



## TriCo Regional Sewer Utility

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### **JOINT CAPITAL & CONSTRUCTION and BUDGET & FINANCE COMMITTEE MEETING**

Monday, August 6, 2018 at 5:30 P.M.  
10701 N. College Ave, Suite A, Indianapolis, IN 46280

#### **AGENDA**

1. Public Comment
2. WWTP Oxidation Ditch Gear Reducer Replacements
3. Vehicle replacements
4. #1902 WWTP Expansion
5. Other Business
6. Capital Project Updates
  - a. #1701 – WWTP Post-Treatment Improvements
  - b. #1702 – Keystone/96<sup>th</sup> Sewer & Force Main Relocation
  - c. #1705 – 99<sup>th</sup> Street Sewer Extension & Lift Station 6 Elimination
  - d. #1707 – Neighborhood Sewer Projects
  - e. #1801 – Lift Station 4 Elimination
  - f. #1901 – Lift Station 14 Parallel Force Main
  - g. #1906 – Eagle Creek Outfall Sewer Expansion
  - h. Jackson's Grant Section 6 Oversized Sewers

Date and time for next meeting: Tuesday, September 4, 2018 at 4:30 pm



## MEMORANDUM

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**To: C&C and B&F Committees**

**From: Wes Merkle**

**Date: August 1, 2018**

**Subject: WWTP Oxidation Ditch Gear Reducer Replacements**

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Staff recently issued a Request for Quotations to contractors for the subject plant repair work. Quotes are due August 10. Quotes are expected to be well under budget. At the August 13 Board of Trustees meeting staff will present a summary of contractor quotes and recommended action.



## MEMORANDUM

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**To:** C&C and B&F Committees

**From:** Wes Merkle

**Date:** August 1, 2018

**Subject:** Vehicle replacements

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Two 2008 Ford Escapes are scheduled for replacement, one in 2018 and one in 2019. Both vehicles are used in the field daily. In the past year both vehicles have had expensive repairs related to brakes, transmission, and other issues. Repair frequency is increasing, and staff is concerned about reliability.

Recommended Action: Adjust the capital budget by moving the vehicle replacement funds from 2019 to 2018, so that both vehicles can be replaced in 2018.



## MEMORANDUM

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**To: C&C and B&F Committees**

**From: Wes Merkle**

**Date: August 1, 2018**

**Subject: #1902 WWTP Expansion**

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To support continued discussion on the next plant expansion project, staff prepared the attached table summarizing options presented at the July 27 joint committee meeting.

Recommendation: Direct staff to proceed with the 2020-2021 plant expansion project as outlined above, including the addition of a third mechanical screen, grit removal, three VLRs, a secondary clarifier, a third UV disinfection channel and backup power upgrades.

