

# Capital Program Overview

*Presented to*  
**The Environment Committee**  
April 26, 2011  
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Assistant General Manager

# Outline of Presentation

- Policy
- Program
- Projects
- Process

# Policy





# Wastewater Policies

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## Key Overall Policy:

- Support orderly and economical development of the Region.

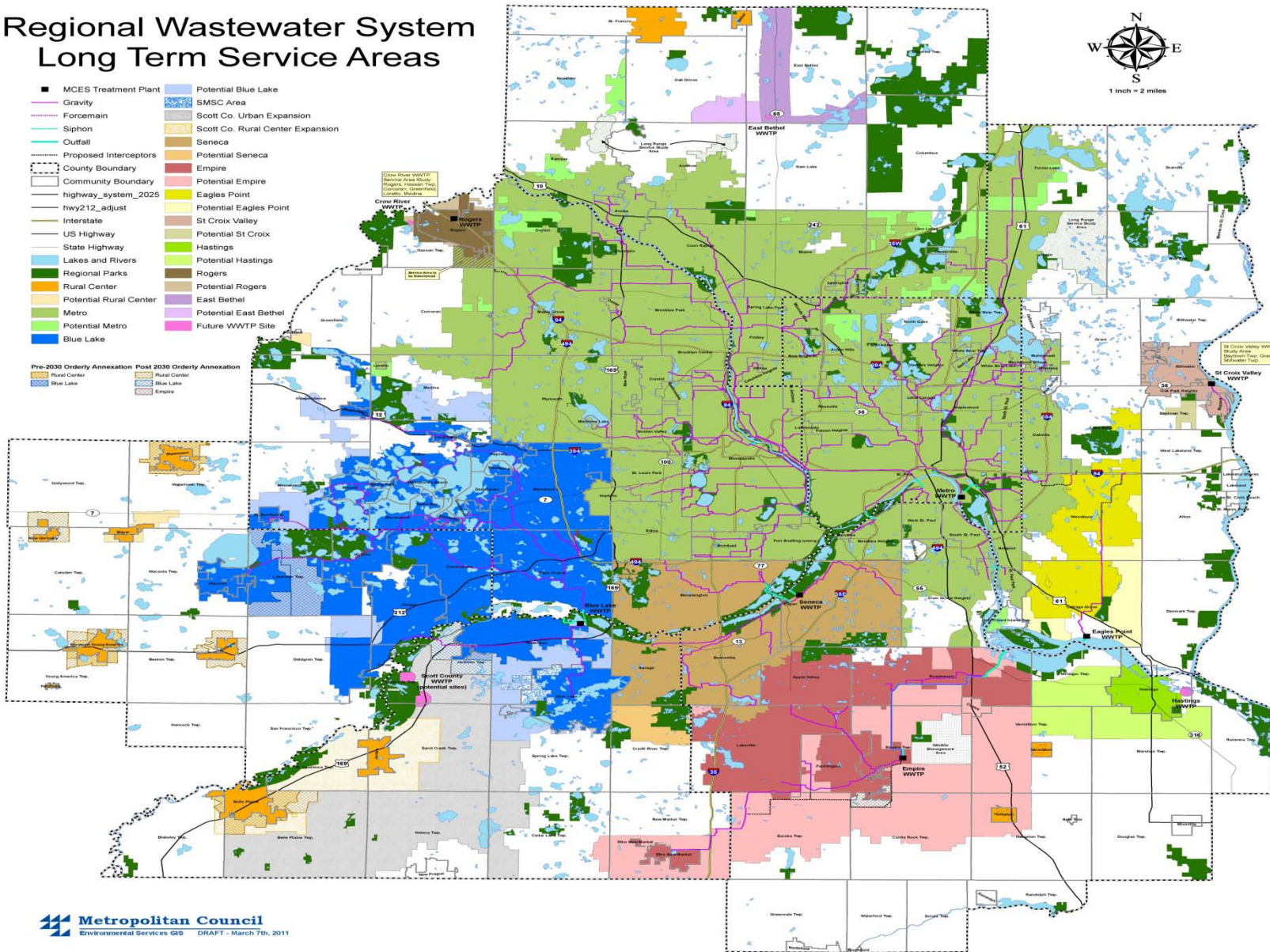
## Supporting Policies:

- Preserve and utilize infrastructure efficiently.
- Expand capacity as needed and planned.
- Work with customer communities to reduce infiltration and inflow.

