

NOTICE OF MEETING

Des Moines Metropolitan Wastewater Reclamation Authority Finance Committee Meeting

Tuesday, October 17, 2023 @ 2:00 P.M.**

** or upon adjournment of 1:30 P.M. WRA Board Meeting

**MEETING LOCATION:
BURNHAM CONFERENCE ROOM
DES MOINES METROPOLITAN PLANNING ORGANIZATION
420 WATSON POWELL JR. WAY, SUITE #200
DES MOINES, IOWA**

AGENDA

- ITEM 1: WRA Projects with Cash Needs** - Information and possible recommendation
- WRF Site Acquisition, Demolition and Clearing
 - WRF New Site Entrance and Security Improvements
 - Cash Available for Closing
 - Discussion and/or Recommendation
- ITEM 2: Information from Municipal Advisor-** Information and possible recommendation
- 2023 WRA Senior Bond Certificate
 - 2024 WRA Senior Bond Certificate Planning
 - Discussion and/or Recommendation
- ITEM 3: Construction Program Updates** – Information and possible recommendation
- CIP Project List
 - CIP Funding List
 - Discussion and/or Recommendation
- ITEM 4: Other Business** - Information and possible recommendation
- Potential next meeting 12/19/23 (following the December WRA Board meeting)

MEMORANDUM

October 12, 2023

To: WRA Finance Committee

From: Operating Contractor Staff

Re: WRA Projects with Cash Needs - Information

On September 19, 2023 a resolution to establish the Fair Market Value of Property near the Wastewater Reclamation Facility (WRF) was approved by the WRA Board. The Facility Plan Update – 2024 anticipates purchase of adjoining property to expand the WRF. Staff estimates \$9,000,000 will be needed to purchase, clear, and secure the properties. The WR101 project number was established for the costs associated with the purchase and sitework and has been added to the current CIP.

On September 19, 2023 a resolution ordering construction of a new site entrance for the WRF was approved by the WRA Board. Bids will be taken October 31, 2023 for the new Site Entrance and Security Improvement Project under project code WR121. This project was designed as a cash funded project, and SRF funding wasn't anticipated to be used for the project. Scheduling and current estimates of cost have burdened the available funds.

The WRA Finance Committee is meeting to discuss: 1) cash needs in the near future to fund the above projects, and 2) offer plans and guidance to the Municipal Advisor on balancing the collection of cash needed from Communities if reserved cash is used.

Available cash on June 30, 2023 was: 1) \$10,000,000 R&R reserve, 2) \$9,360,000 Working capital reserve, 3) \$7,227,000 R&R spending cash for projects. On September 30, 2023 R&R spending cash was approximately \$8,900,000. WRA has cash available to close a purchase of additional land near the WRF; however, projects have been approved that will also need cash during the current fiscal year. Monthly cash flows in from Communities and RNG revenue are helpful but will not meet the needs over the next two years.

Note: the above projects are shown in **BOLD** on the last page of this packet.

WRA Senior Bond Certificate

2023 Certificates

Item 2

	<u>PROJECT</u>	No Impact to Debt Service		<u>TOTAL</u>
		<u>FLOOD *</u>	<u>P&D</u>	
Anticipated in 2023/24				
Ingersoll Run - Segment 2	10,000,000	0	0	10,000,000
Phosphorus Recovery	42,100,000	0	0	42,100,000
WRA Sewer Lining - Loan 3	10,000,000	0	0	10,000,000
So Tier Interceptor P10	8,000,000	0	0	8,000,000
Bid Contingency	10,000,000	0	0	10,000,000
	80,100,000			80,100,000
Effluent Pumping - Flood Sales Tax	13,150,000	13,150,000	0	13,150,000
Anticipated Planning Design Loans				
Building 05 Rehab	500,000	0	500,000	500,000
Disinfection	500,000	0	500,000	500,000
				1,000,000
CERTIFICATE TOTAL	94,250,000	13,150,000	1,000,000	94,250,000

MEMORANDUM

October 12, 2023

To: WRA Finance Committee

From: Operating Contractor Staff

Re: Construction Program Updates – Information and Recommendations

On June 1, 2023 HDR Engineering presented information regarding the Treatment Facility Plan Update – 2024 to the WRA Finance Committee. This update includes many new projects from current year through the 2030s and 2040s. As staff begins budget work to update the CIP for next year, some of the projects included in the Treatment Facility Plan Update – 2024 and the Conveyance Facility Plan Update – 2024 will be added and some of the projects from the Facility Plan - 2012 will be removed. Attached is a listing of all projects on the horizon (Attachment 3A); if the project was included in the current CIP a dollar amount is listed on the right. This information was passed to the WRA Technical Committee on October 10, 2023.

