ACP)
  - Multi-Year Authorization
- Capital Budget
  - Annual Appropriation

# Capital Program Objectives

- Preserve
  - \$7 Billion Infrastructure
- Growth
  - Meet Commitments
- Quality
  - Improve Performance

# Capital Program Definitions



Authorized Capital Program (ACP): Multi-year authorization from Council to spend on projects where funding has been secured.

Capital Improvement Program (CIP): 6-year capital investment plan where funding sources identified. Council has not authorized to proceed.

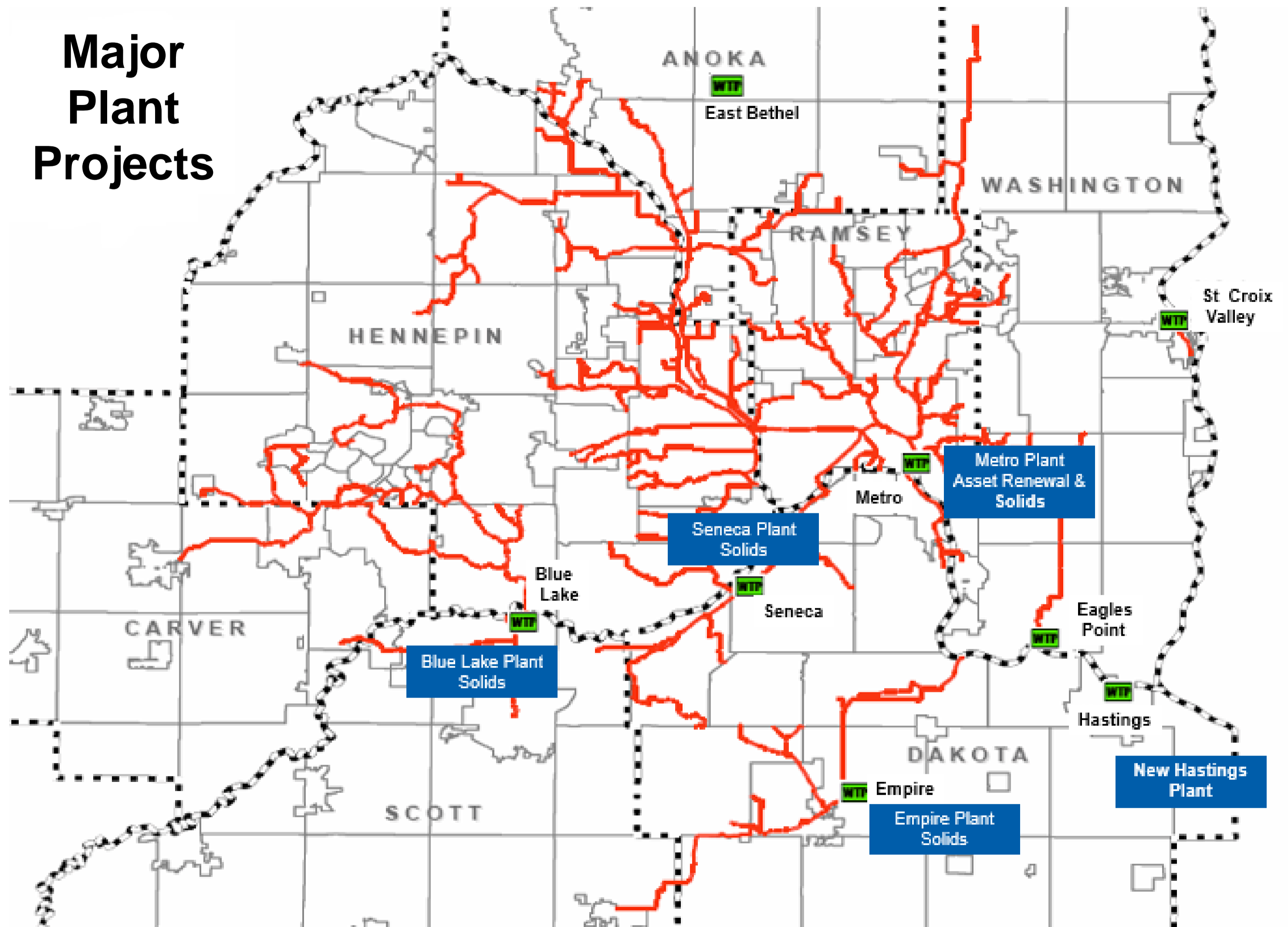


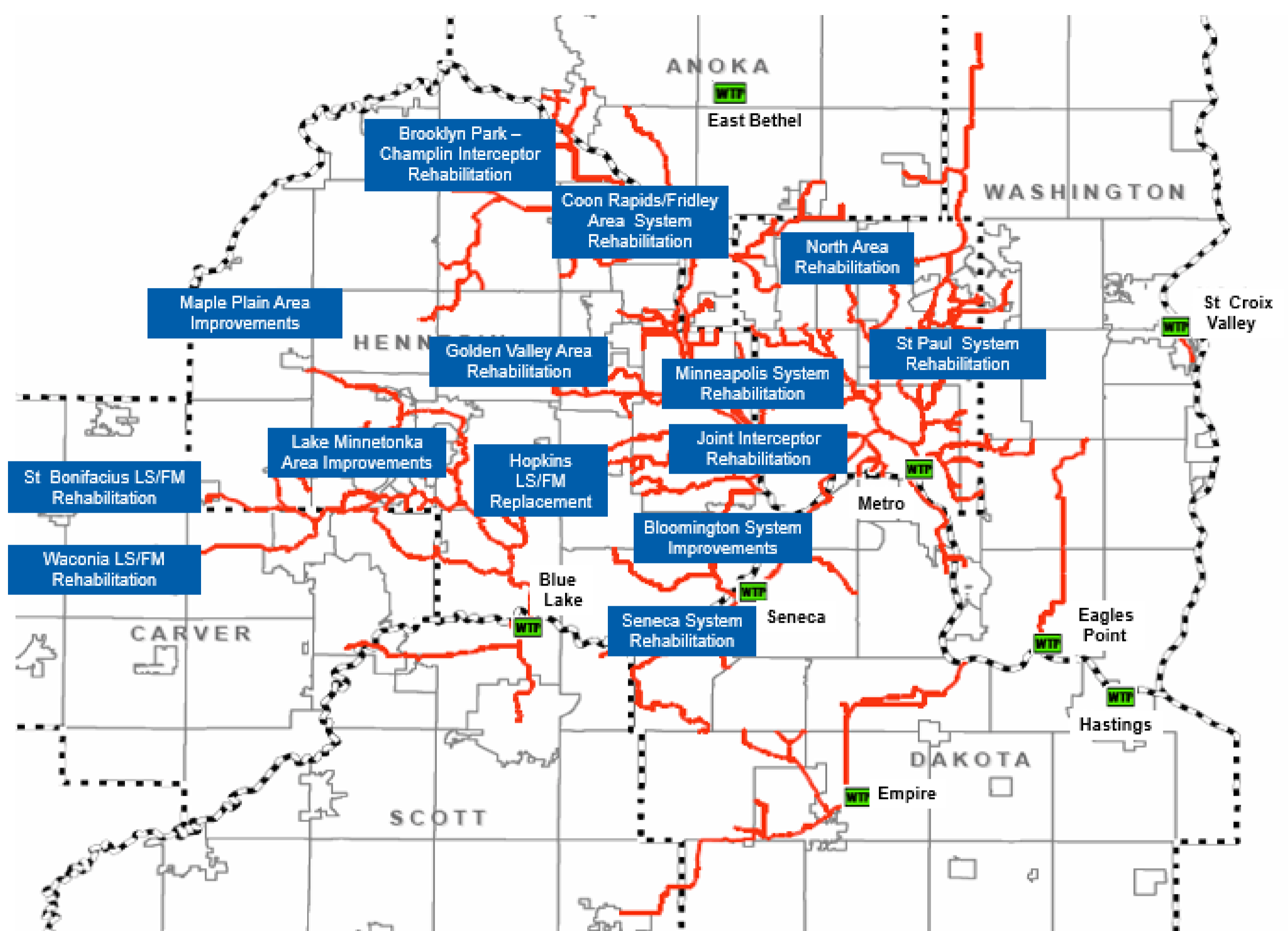
2018

Capital Budget: Amount from ACP that Council approves to be spent in upcoming year.