# Regional Wastewater System Long Term Service Areas



- MCES Treatment Plant
  - Gravity
  - Forcemain
  - Siphon
  - Outfall
  - Proposed Interceptors
  - County Boundary
  - Community Boundary
  - highway\_system\_2025
  - hwy212\_adjust
  - Interstate
  - US Highway
  - State Highway
  - Lakes and Rivers
  - Regional Parks
  - Rural Center
  - Potential Rural Center
  - Metro
  - Potential Metro
  - Blue Lake
  - Potential Blue Lake
  - SMSC Area
  - Scott Co. Urban Expansion
  - Scott Co. Rural Center Expansion
  - Seneca
  - Potential Seneca
  - Empire
  - Potential Empire
  - Eagles Point
  - Potential Eagles Point
  - St Croix Valley
  - Potential St Croix
  - Hastings
  - Potential Hastings
  - Rogers
  - Potential Rogers
  - East Bethel
  - Potential East Bethel
  - Future WWTP Site
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- Pre-2030 Orderly Annexation Post 2030 Orderly Annexation
  - Rural Center — Rural Center
  - Blue Lake — Blue Lake
  - Blue Lake — Blue Lake
  - Empire — Empire



# Program

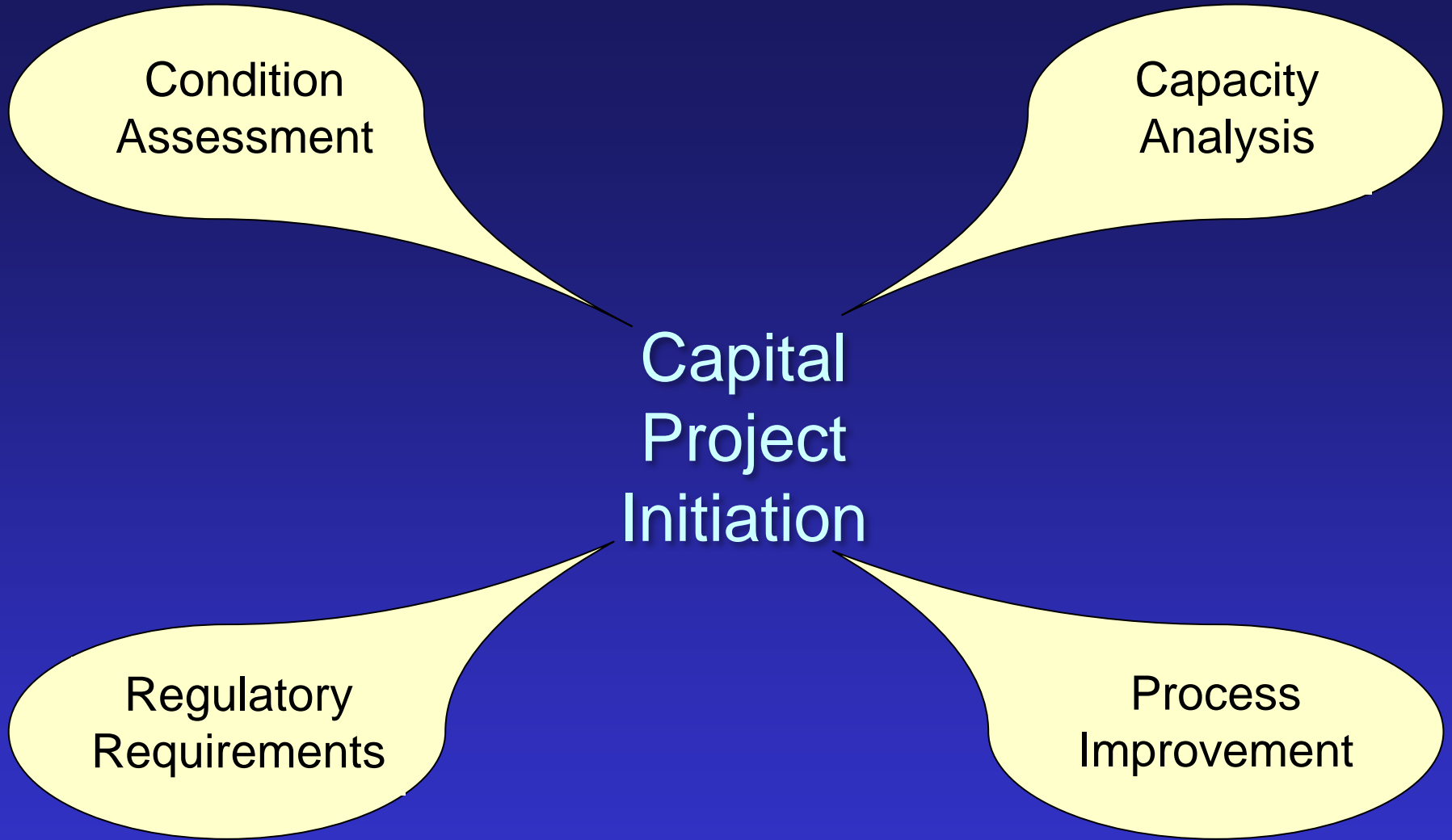


# **Capital Program Strategy**

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- 1. Maintain infrastructure (\$4 Billion Asset)**
- 2. Meet our commitments**
- 3. Moderate rate impacts**
- 4. Prepare for the future**





# Wastewater System Evaluation

# **High Priority Capital Projects**

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## **■ Rehabilitation/Replacement**

- High risk of delay based on condition assessment, failure mode, probability of failure occurrences, and severity of failure (public health, water quality, permit compliance, other impacts).**
- Opportunity to coordinate with other infrastructure projects.**

# **High Priority Capital Projects (cont.)**

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## **■ Quality Improvement**

- Regulatory commitments**
- Efficiency, effectiveness, and reliability improvements, such as energy conservation and dual force mains.**