Discussion of CIP updates

In conjunction with the Treatment Facility Plan Update – 2024 and Conveyance Facility Plan Update - 2024, several projects with cost estimates ranging from \$750,000 to \$7,00,000 will be added to the next CIP budget. Attached is a listing of the CIP Projects with funding information (Attachment 3B). Funding columns have been added to identify the yearly certificate that applies to each project. Some projects will use cash (R&R collections from Communities).

Discussion of CIP funding

The WRF Site Acquisition is anticipated to be eligible for an SRF Bond (amount \$9,000,000), but the WRF Site Access and Security Improvements was not anticipated to use SRF funding. A bond sale would provide funds needed to complete this project and to fund smaller plant projects listed in the BOND ISSUE (need cert) column (amount \$20,000,000-\$25,000,000).

Staff recommends proceeding with an application to SRF for the WRF Site Acquisition, and recommends PFM work on additional certifications needed and to begin work on a bond sale. If the WRA Finance Committee wishes, a sub-committee could also work on bond sale information.

WRA-CIP

**Anticipated Projects under New Facility Plan
List of Projects for next year's CIP budget:**

Cash funded
show as n/a

* calendar year

Bid Year *	Project Name	Bond Issue \$	Cash funded		current CIP F24
		or Estimate	Bond	Project #	CIP Amount \$
2018	WRF Grit Improvements	\$ 15,400,000	2022 A E	WR111	\$ 17,421,450
2022	WRA Birdland Pump Station	\$ 20,400,000	2022 A	WR122	\$ 22,450,000
2022	WRA Ingersoll Run - Seg 1, 3	\$ 26,400,000	2022 D	WR088	\$ 36,070,102
2023/24	WRA Ingersoll Run - Seg 2	\$ 10,000,000		WR088	
2023/24	WRF Phosphorus Recovery	\$ 35,997,000		WR112	\$ 42,200,000
2020	WRF Clarifier Improvements P1	\$ 11,300,000	2020 A	WR115	
2022	WRF Clarifier Improvements P2	\$ 31,000,000	2023 A	WR115	\$ 48,304,000
2018	WRF Flood Improvements (B73)	state sales tax		WR105	\$ 20,772,524
2019	WRA Sewer Lining - Phase 1	\$ 12,000,000	2019 A	WR113	
2021	WRA Sewer Lining - Phase 2	\$ 11,000,000	2022 C	WR113	
2023/24	WRA Sewer Lining - Phase 3	\$ 15,000,000		WR113	\$ 49,697,500
2018	WRF Trickling Filter Demo Phase 1 / 2	\$ 6,000,000	2018 F	WR119	\$ 3,818,000
2023/24	WRF Effluent Pump Station (part flood money)	\$ 39,870,000		WR123	\$ 42,331,200
2023/24	WRA Southern Tier Seg 24	\$ 8,000,000		WR127	\$ 8,027,000
2022	WRA Southern Tier Seg 23	\$ 3,600,000	2022 B	WR107	\$ 12,894,400
	WRF Eastside Wet Weather Facilities			WR124	\$ 65,815,350
	WRF Secondary Treatment			n/a	\$ 76,000,000
	WRF B05 Rehab			n/a	\$ 13,131,170
	WRF Parallel Pipe			n/a	\$ 5,156,200
2024	Sponsor: Sugar Creek P2	IFA program		WR117	\$ 5,955,400
2024	Sponsor: Four Mile Creek P3	IFA program		WR109	\$ 3,810,000
2023	WRF Fuel Terminal and Storage Tanks	\$ 1,050,000	n/a	WR106	\$ 1,302,500
2023	WRF Blended Sludge Tank Mixer Improvements	\$ 2,000,000	n/a	WR110	\$ 2,000,000
2023	WRA Site Acquisition, Demolition and Clearing	\$ 9,000,000		WR101	\$ 9,000,000
2023	WRF Site Entrance and Security Improvements	\$ 9,675,000		WR121	\$ 9,033,350
2023	WRF Belt Filter Press Improvements	\$ 2,150,000	n/a	WR136	\$ 2,150,000
2024	WRF Waste Sludge Thickening Improvements	\$ 4,000,000		WR137	\$ 4,000,000
2024	WRF Bldg. 12 Switchgear and Transformers	\$ 2,500,000	n/a	WR131	
2024	WRF Bldg. 70/75 Transformers	\$ 2,500,000	n/a	WR131	\$ 4,600,127
2024	WRF Gas Cover and Dystor Improvements	\$ 2,093,000	n/a	WR075	\$ 2,093,000
2024	WRA Flow Meter Improvements	\$ 750,000	n/a	WR093	\$ 750,000
2025	WRF Aeration Basin Improvements	\$ 37,023,000		WR125	\$ 10,200,000
