



COMMISSION FINANCE COMMITTEE
MEETING MINUTES
March 1, 2022

PRESENT: Commissioners Elofson, Glenn, Lakdawala, Levenston, Rodriguez, Stern and Templeman.

FISCAL YEARS 2023-2032 CAPITAL IMPROVEMENT PROGRAM BUDGET REVIEW

The Finance Committee (Commissioners Rodriguez, Lakdawala and Elofson), Commissioners Glenn, Levenston, Stern, Templeman, and staff reviewed all newly proposed and existing capital projects for FY 2023-2032.

The CIP will be prioritized based on available financial resources and presented to Finance Committee on April 14 and the full Commission on April 26, 2022.

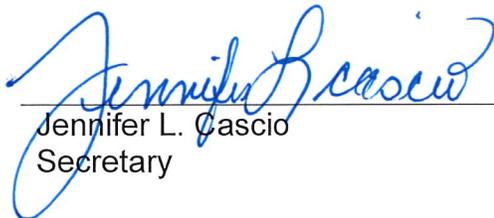
Attachments: [Presentation](#)

Public Comment: None

Next Finance Committee Meeting Date: April 14, 2022

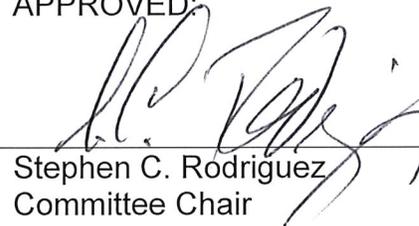
Meeting Adjourned: 1:00 p.m.

SUBMITTED:



Jennifer L. Cascio
Secretary

APPROVED:



Stephen C. Rodriguez
Committee Chair



Capital Improvement Program
FY23 to FY32
First Draft Review

March 1, 2022

Agenda

- Introductions 9:00
- Program Summary 9:05
- New Project Review 9:15
- Program Review
 - SWIFT 10:15
 - Break 10:45
 - RWWMP High Priority Projects 11:00
 - Middlesex 11:15
 - Administration Buildings 11:35
- Existing Project Review 11:45

- Confirm that projects should be included in the CIP
- Review new projects thoroughly
 - Scope
 - Cost
 - Schedule
- Existing projects should have significant changes reviewed
 - Potential for delays, or need to not delay should be noted

- Each project has been reviewed by the responsible contact and meets CIP guidelines
- Projects are evaluated within each department to ensure best solutions are proposed
- CIP projects are validated and included for review by CIP Leadership
- CIP is balanced according to financial constraints, regulatory deadlines, priority, and many other factors
- Final CIP is submitted to the Commission
- CIP is a planning tool – **the CIP does not authorize funding for individual projects**

- Projects submitted – Feb. 1st
- Finance Review
- First draft documents published – Feb. 23rd
- **First draft meeting – March 1st**
- Revisions Due – March 8th
- Second draft published (If needed) – Mar 31st
- CIP sent to Commission – Apr 26th
- CIP presented to Commission – May 24th

- Existing Projects already in CIP Program
 - 204 existing projects
 - 14.4% cost increase from FY22
 - 23 newly proposed projects
 - 10YR Program Total - \$3.10B (with program contingency)
- Completed
 - 28 Projects - \$138M