## **■ Growth**

- Support redevelopment**
- Meet customer service commitments**

# Projects



# Key Projects - Plants

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## Blue Lake Plant

- Rehabilitation
- Solids Processing/Energy

## Metropolitan Plant

- Solids Processing
- Rehabilitation

## East Bethel Plant

- Water Reclamation Facility





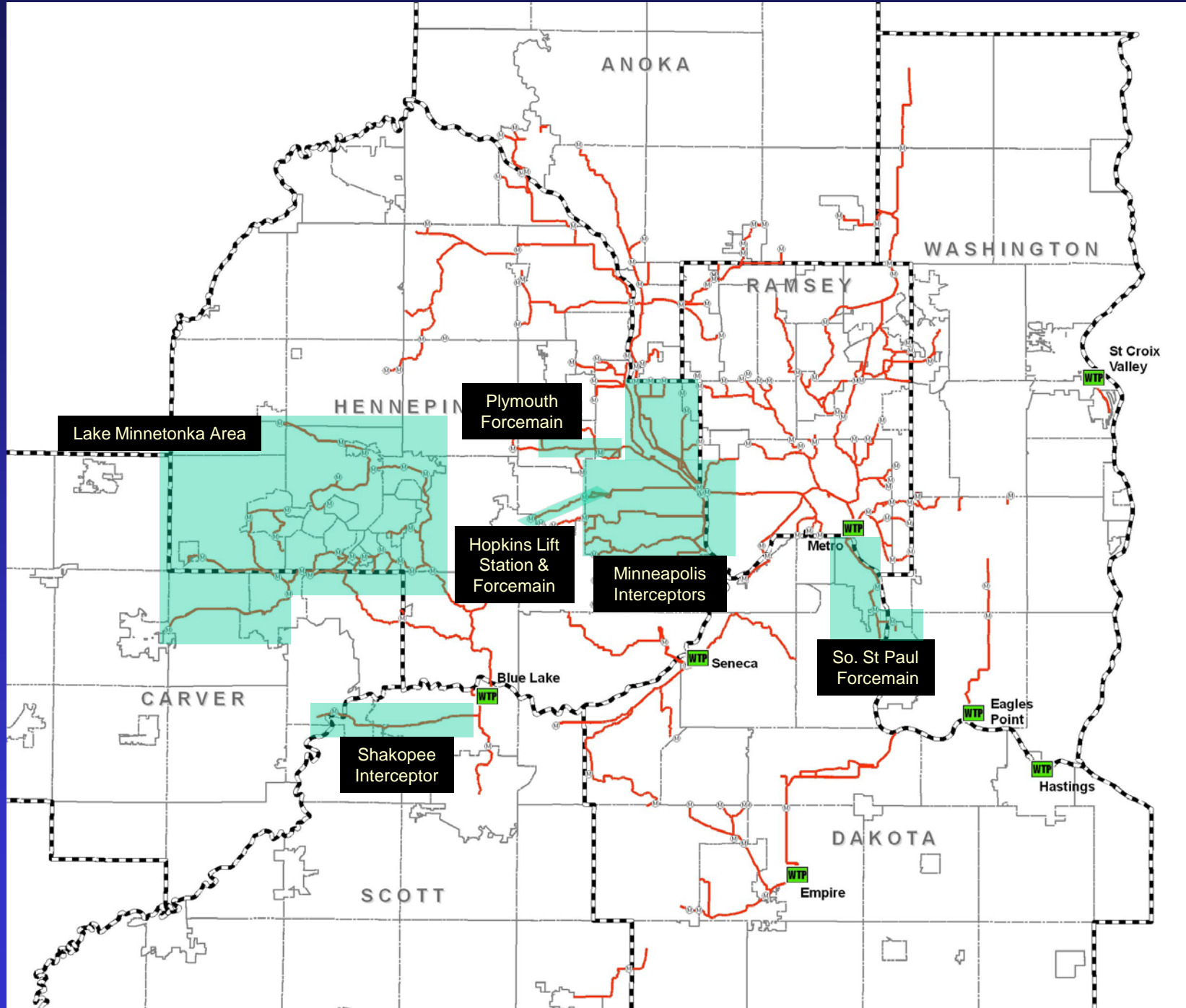
# **Key Projects - Interceptors**

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## **Rehabilitation Projects**

- **South St. Paul Forcemain**
- **Hopkins Lift Station and Forcemain**
- **Minneapolis Interceptors**
- **Lake Minnetonka Area**
- **Meters**
- **Shakopee Interceptor**
- **Plymouth Forcemain**