# Proposed 2018-2023 Capital Program

# Major Plant Projects





System Wide Projects: Lift Station & Meter Improvements

# Capital Program

- Capital Investment Comparison

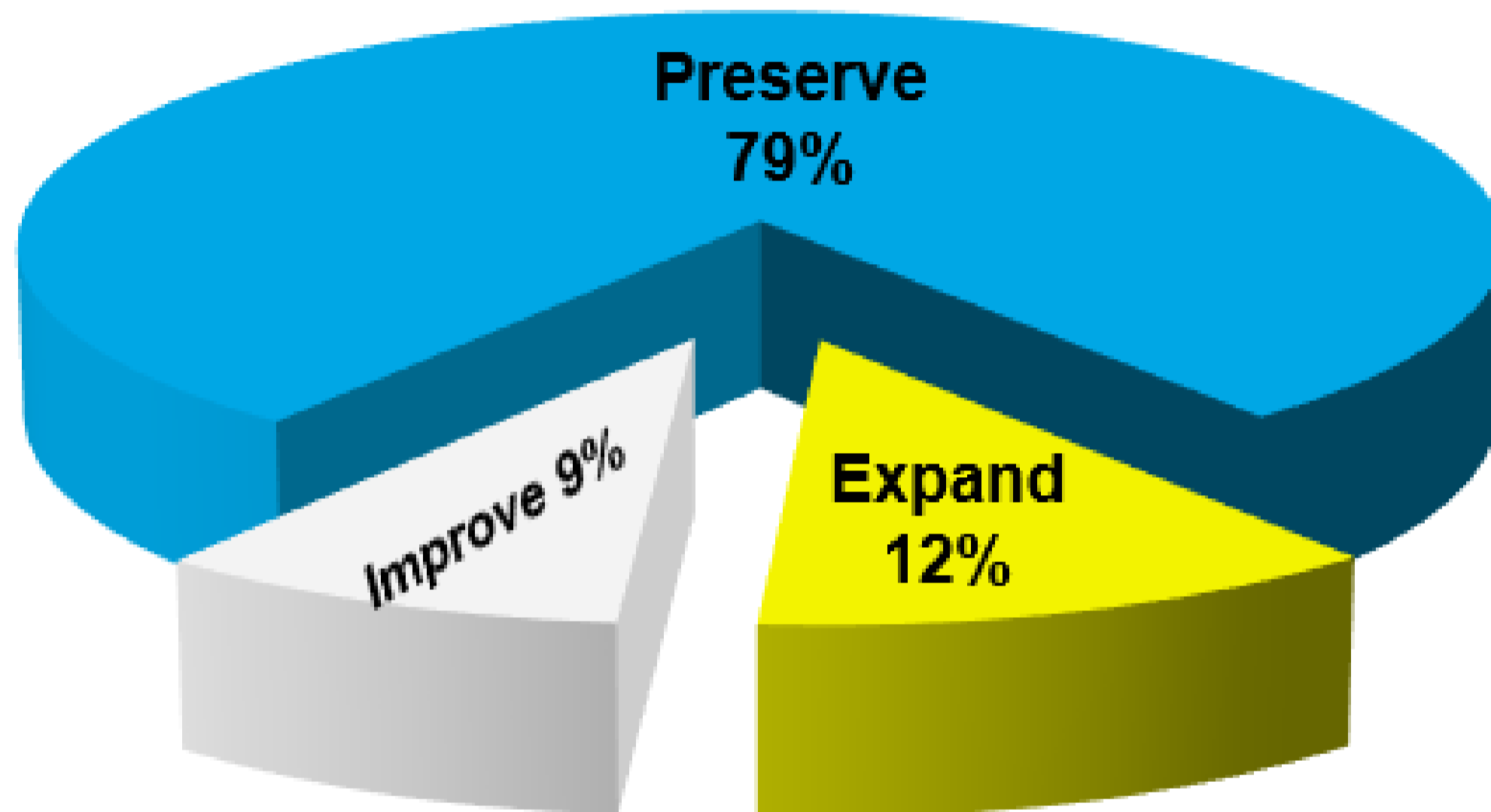
Time Period	Average Annual Capital Expenses*
1970 – 2017	\$142 Million
2013 – 2017	\$141 Million
2018-2023	\$132 Million (projected)

