

Environment Committee

Meeting date: September 24, 2019

For the Metropolitan Council meeting of October 9, 2019

Subject: 2019 Budget Amendment – Third Quarter

District(s), Member(s): All

Policy/Legal Reference: 2019 Unified Budget; Mn Statutes Section 473.13, Subd. 1 – Council Budget Requirements

Staff Prepared/Presented: Jeannine Clancy, 651-602-1210; Kyle Colvin, 651-602-1151; Rene Heflin, 651-602-1077; Adam Gordon, 651-602-4503

Division/Department: MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council authorizes the 2019 Unified Budget as indicated and in accordance with the attached tables.

Background

The third quarter amendment includes changes to the Authorized Capital Program (ACP) for Environmental Services. The amendment moves \$479,000 from planned projects in the Capital Improvement Plan (CIP) to authorized projects in the ACP. Changes are being made in the third quarter amendment so that the ACP included in the 2020 Public Comment Budget reflects the Environmental Services capital program proposed for next year.

Capital Program:

Treatment Plant Projects:

Metro Rehabilitation and Facilities Improvements - #8059

The amendment adds \$29,814,000 for improvements and rehabilitation project at the Metro Plant. This project is included in the CIP.

MWWTP Solids Improvements - #8062

The amendment adds \$55,901,000 for improvements to the solids processing facilities at the Metro Plant. This project is included in the CIP.

Empire Solids Improvements - #8074

The amendment adds \$14,336,000 for improvements to the solids processing facilities at the Empire Plant. This project is included in the CIP.

Seneca Solids Processing - #8075

The amendment adds \$1,523,000 for improvements to the solids processing facilities at the Seneca Plant. This project is included in the CIP.

Blue Lake Solids Processing - #8097

The amendment adds \$2,248,000 for improvements to the solids processing facilities at the Blue Lake Plant. This project is included in the CIP.

Hastings WWTP - #8098

The amendment adds \$3,000,000 for the initiation of planning and preliminary design for the new Hastings WWTP. This project is included in the CIP.

Interceptor Projects:**Golden Valley Area Improvements - #8057**

The amendment adds \$23,000 for the improvements to the Golden Valley area interceptor system. This project is included in the CIP.

South Washington County Interceptor – Lake Elmo Connections - #8063

The amendment adds \$3,985,000 for the planning, design and initiation of construction for improvements for interceptor improvements. This project is included in the CIP.

St. Bonifacius Lift Station/Force Rehabilitation -#8082

The amendment adds \$8,000 for improvements to lift stations and force mains in St. Bonifacius. This project is included in the CIP.

Waconia LS/FM Rehabilitation - #8083

The amendment adds \$2,886,000 for improvements related to the Waconia LS and associated FM. This project is included in the CIP.

Bloomington System Improvements - #8084

The amendment adds \$1,242,000 for improvements in the Bloomington system. This project is included in the CIP.

Interceptor Rehabilitation Program - #8090

The amendment adds \$17,682,000 for improvements system wide as needed to respond to opportunities for project coordination or emergency repairs. This project is included in the CIP>

Minneapolis Interceptor System Improvements - #8092

The amendment adds \$1,900,000 for improvements to the Minneapolis interceptor system. This project is included in the CIP.

Brooklyn Park – Champlin Interceptor Renewal - #8093

The amendment adds \$26,410,000 for improvements to the Brooklyn Park/Champlin interceptor system. This project is included in the CIP.

Brooklyn Park L32 - #8094

The amendment adds \$11,721,000 for improvements to lift station 32. This project is included in the CIP.

