

## Environment Committee

Meeting date: August 24, 2020

**Subject:** 2022 Capital Program

**District(s), Member(s):** All

**Policy/Legal Reference:** 2022 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

### Background

The proposed 2022 Environmental Services Six Year Capital Program includes the current Authorized Capital Program (ACP) of \$1,032,670,524 and adjustments to the ACP of \$71,882,001. The adjustments include an addition of \$154,364,058 to existing projects, addition of \$63,754,163 in new projects, and a subtraction of (\$146,236,220) in closed projects for a proposed 2022 authorization of \$1,104,552,525. The proposed 2022 Capital Program also increases the Capital Improvement Program (CIP) by \$141,612,000. Therefore, the proposed Environmental Services 2022 Six Year Capital Program is \$1,693,942,525.

### Capital Program:

#### Treatment Plant Projects:

##### **MWWTP Rehabilitation and Facilities Improvements - #8059**

The proposed Capital Program adds \$5,448,735 to the ACP for improvements at the Metro Plant including solids renewal, water systems renewal, Services Building and site improvements.

##### **MWWTP Solids Improvements - #8062**

The proposed Capital Program adds \$5,081,935 to the ACP for improvements to the solids processing facilities at the Metro Plant. This project is also included in the CIP.

##### **Regional Plant Improvements - #8078**

The proposed Capital Program adds \$473,243 to the ACP for improvements to the Regional Plants including renewal of plant programmable logic controls (PLC's), arc flash study and improvements and Blue Lake Final Stabilization Facility renewal. This project is also included in the CIP.

##### **MWWTP Asset Renewal - #8089**

The proposed Capital Program adds \$54,116,166 to the ACP for asset renewal at the Metro Plant including electrical distribution improvements, secondary renewal, PLC replacements, etc. This project is also included in the CIP.

##### **Wastewater Reclamation Facilities - #8091**

The proposed Capital Program adds \$358,590 in the ACP for planning for future wastewater reclamation facilities including Crow River and Scott County. This project is also included in the CIP.

**Blue Lake Solids Processing - #8097**

The proposed Capital Program adds \$751,450 in the ACP for design of Phase I improvements at the Blue Lake WWTP. This project is also included in the CIP

**Hastings WWTP - #8098**

The proposed Capital Program adds \$20,600,000 in the ACP for necessary improvements at the existing Hastings WWTP and for the construction of a new Hastings WWTP. This project is also included in the CIP.

**Industrial Pretreatment Incentive Program (IPIP)- #8100**

The proposed Capital Program adds \$8,743,246 in the ACP for the IPIP. This project is also included in the CIP.

**Interceptor Projects:**

**Hopkins System Improvements - #8041**

The proposed Capital Program adds \$5,487 in the ACP for replacement of the Hopkins forcemain.

**Lift Station Rehabilitation - #8055**

The proposed Capital Program adds \$28,437,414 in the ACP for rehabilitation of regional Lift Stations including L66 in Savage and L29 in Plymouth. This project is also included in the CIP.

**Meter Improvements - #8056**

The proposed Capital Program adds \$4,187,319 in the ACP for system wide meter improvements including M228A in Maple Grove. This project is also included in the CIP.

**East Area Interceptor Improvements - #8063**

The proposed Capital Program adds \$6,118,874 in the ACP for the planning, design and initiation of construction for interceptor improvements including the SW Lake Elmo service extension project.

**St. Bonifacius LS/FM Rehabilitation - #8082**

The proposed Capital Program adds \$143,256 in the ACP for improvements related to rehabilitation of the L24 Lift Station and replacement of the L24 force main.

**Bloomington System Improvements - #8084**

The proposed Capital Program adds \$69,635 in the ACP for improvements in the Bloomington system including completion of L55 station construction.

**North Area Interceptor Rehabilitation - #8086**

The proposed Capital Program adds \$5,912,074 in the ACP for improvements related to rehabilitation of interceptors within the North Area including rehabilitation and replacement of portions of interceptor 900416 in Maple Grove. This project is also included in the CIP.

**Interceptor Rehabilitation Program - #8090**

The proposed Capital Program adds \$20,876,456 in the ACP for system wide improvements as needed to respond to opportunities for project coordination with other parks and public works entities (MnDOT, county highway departments, municipalities, etc.) including interceptor cleaning and inspection, and Regional Maintenance Facility Improvements. This project is also included in the CIP.

**Minneapolis Interceptor System Improvements - #8092**

The proposed Capital Program adds \$8,206,109 in the ACP for improvements to the Minneapolis interceptor system including 1-MN-320 improvements. This project is also included in the CIP.