\*Adjusted for inflation to 2017 dollars



# Capital Program Expenditures

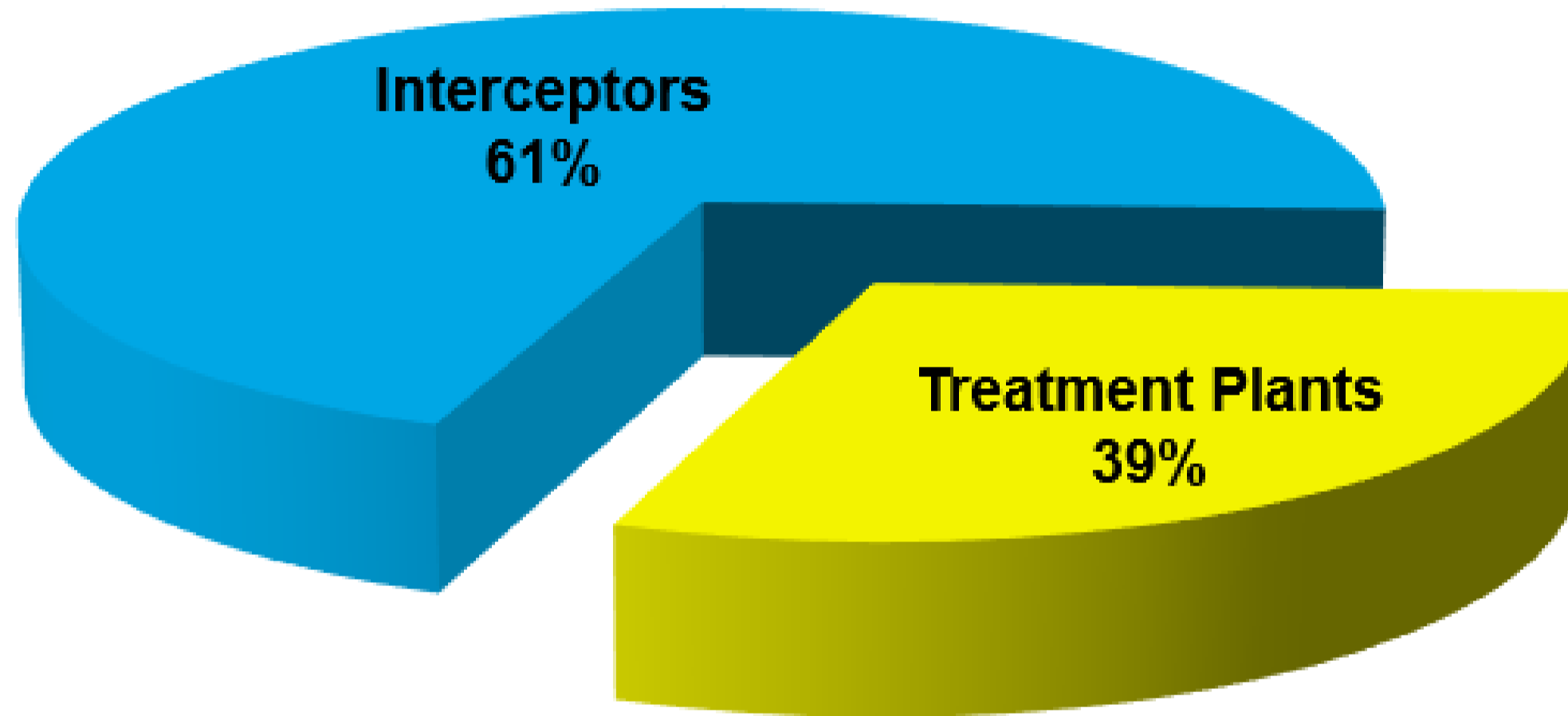
## Breakdown by Project Objective



Total 2018 – 2023  
\$876 Million

# Capital Program Expenditures

## Breakdown by Project Type



**Total 2018 – 2023**  
**\$876 Million**

# 2018 Authorized Capital Program (ACP)

# Authorized Capital Program Requests

- Two new projects
  - Brooklyn Park L32 relocation
  - Blue Lake Solids Improvements
- Adjustments to existing projects
- Projects to be deleted from the program
  - Blue Lake Wastewater Treatment Plant Improvements
  - Energy Conservation & Recovery
  - Metropolitan Wastewater Treatment Plant Nutrient Removal

