



# Proposed FY 2020 - 2024 Capital Improvement Plan

*GLWA Capital Planning Committee  
February 20, 2019*



# Agenda

- **Plan Development**
- **Overview of Key Elements**
  - Number and Type of Projects
  - Anticipated Expenditures
- **Questions**





# Plan Development

# Plan Development – Questions, Comments, Feedback

- **A total of 45 comments and questions were received**
- **Feedback was positive**
- **Helpful constructive comments received**
- **Responses were published in a written document**

<b>Comment Type</b>	<b>Quantity</b>
Prioritization, Risk & Project Timing	<b>20</b>
Project Information (Condition Assessments to Inform CIP, BCE versus RFP scope of work, O&M Projects)	<b>6</b>
CIP Delivery & Spend Rate Assumption Policy	<b>5</b>
Financial Information & Procurement (CIP Chapter III)	<b>4</b>
CIP Format & Information Provided	<b>3</b>
Process (Review Committee, Charges-Rollout)	<b>3</b>
External Resource Availability	<b>2</b>
Water Treatment Capacity Reduction Re-evaluation	<b>2</b>
<b>Total</b>	<b>45</b>

# Plan Development – Drafts Published

**During the review process, the CIP was published as “Preliminary Draft” two times for review and comment**

- 1) Initial Draft (Preliminary Draft 1) - After Publication Modifications Were Made Based on Comments and Updates
  - To assist the reader, we made changes in grouping and sorting and clarified the term “new”
  - In further consideration of risk scores:
    - ✓ Two projects were accelerated; and
    - ✓ Two projects risk scores were adjusted downward to reflect risk mitigation actions that had already been implemented
- 2) Second Draft (Preliminary Draft 2) - After Publication Only Typographical Corrections Were Made

**Proposed FY2020 – FY2024 CIP was published for consideration of approval**

# Plan Development - Milestones

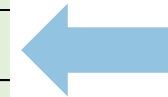
Date	Milestone Type	Details
8/20/2018	Kickoff	Distributed and Trained on Business Case Evaluation Database
9/26/2018	Due Date	Business Case Evaluations Due
10/1/2018	Water Review Committee Meeting	Reviewed existing project priorities, identified new project priorities and adjusted schedules for projects in order to align with overall CIP projected expenditures as previously approved
10/3/2018	Wastewater Review Committee Meeting	
10/18/2018	Executive Leadership Team Review Meeting	Review of New Business Case Evaluations and CIP Modifications
10/25/2018	Charges Roll-Out Mtg #1/AM-CIP Work Group	Member Partner Review of CIP (Preliminary Draft 1)
10/29/2018	Board Capital Planning Committee Meeting	Presentation and Feedback on the CIP (Preliminary Draft 1)
11/19/2018	Due Date	Member Partner & Board Comments Due
11/30/2018	Board Capital Planning Committee Meeting	Presentation on Planned Modifications to Preliminary Draft 1
12/18/2018	AM/CIP Committee Work Group Meeting	Member Partner Review of the CIP (Preliminary Draft 2)
12/18/2018	Board Capital Planning Committee Meeting	Presentation and Feedback on the CIP (Preliminary Draft 2)
1/23/2019	Full Board Meeting	Presentation of Proposed FY2020-FY2024 CIP
<b>2/20/2019</b>	<b>Board Capital Planning Committee Meeting</b>	<b>Consideration of the Proposed FY2020 - FY2024 CIP</b>
2/27/2019	Full Board Meeting	Potential Approval of FY2020 - FY2024 Capital Improvement Plan



# Overview of Key Elements

# Overview – Totals of Number and Type of Projects

Projects	Water	Wastewater	Centralized Services
New Projects	8	1	0
Total Projects	78	34	10
Projects moved to Active Status	10	7	0
Projects moved to Pending Closeout Status	3	0	2
Projects moved to Closed Status	5	8	3
Five year project totals greater than \$30M	7	7	0
FY2020 totals greater than \$5M	8	12	0
Master Plan right-sizing projects	12	1	0
Projects with possible innovative solutions/process	4	13	2
Redundancy and Reliability Projects	29	32	2
Project necessary for Northeast Water Treatment Plant Repurposing	6	0	0



Grand Total  
122 Projects  
Over 5 years



# Overview – Location of Projects

Jurisdiction	Water	Wastewater	Centralized Services
City of Detroit	14	27	0
Lapeer County	2	0	0
Macomb County	1	0	0
Oakland County	8	0	0
Saint Clair County	7	0	0
Wayne County (Outside Detroit)	32	0	0
Multiple Counties	14	7	10
<b>Total:</b>	<b>78</b>	<b>34</b>	<b>10</b>

Numbers include closed-out projects

# Overview – Estimation of Water Spending

## FY 2020 - 2024 CIP Summary - WATER

All Figures are in \$1,000's

CIP Document	Lifetime Actual Through FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25 +	5-Year Total (2020-2024)	Project Total
<b>FY 2020-2024 CIP</b>	169,483	68,746	<b>143,247</b>	<b>166,599</b>	<b>182,595</b>	<b>169,006</b>	<b>190,866</b>	<b>798,122</b>	852,313	1,888,664
Approved CIP FY 2019-2023		66,038	137,583	155,734	178,300	175,174				
Difference (\$)		2,708	5,664	10,865	4,295	-6,168				
Difference (%)		4.1%	4.1%	7.0%	2.4%	-3.5%				