Reductions in Treatment Plant Projects:

The amendment includes reductions in authorizations for a number of existing treatment plant projects, including:

- **Metro Wastewater Treatment Plant Asset Renewal - #8089** **\$14,001,000 reduction**
- **Wastewater Reclamation Facilities - #8091** **\$23,470,000 reduction**
- **Industrial Pretreatment Incentive Program - #8100** **\$4,922,000 reduction**

Reductions in Interceptor Projects:

The amendment includes reductions in authorizations for a number of existing interceptor projects, including:

- **Blue Lake System Improvements – #8028** **\$55,806,000 reduction**
- **Chaska Lift Station - #8039** **\$14,740,000 reduction**
- **Hopkins System Improvements - #8041** **\$1,579,000 reduction**
- **Lift Station Improvements - #8055** **\$10,230,000 reduction**
- **Meter Improvements - #8056** **\$5,053,000 reduction**
- **Minneapolis Interceptor System Rehabilitation - #8076** **\$3,153,000 reduction**
- **Brooklyn Park LS/FM Improvements - #8079** **\$159,000 reduction**
- **Seneca Interceptor System Rehabilitation - #8080** **\$963,000 reduction**
- **Elm Creek – Corcoran/Rogers Connections - #8085** **\$5,461,000 reduction**
- **North Area Interceptor Rehabilitation - #8086** **\$9,297,000 reduction**
- **Richfield Interceptor System Rehab -#8087** **\$13,500,000 reduction**
- **St. Paul Interceptor System Rehab - #8088** **\$9,502,000 reduction**

Rationale

The proposed amendment provides for rehabilitation of wastewater treatment facilities and interceptors to preserve existing assets and for improvements to facilities to meet service needs.

Thrive Lens Analysis

This budget amendment demonstrates commitment toward asset preservation and supports the Thrive outcomes of stewardship by assessing the future needs, responsible planning and management of resources for Environmental Services, and of Sustainability for preserving existing regional wastewater infrastructure investments and extending their useful life.

Funding

Capital Program:

This amendment is funded with Council general obligation bonds, PFA loans and pay-as-you-go funding from the operating budget.

Known Support / Opposition

No known opposition.

Attachments:

1. Capital Program – Attachment #1 (Program Level) (Table 10)

MCES 2020 Capital Program
 Authorized Capital Program (ACP) + Capital Improvement Plan (CIP)

Proposed

Treatment Plants

Project Number	Name	ACP Current (2019) Authorization	ACP Amendment	ACP Revised (2020) Authorization	CIP 2020	CIP 2021	CIP 2022	CIP 2023	CIP 2024	CIP 2025	CIP Total Planned	Total ACP+CIP
8059	Metro Rehabilitation & Facilities Improve	82,250,048	29,813,706	112,063,754					1,000,000	1,000,000	2,000,000	114,063,754
8062	Metro Solids Improvements	38,200,000	55,901,205	94,101,205					40,000,000	30,000,000	70,000,000	164,101,205
8074	Empire Plant Solids Improvements	19,000,000	14,336,160	33,336,160					2,000,000		2,000,000	35,336,160
8075	Seneca Solids Processing Improvements	28,000,000	1,523,384	29,523,384					5,000,000	17,000,000	22,000,000	51,523,384
8078	Regional Plant Improvements	32,050,000	(965,294)	31,084,706							0	31,084,706
8089	MWWTP Asset Renewal	67,000,000	(14,000,768)	52,999,232				17,000,000	9,000,000	14,000,000	40,000,000	92,999,232
8091	Wastewater Reclamation Facilities	33,000,000	(23,470,000)	9,530,000					850,000	250,000	1,100,000	10,630,000
8097	Blue Lake Solids Processing	2,800,000	2,248,014	5,048,014				1,000,000	10,000,000	10,000,000	21,000,000	26,048,014
8098	Hastings WWTP	0	3,000,000	3,000,000				4,000,000	15,000,000	20,000,000	39,000,000	42,000,000
8100	Industrial Pretreatment Incentive Program	22,500,000	(4,922,046)	17,577,954							0	17,577,954
Plant Subtotal:		324,800,048	63,464,361	388,264,409	0	0	0	22,000,000	82,850,000	92,250,000	197,100,000	585,364,409