**South Area Interceptor Improvements - #8095**

The proposed Capital Program adds \$3,450,000 in the ACP for interceptor rehabilitation in the South Metro including Shakopee Interceptor Odor Improvements.

**Reductions in Treatment Plant Projects:**

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

- **Empire Plant Solids Improvements - #8074** **\$2,682,570 reduction**
- **Seneca Solids Processing - #8075 (Closing)** **\$28,959,748 reduction**

**Reductions in Interceptor Projects:**

The proposed Capital Program includes reductions in authorizations for a number of existing interceptor projects, including:

- **Blue Lake System Improvements – #8028** **\$15,828,249 reduction**
- **Minneapolis Interceptor System Rehabilitation - #8076** **\$1,188,397 reduction**
- **Seneca Interceptor System Rehabilitation - #8080 (Closing)** **\$237,427 reduction**
- **Maple Plain LS/FM Rehabilitation - #8081 (Closing)** **\$5,000,000 reduction**
- **Waconia LS/FM Rehabilitation - #8083** **\$7,287,118 reduction**
- **Elm Creek – Corcoran/Rogers Connections - #8085 (Closing)** **\$2,960,425 reduction**
- **St. Paul Interceptor System Rehab - #8088** **\$18,822,935 reduction**
- **Brooklyn Park – Champlin Interceptor Renewal - #8093** **\$14,644,096 reduction**
- **Brooklyn Park L32 - # 8094** **\$2,747,853 reduction**
- **Northwest Area Interceptor Improvements - #8096** **\$289,170 reduction**
- **Northeast Area Interceptor Improvements - #8077 (Closing)** **\$450,000 reduction**

**Rationale**

The proposed Capital Program provides for asset renewal, improvement or growth projects associated with wastewater treatment plants and interceptors.

**Thrive Lens Analysis**

This proposed Capital Program demonstrates commitment toward asset preservation and supports the Thrive outcomes of stewardship, prosperity, equity, livability, and sustainability by preserving existing regional wastewater infrastructure, improving efficiency, safety and performance, as well as meeting capacity needs.

**Funding**

**Capital Program:**

This proposed Capital Program is financed with Council general obligation bonds, Public Facility Authority (PFA) loans and pay-as-you-go funding from the operating budget.

**Known Support / Opposition**

No known opposition.