5-Year Total of \$852M  
Annual Average \$170M



# Overview – Estimation of Sewer Spending

## FY 2020 - 2024 CIP Summary - WASTEWATER

All Figures are in \$1,000's

CIP Document	Lifetime Actual Through FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25 +	5-Year Total (2020-2024)	Project Total
<b>FY 2020-2024 CIP</b>	137,135	106,409	<b>161,480</b>	<b>132,430</b>	<b>150,177</b>	<b>159,384</b>	<b>130,159</b>	<b>269,515</b>	733,630	1,246,689
Approved CIP FY 2019-2023		105,183	111,155	111,952	136,411	168,458				
Difference (\$)		1,226	50,325	20,478	13,766	-9,074				
Difference (%)		1.2%	45.3%	18.3%	10.1%	-5.4%				

5-Year Total of \$734M  
Annual Average \$149M



# Overview – Projected Long-Term Water Expenditures

Projecting Increase in Spend To Average \$170M Per Year

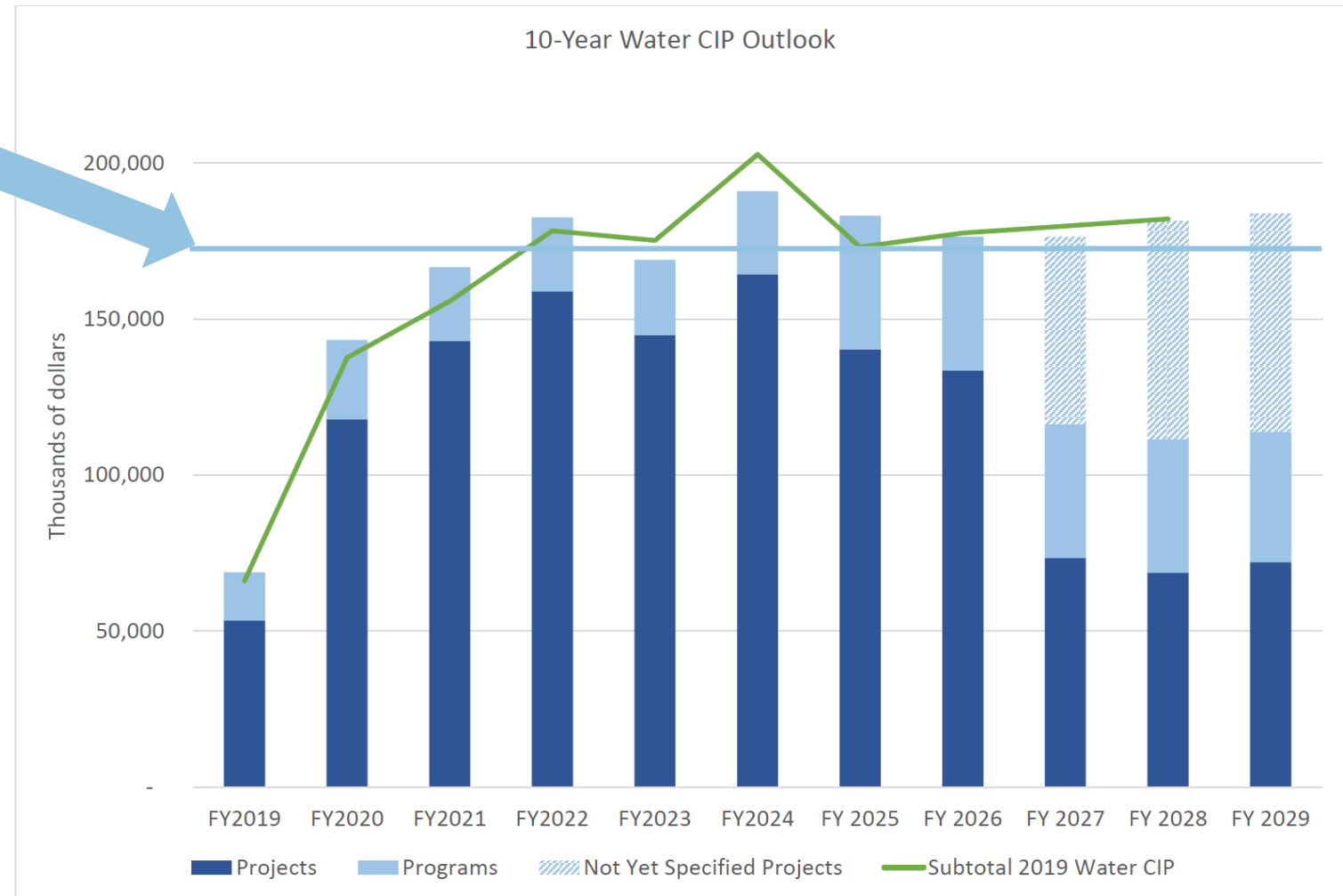
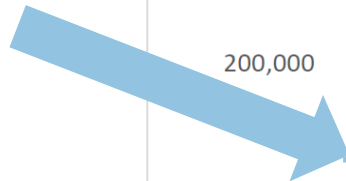