Completed Projects

Completed in FY22



CAPITAL IMPROVEMENT PROGRAM PROJECTS COMPLETED IN FY22

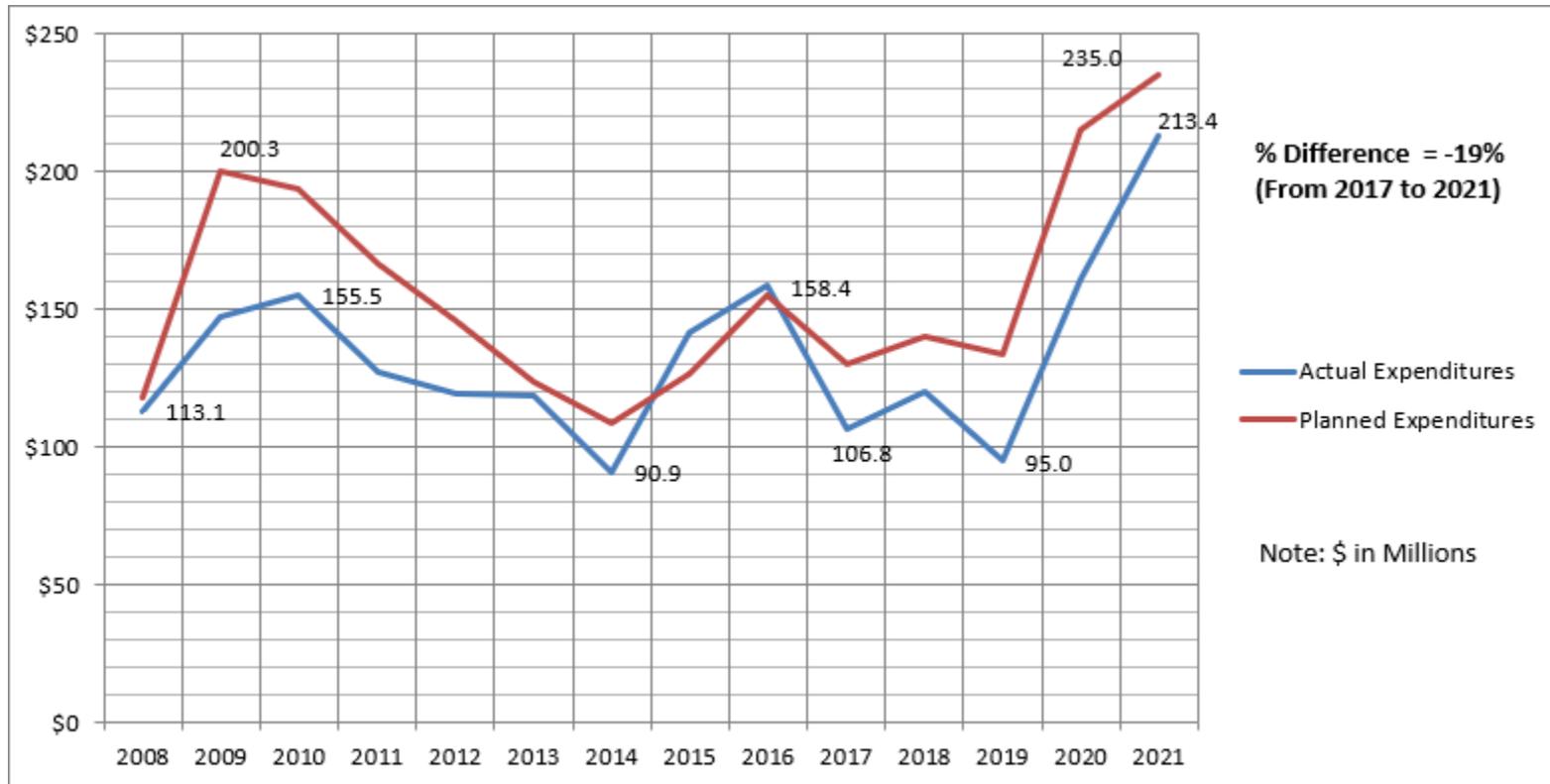
CIP No	Project Name	Estimated Total Cost
PR_AD012300	Central Environmental Laboratory Phase II	\$2,809,789
PR_AD012310	Central Environmental Laboratory Phase II - Study	\$440,000
PR_AT014500	Atlantic Treatment Plant Influent Screens (1-3) Replacement	\$3,731,887
PR_BH015600	Hampton Trunk A and B Replacement-Jefferson Avenue to Walnut Avenue	\$13,394,824
PR_CE010520	Newtown Road Interceptor Force Main Relocation	\$4,082,388
PR_CE011700	Western Trunk Force Main Replacement	\$3,686,286
PR_CE011821	Elbow Road Pressure Reducing Station	\$7,177,748
PR_CE011823	Virginia Beach Boulevard Force Main Phase VI	\$26,289,058
PR_CE011825	Salem Road Interconnect Force Main	\$1,530,098
PR_CE011830	Little Creek Pump Station Modifications	\$239,680
PR_CE011840	Oceana Off-Line Storage Facility	\$3,232,919
PR_CE012400	Chesapeake-Elizabeth Treatment Plant Influent Force Main Modifications	\$600,000
PR_GN016210	SWIFT Nansemond Full Scale MAR Well Installation	\$2,587,944
PR_GN016310	Integrated Planning of SWIFT	\$8,500,000
PR_GN016343	James River SWIFT Land Acquisition	\$12,530,000
PR_GN018100	Fleet Management (FY22)	\$3,600,000
PR_GN018200	Water Quality Department Instrumentation Equipment (FY22)	\$463,000
PR_GN018300	High Risk Clamp Replacement Program-Phase 1	\$455,000
PR_JR013900	Center Avenue Force Main-1209 Tyler Avenue Emergency Repair	\$300,000
PR_MP013600	Middlesex Interceptor Force Main Phase I-Cooks Corner	\$2,026,742
PR_NP012600	Deep Creek Interceptor Force Main Replacement	\$6,231,870
PR_SU010300	Surry Water and Sewer Infrastructure Improvements – Phase 1	\$2,412,922
PR_VP014020	Sanitary Sewer Project 1950 12 Inch Force Main and 24 and 18 Inch Gravity Replacement	\$12,656,507
PR_VP017110	Central Norfolk Area Gravity Sewer Improvements Phase I	\$109,462
PR_VP019500	Berkley Trunk Sewer Section M Emergency Gravity Sewer Replacement	\$750,000
PR_WB012400	Williamsburg Treatment Plant Generator and Switchgear Replacement	\$15,765,095
PR_YR013710	York River Treatment Plant Advanced Nutrient Reduction Improvements Phase I	\$2,200,001
PR_YR014500	York River Treatment Plant Headworks Motor Control Center Replacement	\$498,000
28 TOTAL PROJECTS	ESTIMATED TOTAL COST	\$138,301,220



