



Legislation Text

File #: 2018-792, Version: 1

Five Year Capital Improvement Plan (CIP) For Fiscal Years 2019 Through 2023

Agenda of: June 20, 2018
Item No.: **2018-792**
Time: Fiscal Years 2019 through 2023

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: June 20, 2018

RE: **Approval of FY 2019 through FY 2023 Capital Improvement Plan**

MOTION

Upon recommendation of Suzanne Coffey, Chief Planning Officer & Interim Chief Operating Officer-Wastewater, and Nicolette Bateson, Chief Financial Officer/Treasurer, **the Board of Directors for the Great Lakes Water Authority adopts the resolution supporting the Capital Improvement Plan (CIP) for Fiscal Years 2019 through 2023 resolution and for the Chief Executive Officer to approve the five year Capital Improvement Plan (CIP) for Fiscal Years 2019 through 2023, noting an affirmative vote of at least five (5) Board Members is necessary for approval of this Motion;** and also authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.

JUSTIFICATION

A capital improvement plan addresses the following objectives.

1. Identifies an organization's priorities within available resources over a multiple year period.
2. Communicates the scope, funding, and timing to stakeholders, coordinating agencies, investors, and the public.
3. Encompasses stakeholder engagement in its development.
4. Aligns with strategic objectives of the organization including effective capital delivery and regulatory compliance at the lowest cost of capital investment.

BUDGET IMPACT

The FY 2019 through FY 2023 Capital Improvement Plan identifies \$712.8 million of water system capital improvements and \$633.2 million of sewer system improvements. The allocation of that financial commitment over a five-year period is presented in the attached CIP Financial Plan Summary. Given that GLWA adopts a two-year budget, it is recommended that FY 2019 and FY 2020 be designated as a two-year capital budget for purposes of carrying out the CIP that coincides with GLWA adopted biennial operating budget (also referenced as the revenue requirement budget).

COMMITTEE REVIEW

The CIP was reviewed on the following dates.

Capital Improvement Planning Committee on February 6, 2018

Audit Committee on February 9, 2018

Full Board on February 14, 2018

APPROVAL REQUIRED

The Articles of Incorporation of the Great Lakes Water Authority requires an affirmative vote of at least five (5) members to approve the 5-year Capital Improvement Plan.