Project No. 1902 WWTP Expansion WWTP Expansion Options								
Option #	Option 1 (recommended)	Option 2	Option 2a	Option 3	Option 3a	Option 4	Option 4a	
<b>Construction 2020-2021</b>								
Scope of work	screen, grit removal, 3 VLRs, clarifier, UV disinfection, generator	screen, grit removal, clarifier, UV disinfection, generator	screen, clarifier, UV disinfection, generator	screen, grit removal, 2 VLRs, clarifier, UV disinfection, generator	screen, 2 VLRs, clarifier, UV disinfection, generator	screen, grit removal, clarifier, UV disinfection, generator	screen, clarifier, UV disinfection, generator	
Estimated project cost	\$ 13,400,000	\$ 7,100,000	\$ 4,500,000	\$ 11,700,000	\$ 9,000,000	\$ 7,100,000	\$ 4,500,000	
TriCo WWTP capacity at completion (ADF / PHF, in MGD)	4.56 / 19.2	3.05 / 19.2	3.05 / 19.2	4.06 / 19.2	4.06 / 19.2	3.05 / 19.2	3.05 / 19.2	
<b>Construction 2022-2023</b>								
Scope of work	none	3 VLRs	3 VLRs	none	none	2 VLRs	2 VLRs	
Estimated project cost	\$ -	\$ 6,800,000	\$ 6,800,000	\$ -	\$ -	\$ 4,900,000	\$ 4,900,000	
TriCo WWTP capacity at completion (ADF / PHF, in MGD)	no change	4.56 / 19.2	4.56 / 19.2	no change	no change	4.06 / 19.2	4.06 / 19.2	
<b>Construction 2026-2027</b>								
Scope of work	2 clarifiers, belt filter press	2 clarifiers, belt filter press	grit removal, 2 clarifiers, belt filter press	1 VLR, 2 clarifiers, belt filter press	grit removal, 1 VLR, 2 clarifiers, belt filter press	1 VLR, 2 clarifiers, belt filter press	grit removal, 1 VLR, 2 clarifiers, belt filter press	
Estimated project cost	\$ 8,900,000	\$ 8,900,000	\$ 12,200,000	\$ 12,200,000	\$ 15,500,000	\$ 12,200,000	\$ 15,500,000	
TriCo WWTP capacity at completion (ADF / PHF, in MGD)	4.56 / 23.0	4.56 / 23.0	4.56 / 23.0	4.56 / 23.0	4.56 / 23.0	4.56 / 23.0	4.56 / 23.0	
Anticipated borrowing needed to maintain \$4M in reserves under baseline scenarios & \$3M if a temporary downturn	10 year \$5.75M bond callable after 5 years	\$1,750,000	\$0	\$4,250,000	\$2,750,000	\$1,000,000	\$1,250,000	
Total estimated costs for all 3 projects	22,300,000	22,800,000	23,500,000	23,900,000	24,500,000	24,200,000	24,900,000	
Payments to Carmel thru 2027 for treatment	12,100,000	13,300,000	13,300,000	13,700,000	13,700,000	14,800,000	14,800,000	
TriCo WWTP variable treatment cost thru 2027	9,500,000	9,000,000	9,000,000	8,800,000	8,800,000	8,300,000	8,300,000	
TriCo additional operating costs thru 2027 without grit removal	-	-	200,000	-	200,000	-	200,000	
Estimated borrowing costs (assumes 4% annual cost of capital)	826,000	240,000	-	580,000	260,000	100,000	100,000	
Grand total	44,726,000	45,340,000	46,000,000	46,980,000	47,460,000	47,400,000	48,300,000	
Add'l cost compared to option 1	N/A	614,000	1,274,000	2,254,000	2,734,000	2,674,000	3,574,000	
<b>Capital Replacements, Improvements, Outlays</b>								
	<u>Year</u>	<u>Option 1 (recommended)</u>	<u>Option 2</u>	<u>Option 2a</u>	<u>Option 3</u>	<u>Option 3a</u>	<u>Option 4</u>	<u>Option 4a</u>
	2019	7,975,000	7,471,000	7,263,000	7,839,000	7,623,000	7,471,000	7,263,000
	2020	7,465,000	4,882,000	3,816,000	6,768,000	5,661,000	4,882,000	3,816,000
	2021	6,830,000	4,791,000	3,725,000	6,133,000	5,026,000	4,639,000	3,573,000
	2022	2,505,000	5,293,000	5,293,000	2,505,000	2,505,000	4,514,000	4,514,000
	2023	2,330,000	5,118,000	5,118,000	2,330,000	2,330,000	4,339,000	4,339,000
	2024	2,005,000	2,005,000	2,005,000	2,005,000	2,005,000	2,005,000	2,005,000
	2025	2,530,000	2,530,000	2,794,000	2,794,000	3,058,000	2,794,000	3,058,000
	2026	6,400,000	6,400,000	7,753,000	7,753,000	9,106,000	7,753,000	9,106,000
	2027	4,430,000	4,430,000	5,783,000	5,783,000	7,136,000	5,783,000	7,136,000
	<b>TOTALS - 2019 TO 2027</b>	<b>42,470,000</b>	<b>42,920,000</b>	<b>43,550,000</b>	<b>43,910,000</b>	<b>44,450,000</b>	<b>44,180,000</b>	<b>44,810,000</b>
	<b>INTEREST COSTS @ 4%</b>	<b>826,000</b>	<b>240,000</b>	<b>-</b>	<b>580,000</b>	<b>260,000</b>	<b>100,000</b>	<b>100,000</b>
	<b>TOTAL CAPITAL COST &amp; INTEREST</b>	<b>43,296,000</b>	<b>43,160,000</b>	<b>43,550,000</b>	<b>44,490,000</b>	<b>44,710,000</b>	<b>44,280,000</b>	<b>44,910,000</b>
	<b>TOTAL BORROWED CAPITAL</b>	<b>\$5,750,000</b>	<b>\$1,750,000</b>	<b>\$0</b>	<b>\$4,250,000</b>	<b>\$2,750,000</b>	<b>\$1,000,000</b>	<b>\$1,250,000</b>