**Wastewater Treatment System**  
— MCES Gravity Interceptor  
— MCES Force mains Interceptor  
☐ L32 MCES Lift Stations



# Brooklyn Park L32

2018 ACP Request	\$1,200,000
Future CIP Requests	<u>\$33,300,000</u>
Total Project Cost	\$34,500,000



# Blue Lake Solids Improvements

2018 ACP Request	\$800,000
Future CIP Requests	<u>\$49,700,000</u>
Total Project Cost	\$50,500,000



**Solids Thickening & Drying**



County Road 101

# Summary of Authorized Capital Program (ACP) Changes

Current Authorizations	\$924,140,000
Adjustments – Existing Projects	\$145,851,000
New Projects	\$2,000,000
Completed/Deleted Projects	-\$192,361,000
<b>Proposed 2018 Authorization</b>	<b>\$879,630,000</b>

# Capital Improvement Program (CIP)

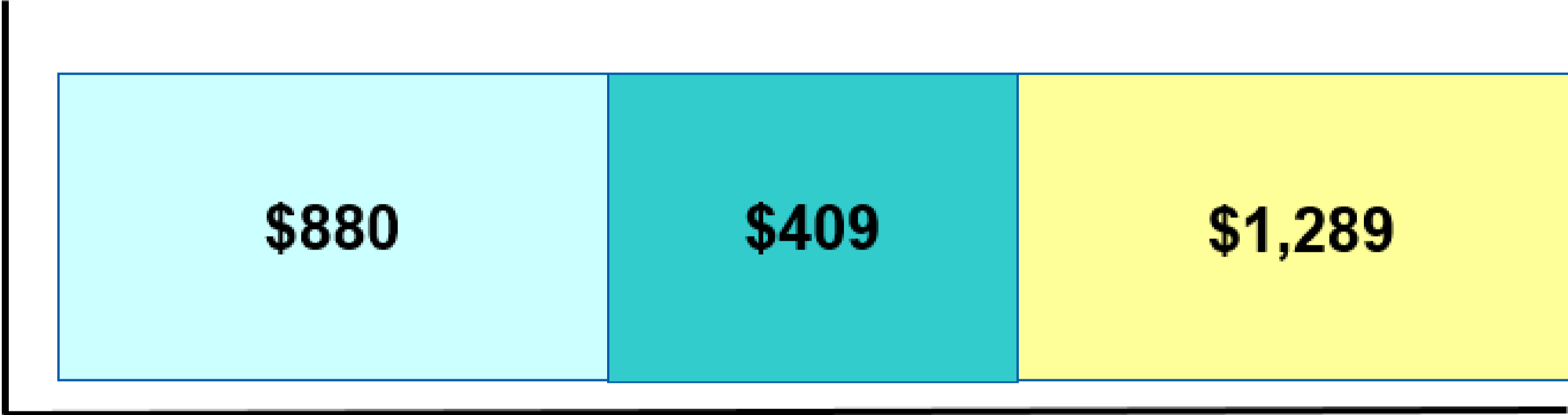


# CIP Additions and Adjustments

- New interceptor projects
  - Joint Interceptor Rehabilitation
  - New Hastings Wastewater Treatment Plant
- Increased funding for rehabilitation of the Minneapolis Interceptor system
- Increased funding for asset renewal and solids Improvements at the Metropolitan Wastewater Treatment Plant

# Proposed 2018 Capital Program

(\$ Millions)