2025	WRF Biogas Flare System Improvements	\$ 5,000,000		WR102	
2025	WRA Sewer Lining - Phase 4	\$ 5,500,000		TBD	
2025	WRA WRF IT replacements / WRF Radio replacements	\$ 3,300,000	n/a	WR126	
2025	WRF Bldg. 75 Boilers and Heat Loop Improvements	\$ 7,000,000		WR137	\$ 2,160,000
2026	WRA Sewer Lining - Phase 5	\$ 6,000,000		TBD	
2026	WRF Belt Press Controls and Polymer System Controls	\$ 1,500,000	n/a	WR136	
2026	WRF Personnel Facilities	\$ 42,620,000		TBD	
2026	WRA Joint Trunk - West	\$ 15,680,000		WR135	\$ 10,000,000
2027	WRA Pleasant Hill Pump Station Improvements	\$ 4,500,000		TBD	
2027	WRA Sewer Lining - Phase 6	\$ 6,000,000		TBD	
2027	WRF Building 73 Improvements (Generators)	\$ 7,775,000		TBD	
2027	WRF Building 50, 51 and 52 Improvements	\$ 15,000,000		TBD	
2028	WRF Bldg. 07 Improvements	\$ 1,500,000		TBD	
2028	Building 70/75 HVAC	\$ 2,800,000		TBD	
2028	WRF Biogas Conditioning for Building 72	\$ 3,500,000		TBD	
2028	WRA Southwest Diversion Pump Station Odor Control	\$ 4,000,000		WR081	
2028	WRA Sewer Lining - Phase 7	\$ 6,000,000		TBD	
2028	WRF Trickling Filter Demo Phase 3 / 4	\$ 6,000,000		WR119	
2028	WRA Southwest Diversion Equalization Basin Odor Control	\$ 8,000,000		WR081	
2028	WRA Beaver Creek Interceptor	\$ 13,510,000		WR114	
2028	WRA Joint Trunk - East	\$ 15,460,000		TBD	\$ 12,000,000
2029	WRA Southwest Diversion Pump Station Modifications	\$ 1,500,000		WR081	
2029	WRA Southwest Diversion Equalization Basin Modifications	\$ 1,500,000		WR081	
2029	WRA Sewer Lining - Phase 8	\$ 6,500,000		TBD	
2029	WRA West Des Moines Outfall Phase 13 Segment 1 & 2	\$ 6,740,000		TBD	
2029	WRA Southside Des Moines River Interceptor - Segment 4	\$ 25,438,000		TBD	
2029	WRF Raw Pump Stn. & Preliminary Treatment Facilities	\$ 96,153,000		TBD	
2030	WRF Bldg. 62 Improvements	\$ 1,500,000	n/a	TBD	
2030	WRA Westside PS/Eastside Interceptor Improvements	\$ 5,000,000		TBD	
2030	WRA Common Trunk - Segment 4	\$ 13,564,000		TBD	\$ 12,680,000
2030	WRA Southern Tier Lift Station Improvements	\$ 30,000,000		TBD	
2030	WRF Primary Treatment Facilities	\$ 64,614,000		TBD	
2031	WRF Influent Sewers Relocation	\$ 15,866,000		TBD	
2032	WRA Westside Interceptor	\$ 17,290,000		TBD	\$ 12,300,000
2032	WRF Disinfection Improvements	\$ 45,598,000		TBD	\$ 15,978,400
2033	WRF Final Clarifier Expansion Phase 1	\$ 38,157,000		TBD	
2034	Pleasant Hill Pump Station Forcemain	\$ 4,500,000	n/a	TBD	
2034	WRA Southern Tier Interceptor - Western Segments	\$ 11,520,000		TBD	
2034	WRF Digester and Dewatering Improvements	\$ 43,125,000		TBD	
2035	WRF Hauled Waste Facilities	\$ 8,639,000		TBD	
2035	WRA Little Four Mile Interceptor	\$ 12,090,000		TBD	\$ 7,190,200
2036	WRF Building 05 and Primary Treatment Demolition	\$ 7,199,000		TBD	
2036	WRA Saylor Creek Interceptor - North Branch	\$ 8,600,000		TBD	
2037	WRF Second Outfall and Disinfection Facilities	\$ 51,836,000		TBD	
2039	WRF Primary Treatment Expansion	\$ 16,523,000		TBD	
2039	WRF Gas Conditioning	\$ 27,271,000		TBD	
2039	WRF Preliminary Treatment Expansion	\$ 22,267,000		TBD	
2039	WRF Effluent Pump Station No. 2	\$ 32,397,000		TBD	
2041	WRF Final Clarifier Expansion Phase 2	\$ 35,997,000		TBD	
2042	WRF Biosolids Storage Improvements	\$ 14,399,000		TBD	
2042	WRF Waste Thickening and Blended Sludge Facilities	\$ 23,428,000		TBD	
2042	WRF Aeration Basin Expansion	\$ 73,434,000		TBD	
2044	WRF Digestion Facilities	\$ 33,534,000		TBD	
	Bond funded projects and partial list of cash projects			sum	\$ 591,291,873
	Remaining small cip funded projects				\$ 41,001,294
	WRA CIP Total F2024 (approved + site purchase)			cip sum	\$ 632,293,167