ANOKA

WASHINGTON

RAMSEY

St Croix Valley  
WTP

HENNEPIN

Plymouth  
Forcemain

Lake Minnetonka Area

Hopkins Lift  
Station &  
Forcemain

Minneapolis  
Interceptors

Metro  
WTP

So. St Paul  
Forcemain

CARVER

Blue Lake  
WTP

Seneca  
WTP

Eagles  
Point  
WTP

Shakopee  
Interceptor

Hastings  
WTP

DAKOTA

Empire  
WTP

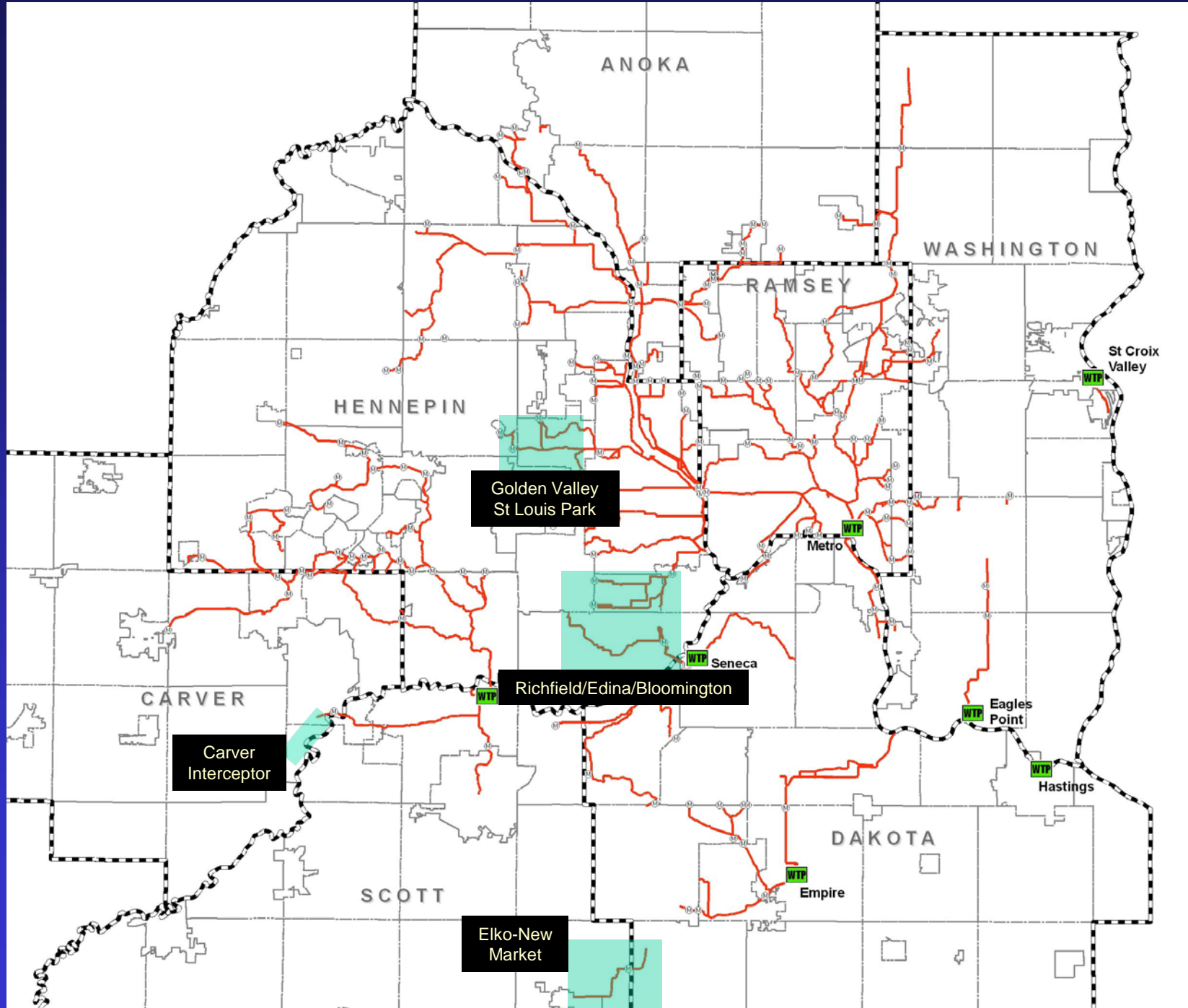
SCOTT

# **Key Projects - Interceptors**

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## **Capacity/Growth Projects**

- **Richfield/Edina/Bloomington**
- **Golden Valley/St. Louis Park**
- **Carver**
- **Elko-New Market**



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RAMSEY

St Croix Valley  
WTP

HENNEPIN

Golden Valley  
St Louis Park

Metro  
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Richfield/Edina/Bloomington

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CARVER

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Hastings  
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Elko-New  
Market