- Rehab Plan
 - Phase Two – May 2025
- Integrated Plan - RWWMP
 - High Priority 1 FY21-31 - \$225M*
 - High Priority 2 FY31-40 - \$194M
- Surry Consent Decree – December 31, 2022
 - Substantial completion projected for 7/2022

Program Summary

CIP Spend vs Actual



- FY22 Planned Spend - \$290M
- FY22 Actual Spend (Projected) - \$180M (-38%)

Narrow the Projected vs Spend Gap

- **Provide Engineering with additional staff**
 - Move CIP implementation labor to CIP budget
- **Anticipate any process roadblocks**
 - Team formed to address internal roadblocks
- **Potential inclusion of a programmed CIP underspend**
 - Not a new concept

Preliminary Projection FY23- FY32



Water Quality Services Building Phase II

PR_AD012200

System: Administration
Type: Facilities, Buildings and Capital Equipment

Driver Category: Relocation
Project Status: Design
Regulatory: None

Prog Cost	Exp to Previous Year	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
\$20,027	\$10,873	\$9,154	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROJECT DESCRIPTION

The project includes demolition of the existing Meekins building and construction of a new building, on the same site, to host the Technical Services Division (TSD) and Pretreatment & Pollution Prevention (P3) Division.

PROJECT JUSTIFICATION

The Water Quality Department commissioned an April 2017 Preliminary Engineering Report (PER) with the HRSD on-call architectural firm of Guemsey Tingle. The purpose of the PER was to identify the need for current and future space for the TSD, P3 and Central Environmental Laboratory (CEL) divisions. All three divisions have outgrown their existing spaces and have both current and future additional space needs. The selected outcome from the study was Option "E", as described in the PER. Option E recommended the demolition of the existing Meekins building and construction of a new building on the same site to house TSD and P3. Existing space occupied by TSD and P3 will be renovated to accommodate additional space requirements presented by the CEL.

FUNDING TYPE

Funding Type: Revenue Bond

CONTACTS

Contacts-Requesting Dept: Water Quality
Contacts-Dept Contacts: Tim Marsh
Contacts-Managing Dept: Engineering

PROPOSED SCHEDULE START DATE

PrePlanning	11/01/2017
PER	11/02/2017
Design Delay	11/03/2017
Design	11/04/2017
Bid Delay	03/02/2018
PreConstruction	03/01/2019
Construction	03/01/2019
Closeout	12/01/2020