<u>CIP Budget, October Tech and Finance Meetings</u>		Adopted	Adjusted	Increase
		2023-24	2023-24	(Decrease)
<u>WRA & WRF Large Projects (WRA Funds)</u>				
WR088	Ingersoll Run CSO	36,070,102	36,070,102	-
WR127	Southern Tier Improv, Seg 6	8,027,000	8,027,000	-
WR112	Phosphorus Recovery Facility	42,200,000	42,200,000	-
WR111	Grit Basin Improvements	17,421,450	17,421,450	-
WR115	Clarifier Improvements	48,304,000	48,304,000	-
WR105	Flood Improvements	20,772,524	20,772,524	-
WR122	Birdland Pump Stn Improv	22,450,000	22,450,000	-
WR113	Sewer Lining Projects	49,697,500	49,697,500	-
WR119	Trickling Filter Removal	3,818,000	3,818,000	-
WR124	Effluent pumping	42,331,200	42,331,200	-
WR123	Aeration Improv	10,200,000	10,200,000	-
	Disinfection	15,978,400	15,978,400	-
	Little Four Mile Improv	7,190,200	7,190,200	-
	Current Core Subtotal	324,460,376	324,460,376	-
	<i>Eastside Wet Weather Treatment</i>	65,815,350	65,815,350	-
	<i>Building 05 Rehabilitation</i>	13,131,170	13,131,170	-
	<i>Parallel Pipe and new Mixing</i>	5,156,200	5,156,200	-
	<i>Secondary Treatment</i>	76,000,000	76,000,000	-
	Westside Interceptor	12,300,000	12,300,000	-
WR135	Common & Joint Truck Sewer (Expansion)	34,680,000	34,680,000	-
WR107	So Tier Interceptor Improve (Expansion)	12,894,400	12,894,400	-
	Sponsor Projects	9,765,400	9,765,400	-
	Current Bonded Subtotal	554,202,896	554,202,896	-
<u>WRA & WRF Small Projects (WRA Funds)</u>				
on going	Facility Plan, Consulting & Studies current	2,450,463	2,450,463	-
WR074	Digester #3 Repair and Improv	1,470,000	1,470,000	-
WR120	Sewer Maintenance and Repairs	1,593,000	1,593,000	-
WR121	<i>WRF Site Security & New Entrance</i>	8,033,350	9,033,350	1,000,000
2025	Facilities Rehab - B75 Boilers & Heat Loop	2,160,000	2,160,000	-
WR118	Facilities Rehabilitation Roof & future	2,012,920	2,012,920	-
WR078	Facilities Rehabilitation Hvac current	5,300,000	5,300,000	-
WR106	<i>WRF Fuel Terminal Upgrade</i>	1,602,500	1,302,500	(300,000)
2027	WRF B73 Improvements (Generators)	6,355,000	6,355,000	-
2024	<i>Purchase Property, Clear & Secure</i>	-	9,000,000	9,000,000
WR110	Past Facility Process Equipment	8,174,927	8,174,927	-
WR116	Past Facility Process Equipment	7,915,360	7,915,360	-
2023	B70 Belt Filter Press Improvements	2,150,000	2,150,000	-
2024	B70 Rotating Drum Thickeners	4,000,000	4,000,000	-
23-2028	Process Equipment Replc (not listed below)	15,172,751	4,499,424	(10,673,327)
2023	WRF Aeration Sensors		1,250,000	1,250,000
2024	B12 Switchgear Improv B70,75 Transformers		4,600,127	4,600,127
2024	WRF Radio Replacement		1,100,000	1,100,000
2022	Digester Heat Exchanger Improv		880,200	880,200
2024	WRA Flow Monitor Improv		750,000	750,000
2025	Digester #1 Gas Cover and Dystor		2,093,000	2,093,000
	Current non Bonded Subtotal	68,390,271	78,090,271	9,700,000
	Total CIP FY2024 (2023-2028 spending)	622,593,167	632,293,167	9,700,000