*Authorized Capital Program (ACP)*

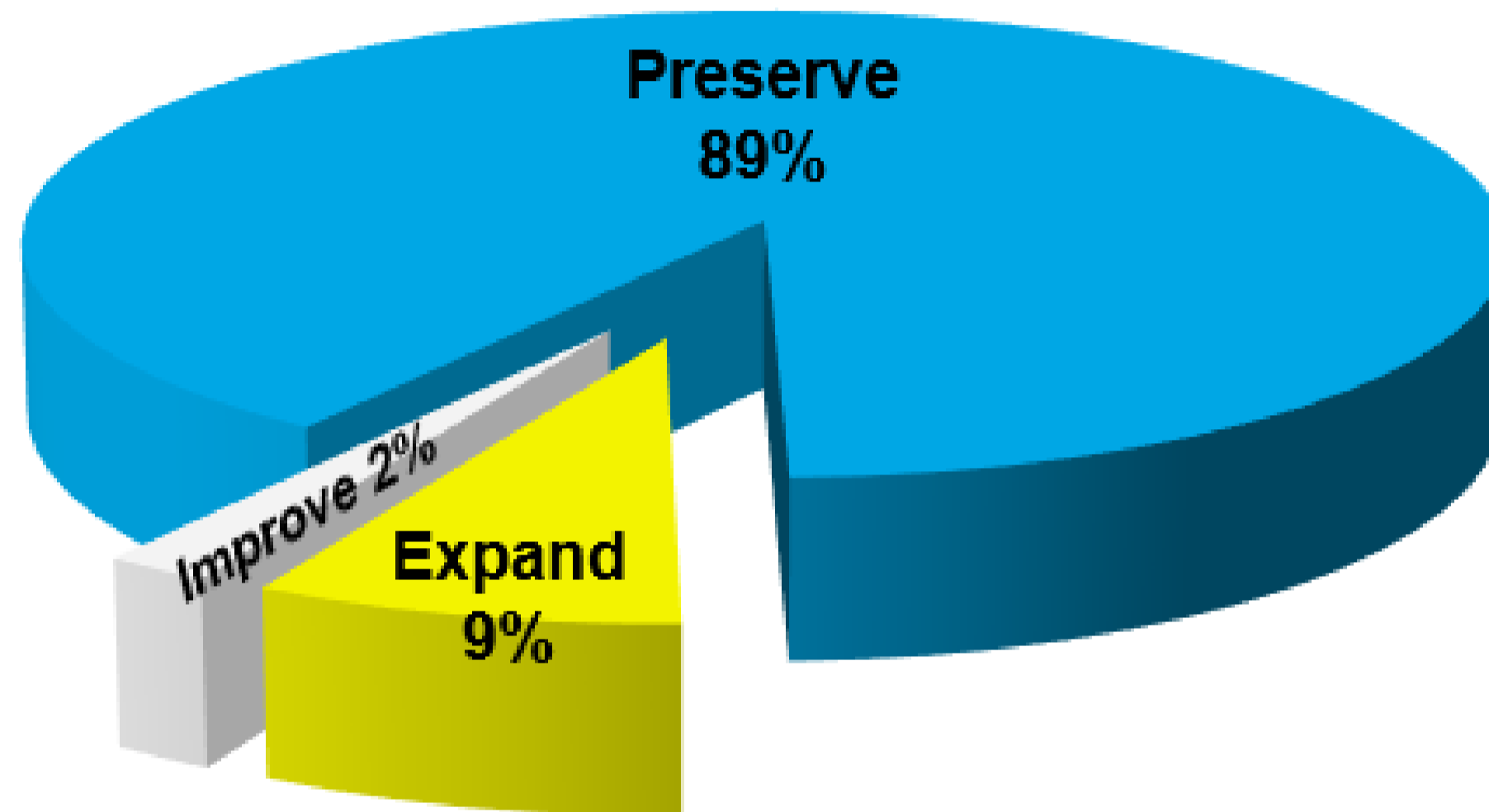
*Capital Improvement Program (CIP)*

*2018 – 2023 Capital Program*



# Proposed 2018 Capital Budget

## Breakdown by Project Objective



**Total 2018 Capital Budget  
\$150 Million**

# Capital Program Schedule

Date	Item
Aug 9 <sup>th</sup>	“Big Picture” Operating & Capital Budget
Aug 23 <sup>th</sup>	Adoption of Preliminary Unified Operating Budget and Levies
<b>Sep 12<sup>th</sup></b>	MCES Capital Program and Budget
Nov 8 <sup>th</sup>	Adoption of Public Comment Draft Budgets
Dec 13 <sup>th</sup>	Adoption of Final 2017 Budgets and Levies

# Questions