Figure VII-1. 10-Year Water CIP Outlook Chart

# Overview – Projected Long-Term Sewer Expenditures

Projecting  
Increase in Spend  
To Average  
\$149M Per Year

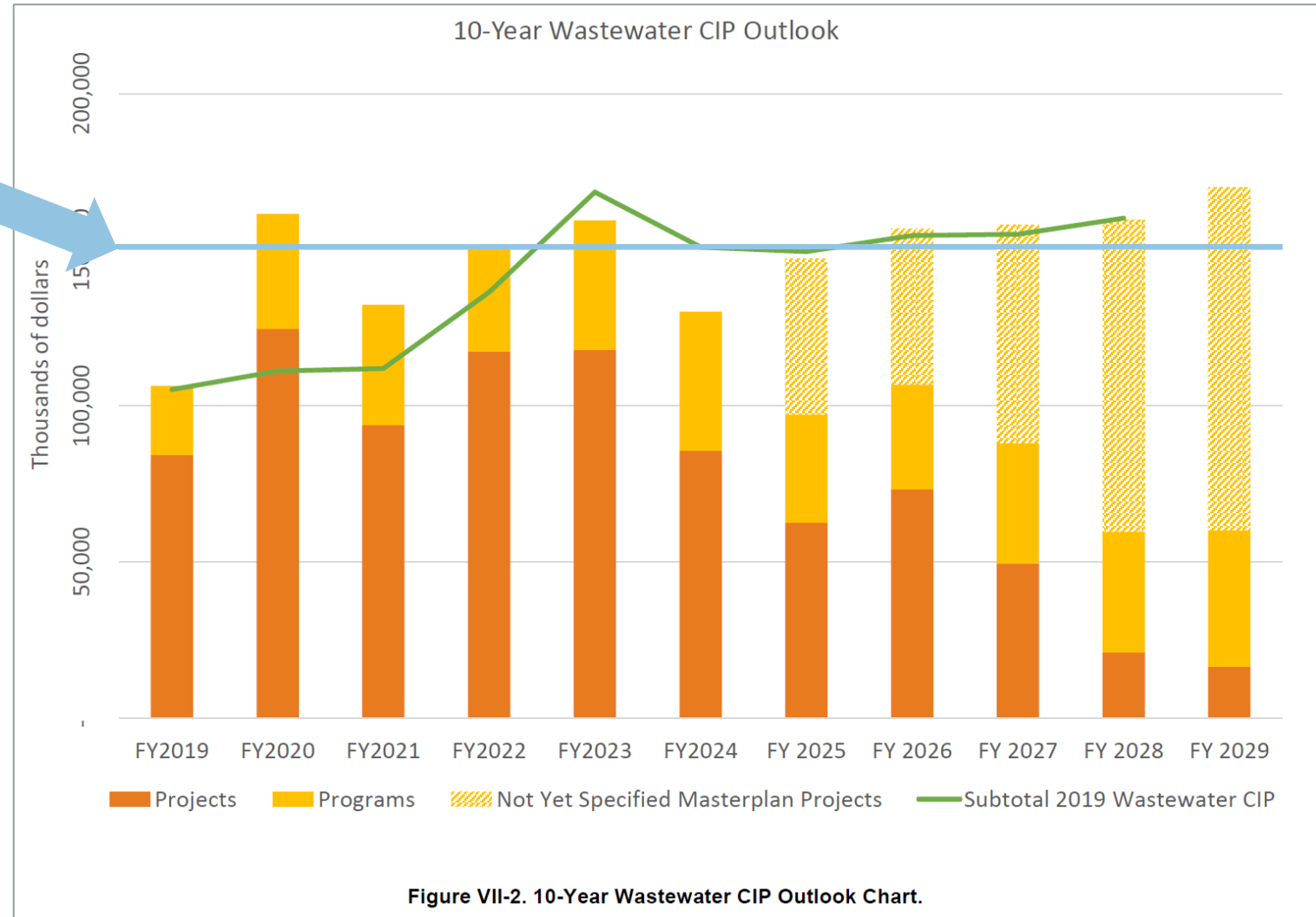
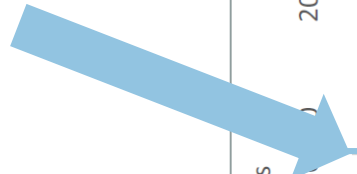


Figure VII-2. 10-Year Wastewater CIP Outlook Chart.

# Overview – Statistical Wrap Up

	Number of Projects	Percentage of Total
Water Projects	78	64%
Sewer Projects	34	28%
Centralized Services Projects	10	8%
Overall Total	122	100%

	Annual Average Est. Spend	Total 5-Year Est. Spend
Water Projects	\$170M	\$ 852M
Sewer Projects	\$149M	\$ 743M
Overall Total	\$319M	\$1.595B

# Questions





**GLWA**  
*Great Lakes Water Authority*

**Have a Great Day!**