Current CIP items plus new Treatment and Conveyance CIP Items
Revised List: 10/9/2023
Anticipated Projects from Facility Plan with Small Project to 2030 added

\$25M Bond Sale

Category	Facility Cost (2023 Dollars)	Project Bid Year	CIP Project Name	Project Cost (updated)	Project Bid	Future SRF Loan	Current SRF Loan	SRF Loan Cert 2023	SRF Cert Contingency	Bond Issue (need Cert)	SRF Bond (need Cert)	Most likely to use Cash	Planning to use Cash
Small CIP		2021	WRA SW EQ Basin Mechanical Repairs	\$ 1,057,300	2021								\$ 1,057,300
Small CIP		2022	WRF Belt Filter Press Improvements	\$ 1,991,800	2022								\$ 1,991,800
Small CIP		2022	WRF Buildingn 05 Electrical Room HVAC Improvements	\$ 293,345	2022								\$ 293,345
Small CIP		2022	WRF Blended Sludge Tank Mixer Improvements	\$ 1,727,300	2022								\$ 1,727,300
Small CIP		2022	WRF Digester Repair Improvements (less Insurance)	\$ 400,000	2022								\$ 400,000
current		2023	WRF Fuel Terminal and Storage Tanks	\$ 1,050,000	2023								\$ 1,050,000
current		2018	WRF Grit Improvements	\$ 17,021,450	2018		\$ 15,500,000					\$ 1,171,450	\$ 350,000
Small CIP		2023	WRF Grit Improv - Headcell Repairs	\$ 400,000	soon							\$ 400,000	
current		2022	WRA Birdland Pump Station	\$ 22,450,000	2022		\$ 20,400,000					\$ 2,050,000	
current		2022	WRA Ingersoll Run - Seg 1, 3 (less flood & city funds)	\$ 26,400,000	2022		\$ 26,400,000						
current		2023	WRA Ingersoll Run - Seg 2 (less city share)	\$ 10,000,000	soon			\$ 10,000,000					
current	\$ 32,000,000	2023	WRF Clarifier Improvements Phase Two	\$ 31,000,000	2023		\$ 31,000,000						
current		2023	WRA Southern Tier Seg 24	\$ 8,000,000	soon			\$ 8,000,000					
current		2022	WRA Southern Tier Seg 23	\$ 3,600,000	2022		\$ 3,600,000						
current		2023	WRF New Site Entrance & Security Improvements	\$ 9,675,000	2023					\$ 8,675,000			\$ 1,000,000
new Fac	\$ 6,500,000	2023	WRF Site Acquisition, Demolition and Clearing	\$ 9,000,000	2023				\$ 9,000,000				
roof		2023	WRF Building 05 and 90 Roof Improvements	\$ 300,000	2023								\$ 300,000
Small CIP		2024	WRA Flowmeter Improvements	\$ 750,000	soon							\$ 750,000	
current		2024	WRA Sewer Lining - Phase 3 (less \$5M from current loan)	\$ 10,000,000	soon			\$ 10,000,000					