Interceptor System

Project Number	Name	ACP Current (2019) Authorization	ACP Amendment	ACP Revised (2020) Authorization	CIP 2020	CIP 2021	CIP 2022	CIP 2023	CIP 2024	CIP 2025	CIP Total Planned	Total ACP+CIP
8028	Blue Lake System Improvements	149,290,000	(55,806,080)	93,483,920				9,600,000	10,300,000	7,300,000	27,200,000	120,683,920
8039	Chaska Lift Station	14,740,000	(14,740,000)	0							0	0
8041	Hopkins System Improvements	27,900,000	(1,578,715)	26,321,285							0	26,321,285
8055	Lift Station Improvements	33,000,000	(10,230,007)	22,769,993				3,050,000	3,050,000	0	6,100,000	28,869,993
8056	Meter Improvements	19,000,000	(5,052,764)	13,947,236				170,000	170,000	120,000	460,000	14,407,236
8057	Golden Valley Area Improvements	13,000,000	22,666	13,022,666							0	13,022,666
8063	SWC Interceptor - Lake Elmo Connections	4,600,000	3,984,741	8,584,741					200,000	6,000,000	6,200,000	14,784,741
8076	Mpls. Interceptor System Rehabilitation	111,550,000	(3,152,890)	108,397,110				9,900,000	21,800,000	21,200,000	52,900,000	161,297,110
8079	Brooklyn Park LS/FM Improvements	17,800,000	(159,010)	17,640,990							0	17,640,990
8080	Seneca Interceptor System Rehabilitation	12,926,200	(963,284)	11,962,916							0	11,962,916
8081	Maple Plain LS/FM Rehabilitation	5,000,000	0	5,000,000				100,000	100,000	100,000	300,000	5,300,000
8082	St Bonifacius LS/FM Rehabilitation	27,400,000	7,961	27,407,961				1,000,000			1,000,000	28,407,961
8083	Waconia LS/FM Rehabilitation	7,500,000	2,885,540	10,385,540							0	10,385,540
8084	Bloomington System Improvements	14,000,000	1,242,389	15,242,389							0	15,242,389
8085	Elm Creek - Corcoran/Rogers Connections	9,000,000	(5,460,670)	3,539,330							0	3,539,330
8086	North Area Interceptor Rehabilitation	45,000,000	(9,296,667)	35,703,333					5,100,000	5,100,000	10,200,000	45,903,333
8087	Richfield Interceptor System Rehabilitation	13,500,000	(13,500,000)	0							0	0
8088	St Paul Interceptor System Rehabilitation	89,000,000	(9,501,746)	79,498,254				7,000,000	7,000,000	20,000,000	34,000,000	113,498,254
8090	Interceptor Rehabilitation - Program	10,000,000	17,682,343	27,682,343				10,600,000	10,600,000	600,000	21,800,000	49,482,343
8092	Minneapolis Interceptor System Improvements	1,500,000	1,900,446	3,400,446				10,000,000	10,000,000		20,000,000	23,400,446
8093	Brooklyn Park - Champlin Interceptor Renewal	28,000,000	26,409,674	54,409,674					12,200,000	6,000,000	18,200,000	72,609,674
8094	Brooklyn Park L32	1,200,000	11,721,000	12,921,000				2,000,000	10,000,000		12,000,000	24,921,000
8095	Coon Rapids - Fridley Area Interceptor Renewal	0	0	0				0	0	0	0	0
8096	Coon Rapids L34	0	0	0							0	0
8099	Joint Interceptor Renewal	0	0	0							0	0
NEW	Northeast Area Interceptor Improvements	0	0	0							0	0
8096	Northwest Area Interceptor Improvements	0	600,000	600,000				200,000	200,000		400,000	1,000,000
Interceptor Subtotal:		654,906,200	(62,985,073)	591,921,127	0	0	0	53,620,000	90,720,000	66,420,000	210,760,000	802,681,127

Totals

	ACP Current (2019) Authorization	ACP Amendment	ACP Revised (2020) Authorization	CIP 2020	CIP 2021	CIP 2022	CIP 2023	CIP 2024	CIP 2025	CIP Total Planned	Total ACP+CIP
Plant Subtotal:	324,800,048	63,464,361	388,264,409	0	0	0	22,000,000	82,850,000	92,250,000	197,100,000	585,364,409
Interceptor Subtotal:	654,906,200	(62,985,073)	591,921,127	0	0	0	53,620,000	90,720,000	66,420,000	210,760,000	802,681,127
Totals	979,706,248	479,288	980,185,536	0	0	0	75,620,000	173,570,000	158,670,000	407,860,000	1,388,045,536