**Attachment**

Table 10 – Capital Program Environmental Services

## MCES 2022 Capital Program

### Authorized Capital Program (ACP) + Capital Improvement Plan (CIP)

Final

Project Number	Name	Authorized Capital Program (ACP)			Funding for Amendment Changes				Capital Improvement Plan (CIP)							
		Current (2021) Authorization	Amendment	Revised (2022) Authorization	Regional (631)	PFA (641)	Pay Go (651)	IPIP (660)	2022	2023	2024	2025	2026	2027	Total Planned	Total ACP+CIP
	<b>Treatment Plants</b>															
8059	Metro Rehabilitation & Facilities Improve	110,417,157	5,448,735	115,865,892	6,448,735		(1,000,000)								0	115,865,892
8062	Metro Solids Improvements	168,746,212	5,081,935	173,828,147	5,081,935						10,000,000	10,000,000	10,000,000	30,000,000	203,828,147	
8074	Empire Plant Solids Improvements	56,641,622	(2,682,570)	53,959,052			(2,682,570)							0	53,959,052	
8075	Seneca Solids Processing Improvements	28,959,748	(28,959,748)	0	(500,000)		(23,250,000)							0		
8078	Regional Plant Improvements	46,202,923	473,243	46,676,166	2,866,209		(2,392,966)		500,000	7,000,000	8,500,000	9,100,000	9,100,000	34,200,000	80,876,166	
8089	MWWTP Asset Renewal	122,140,896	54,116,166	176,257,062	(3,400,000)	16,190,000	41,326,166				15,060,000	28,000,000	29,500,000	72,560,000	248,817,062	
8091	Wastewater Reclamation Facilities	6,774,860	358,590	7,133,450	1,037,590		(679,000)				1,250,000	20,000,000	20,000,000	41,250,000	48,383,450	
8097	Blue Lake Solids Processing	1,948,128	751,450	2,699,578		751,450			3,000,000	4,000,000	10,000,000	20,100,000	50,000,000	87,100,000	89,799,578	
8098	Hastings WWTP	2,000,000	20,600,000	22,600,000	20,600,000					10,000,000	38,000,000	20,000,000		68,000,000	90,600,000	
8100	Industrial Pretreatment Incentive Program	12,956,754	8,743,246	21,700,000				8,743,246			100,000	100,000	5,000,000	5,200,000	26,900,000	
	<b>Plant Subtotal:</b>	<b>556,788,300</b>	<b>63,931,047</b>	<b>620,719,347</b>	<b>32,134,469</b>	<b>(9,670,120)</b>	<b>32,723,452</b>	<b>8,743,246</b>	<b>0</b>	<b>3,500,000</b>	<b>21,100,000</b>	<b>82,910,000</b>	<b>112,200,000</b>	<b>118,600,000</b>	<b>338,310,000</b>	<b>959,029,347</b>
	<b>Interceptor System</b>															
8028	Blue Lake Interceptor System Improvements	58,918,693	(15,828,249)	43,090,444	(30,965,048)	15,486,799	(350,000)				6,780,000	300,000		7,080,000	50,170,444	
8041	Hopkins System Improvements	10,207,043	5,487	10,212,530		5,487								0	10,212,530	
8055	Lift Station Improvements	32,496,880	28,437,414	60,934,294	28,537,514		(100,100)				10,200,000	30,200,000	30,200,000	70,600,000	131,534,294	
8056	Meter Improvements	19,826,302	4,187,319	24,013,621	4,187,319						10,000,000	10,000,000	10,000,000	30,000,000	54,013,621	
8063	East Area Interceptor Improvements	13,443,955	6,118,874	19,562,829	6,118,874									0	19,562,829	
8076	Mpls. Interceptor System Rehabilitation	82,949,461	(1,188,397)	81,761,064	(790,397)	(205,000)	(193,000)							0	81,761,064	
8080	Seneca Interceptor System Rehabilitation	237,427	(237,427)	0	(31,227)	(206,200)								0		
8081	Maple Plain LS/FM Rehabilitation	5,000,000	(5,000,000)	0	(5,000,000)									0		
8082	St Bonifacius LS/FM Rehabilitation	32,161,128	143,256	32,304,384		143,256								0	32,304,384	
8083	Waconia LS/FM Rehabilitation	12,585,540	(7,287,118)	5,298,422	(1,187,118)	(6,100,000)								0	5,298,422	
8084	Bloomington System Improvements	17,035,146	69,635	17,104,781	69,635									0	17,104,781	
8085	Elm Creek - Corcoran/Rogers Connections	2,960,425	(2,960,425)	0	(2,960,425)									0		
8086	North Area Interceptor Rehabilitation	16,095,878	5,912,074	22,007,952	7,437,074		(1,525,000)				300,000			300,000	22,307,952	
8088	St Paul Interceptor System Rehabilitation	46,792,424	(18,822,935)	27,969,489	(18,672,935)		(150,000)				500,000			500,000	28,469,489	
8090	Interceptor Rehabilitation	59,421,987	20,876,456	80,298,443	20,876,456							26,000,000	43,000,000	69,000,000	149,298,443	
8092	Minneapolis Interceptor System Improvements	17,550,446	8,206,109	25,756,555		8,206,109					2,000,000	200,000		2,200,000	27,956,555	
8093	Brooklyn Park - Champlin Interceptor Renewal	30,250,813	(14,644,096)	15,606,717	(777,000)	(11,394,096)	(2,473,000)							0	15,606,717	
8094	Brooklyn Park L32	15,508,676	(2,747,853)	12,760,823	(7,499,492)	4,751,639				14,000,000	14,000,000	14,000,000	8,000,000	50,000,000	62,760,823	
8096	Northwest Area Interceptor Improvements	1,540,000	(289,170)	1,250,830	(289,170)						12,500,000	8,500,000		21,000,000	22,250,830	
8077	Notheast Area Interceptor Improvements	450,000	(450,000)	0	(450,000)									0		
8095	South Area Interceptor Improvements	450,000	3,450,000	3,900,000	3,450,000						200,000	200,000		400,000	4,300,000	
	<b>Interceptor Subtotal:</b>	<b>475,882,224</b>	<b>7,950,954</b>	<b>483,833,178</b>	<b>2,054,060</b>	<b>10,687,994</b>	<b>(4,791,100)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,000,000</b>	<b>56,480,000</b>	<b>89,400,000</b>	<b>91,200,000</b>	<b>251,080,000</b>	<b>734,913,178</b>
	<b>Totals</b>	<b>1,032,670,524</b>	<b>71,882,001</b>	<b>1,104,552,525</b>	<b>34,188,529</b>	<b>1,017,874</b>	<b>27,932,352</b>	<b>8,743,246</b>	<b>0</b>	<b>3,500,000</b>	<b>35,100,000</b>	<b>139,390,000</b>	<b>201,600,000</b>	<b>209,800,000</b>	<b>589,390,000</b>	<b>1,693,942,525</b>