DAKOTA

Empire  
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# Process



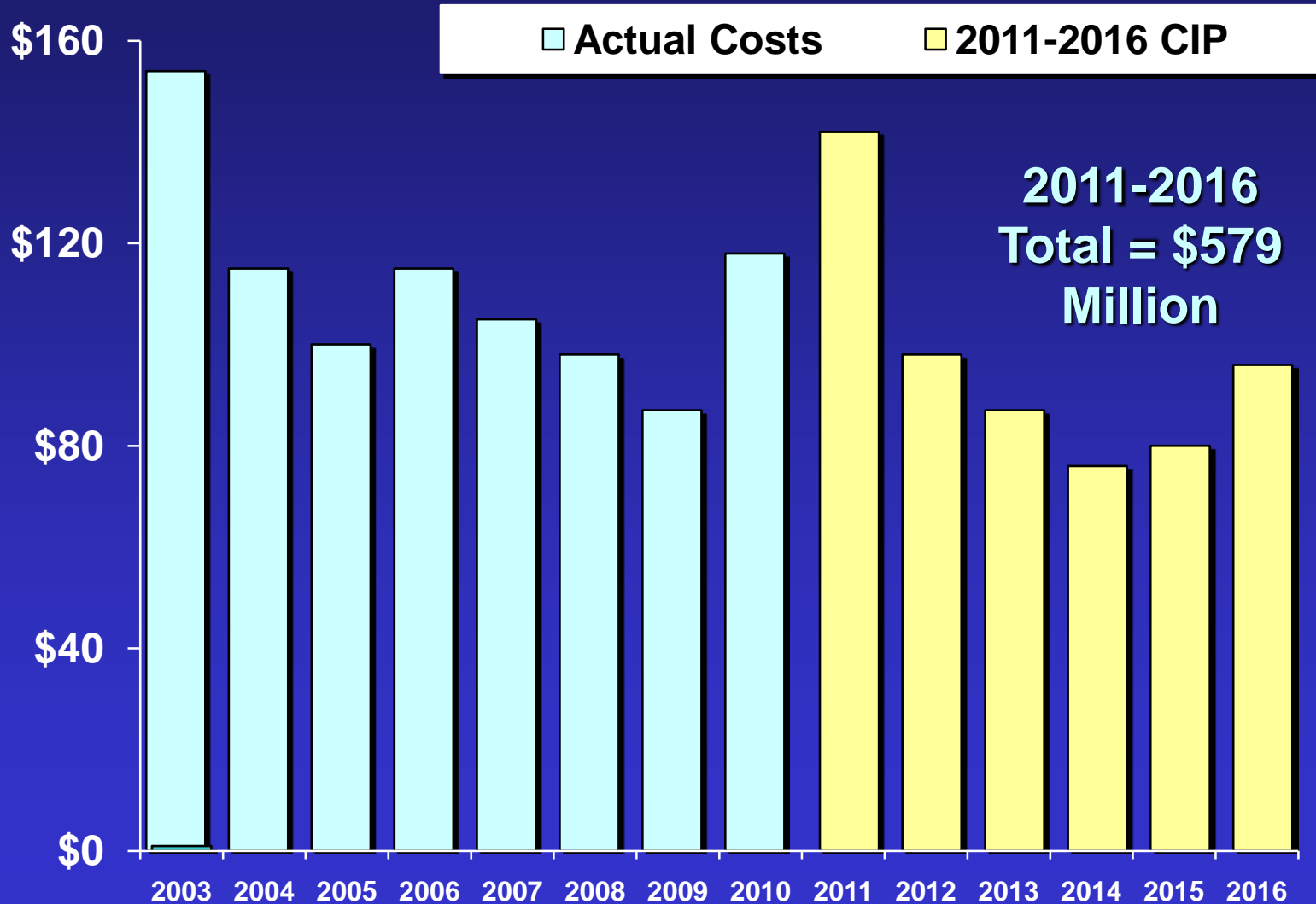
# **Definitions**

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- **Capital Improvement Program (CIP)  
6-Year Plan**
- **Authorized Capital Program  
Multi-Year Authorization**
- **Capital Budget  
Annual Appropriation**