current	\$ 35,997,000	2024	WRF Phosphorus Recovery	\$ 35,997,000	soon			\$ 35,997,000					
current	\$ 39,870,000	2024	WRF Effluent Pump Station	\$ 39,870,000	soon			\$ 39,870,000					
Small CIP		2024	WRF Waste Sludge Thickening Improvements	\$ 4,000,000	soon					\$ 4,000,000			
Small CIP		2024	WRF Blg. 12 Switchgear and Transformers	\$ 2,500,000	soon					\$ 2,500,000			
Small CIP		2024	WRF Blg. 70/75 Transformers	\$ 2,500,000	soon					\$ 2,500,000			
Small CIP		2024	WRF Dystor Improvements (gas covering replc)	\$ 2,500,000	soon					\$ 2,500,000			
Small CIP		2024	WRA North River Connection Improvements at Norwalk	\$ 1,000,000								\$ 1,000,000	
Small CIP		2025	WRF Blg. 75 Boilers and Heat Loop Improvements	\$ 7,000,000							\$ 7,000,000		
Fac Plan	\$ 5,000,000	2025	WRF Biogas Flare System Improvements	\$ 5,000,000							\$ 5,000,000		
current		2025	WRA Sewer Lining - Phase 4	\$ 5,500,000							\$ 5,500,000		
Fac Plan	\$ 37,023,000	2025	WRF Aeration Basin Improvements	\$ 37,023,000							\$ 37,023,000		
Small CIP		2026	WRF Belt Press Controls and Polymer System Controls	\$ 1,500,000								\$ 1,500,000	
current		2026	WRA Sewer Lining - Phase 5	\$ 6,000,000		\$ 6,000,000							
current	\$ 15,680,000	2026	WRA Joint Trunk - West	\$ 15,680,000		\$ 15,680,000							
Fac Plan	\$ 42,620,000	2026	WRF Personnel Facilities	\$ 42,620,000		\$ 42,620,000							
Small CIP		2027	WRA Pleasant Hill Pump Station Improvements	\$ 4,500,000		\$ 4,500,000							
new Fac		2027	WRA Sewer Lining - Phase 6	\$ 6,000,000		\$ 6,000,000							
Fac Plan	\$ 7,775,000	2027	WRF Building 73 Improvements (generators)	\$ 7,775,000		\$ 7,775,000							
Fac Plan	\$ 15,000,000	2027	WRF Building 50, 51 and 52 Improvements	\$ 15,000,000		\$ 15,000,000							
roof		2027	WRF Blg. 80-1, 2, and 3 Roofs	\$ 350,000									\$ 350,000
roof		2027	WRF Blg 79 Roof Replacement	\$ 300,000									\$ 300,000
Small CIP		2027	WRF Hauled Waste Improvements	\$ 1,000,000									\$ 1,000,000
roof		2027	WRF Building 60 Roof Replacement	\$ 300,000									\$ 300,000
Small CIP		2027	WRF Building 73 Improvements (dupl)	\$ -									
Fac Plan	\$ 4,000,000	2028	WRA Southwest Diversion Pump Station Odor Control	\$ 4,000,000		\$ 4,000,000							
new Fac		2028	WRA Sewer Lining - Phase 7	\$ 6,000,000		\$ 6,000,000							