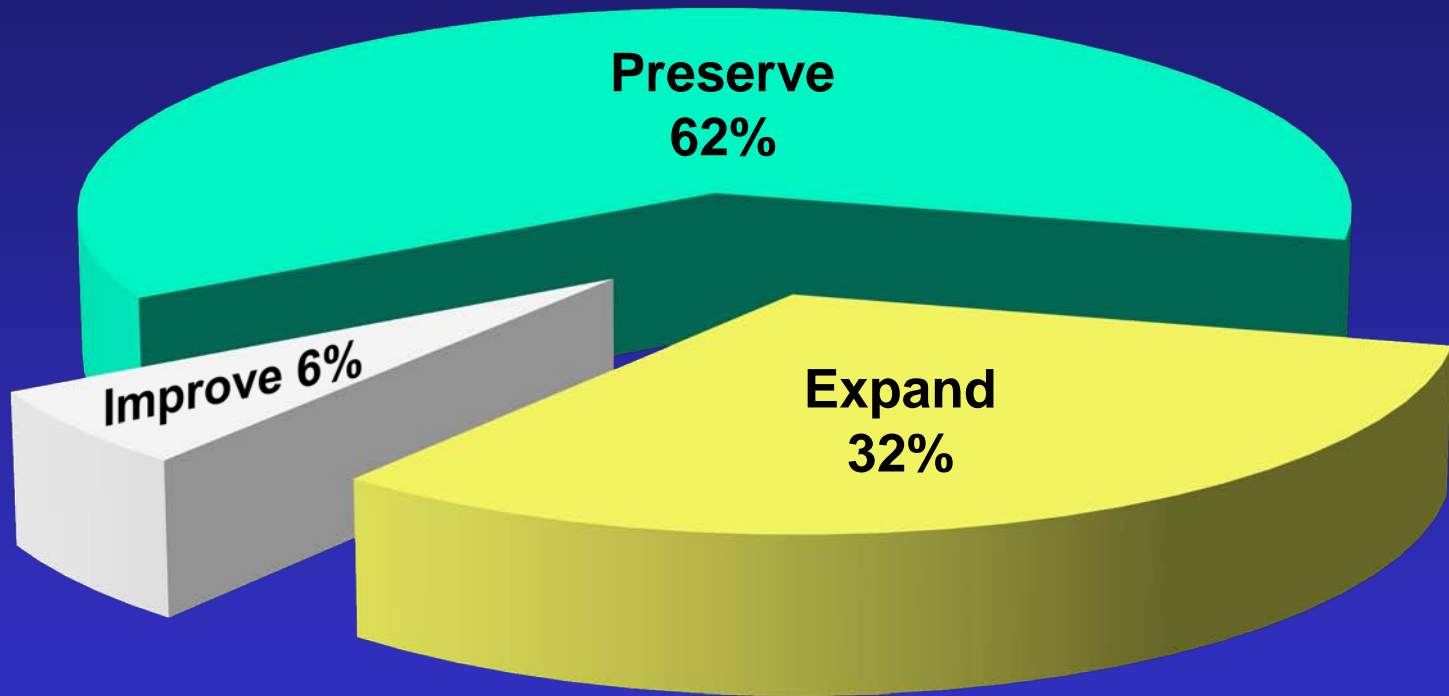
# Capital Improvement Program

## *Expenditures by Year (\$ millions)*



# Capital Improvement Program

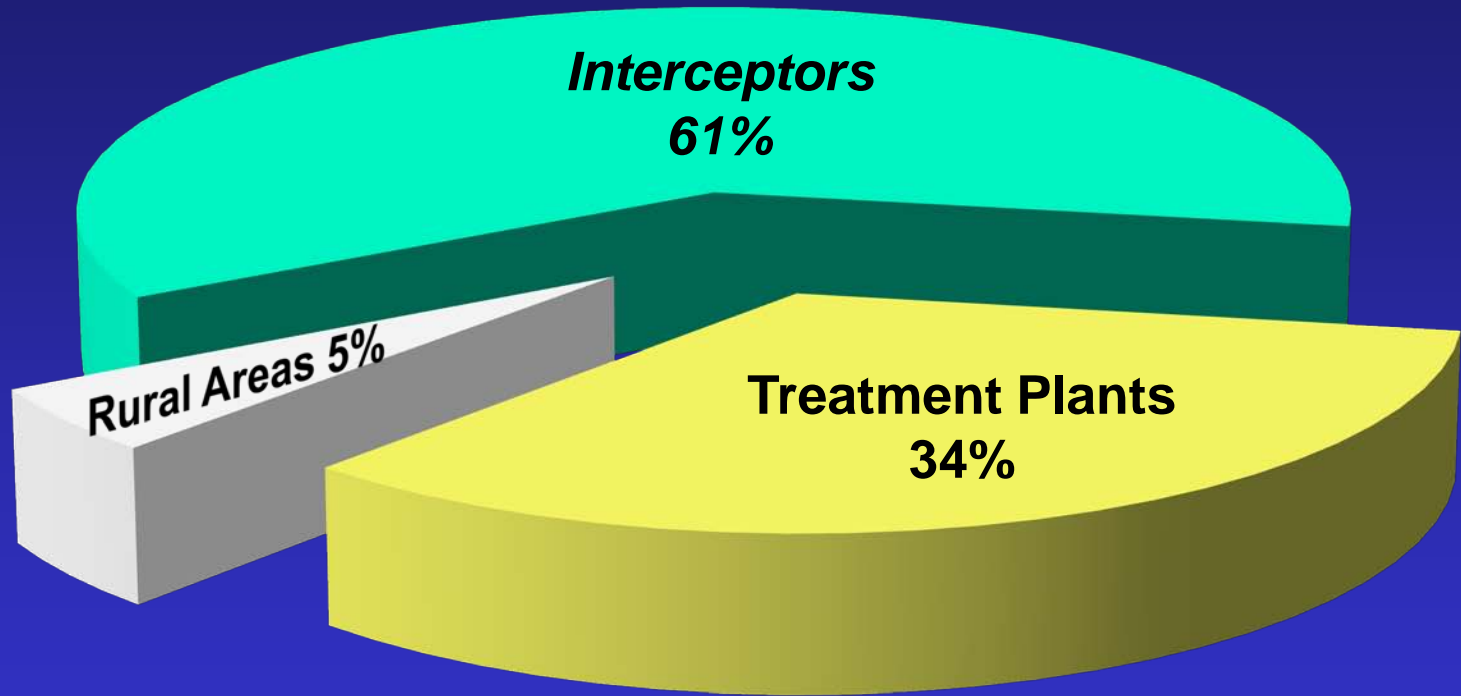
## *Cost Breakdown by Project Objective*



**Total Program**  
**2011 - 2016**  
**\$579 Million**

# Capital Improvement Program

## *Uses by Category*



**Total Program  
2011 - 2016  
\$579 Million**



# **Annual Council Approvals**

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## **■ Capital Improvement Program (CIP)**

- Adopts the MCES 6-Year CIP as part of the Metropolitan Council Unified CIP

## **■ Authorized Capital Program**

- Authorizes the projects/programs, their budget, and phase (Preliminary Engineering, Design, or Construction)

## **■ Capital Budget**

- Authorizes the anticipated cash flows of the projects/programs for the year

# Project Authorization Phases

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## ■ Preliminary Engineering Phase

- This phase is initially authorized in the Capital Program to develop a plan to address an identified need.

## ■ Design Phase

- Authorized by the Metropolitan Council following their approval of the project's Facility Plan or preliminary engineering study. Depending upon the project, the authorization at this stage may include both the project's design and construction phases including their funding.

## ■ Construction Phase

- If not already provided, authorization and funding is provided for the construction phase by the Metropolitan Council following the preparation of the project's design (plans and specifications).

# **Other Capital Project Council Actions**

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- **Professional Services Contracts**
  - Awards contracts (>\$250,000)
- **Preliminary Engineering Phase**
  - Approves Facility Plans and/or Preliminary Engineering Reports
- **Construction Phase**
  - Awards construction contracts (>\$1 M)
  - Authorizes increase in the 5% delegated change order authority, if needed

# **Capital Project Controls**

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- **Capital Project Delivery Analysis**
- **Design Guidelines**
- **Quality Assurance**
- **Work Instructions**

# Capital Project Delivery

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## Design-Bid-Build

- Plans, Specifications, and Contract Documents
- Prequalification of Construction Contractors and Sub-contractors for Critical Work
- Sealed Competitive Bids
- Best Value Construction Procurement Option

## Design-Build

- Proposal Evaluation
- Criteria for Use

## Inter-Governmental Agreements