COST ESTIMATE

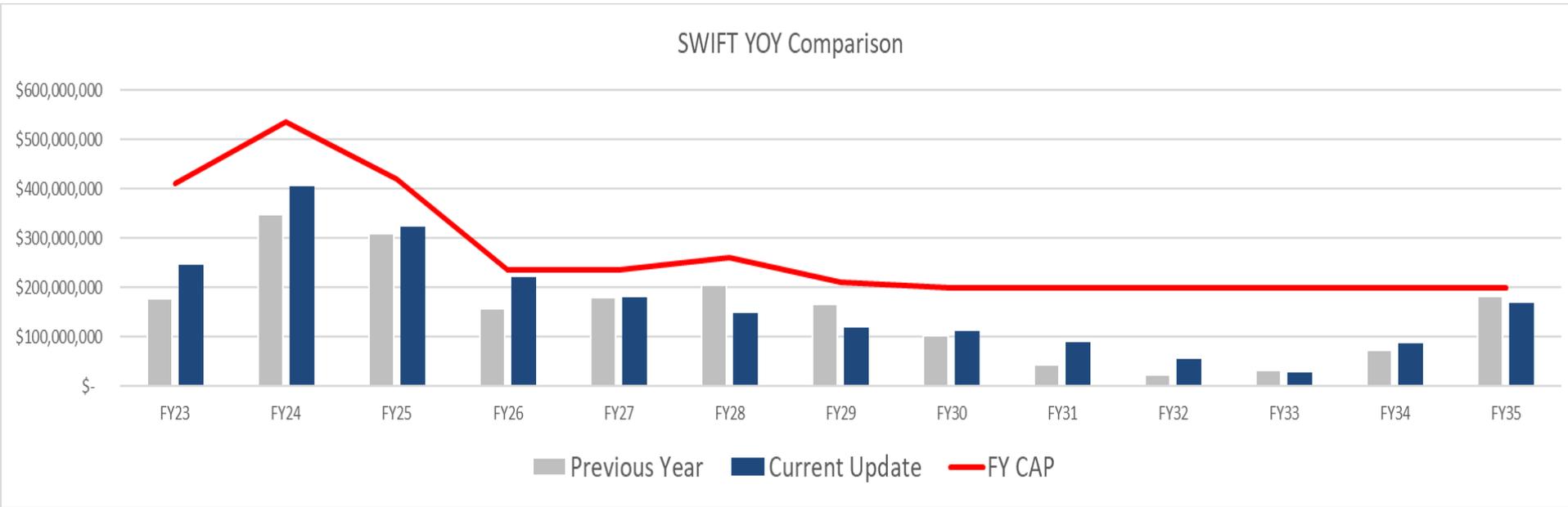
Cost Estimate Class:	Class 1
PrePlanning	\$33,149
PER	\$93,797
Design	\$1,276,464
PreConstruction	\$10,000
Construction	\$18,613,585
Closeout	\$0
Est. Program Cost	\$20,026,995
Contingency Budget	\$822,250
Est. Project Costs	\$20,849,245



New Project Review

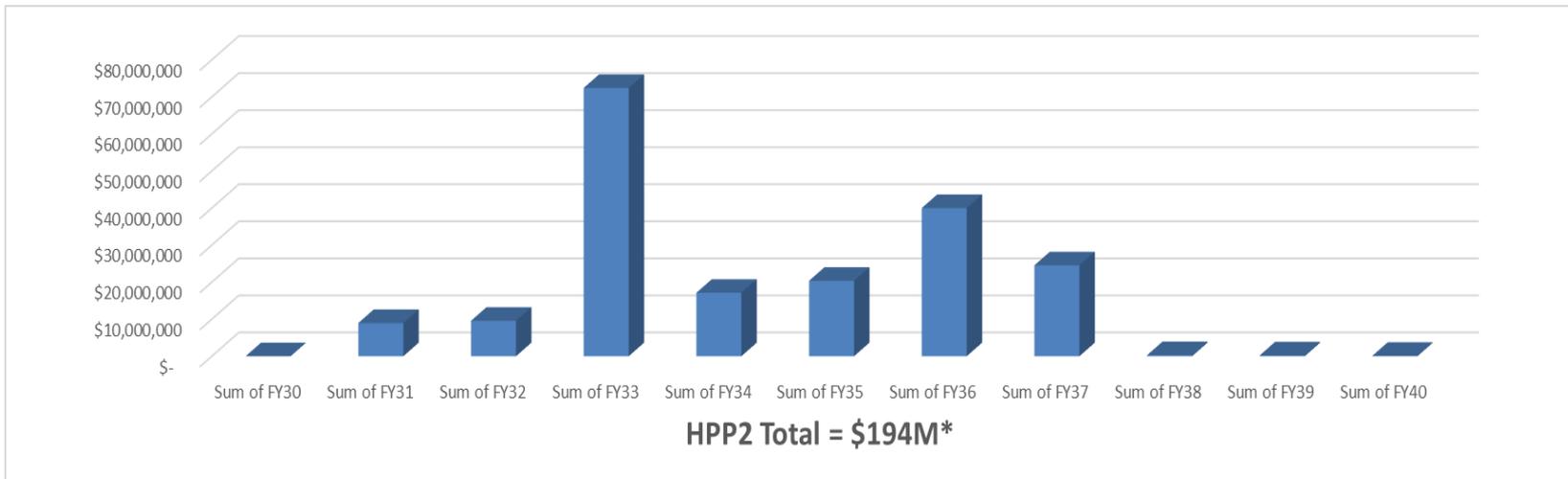
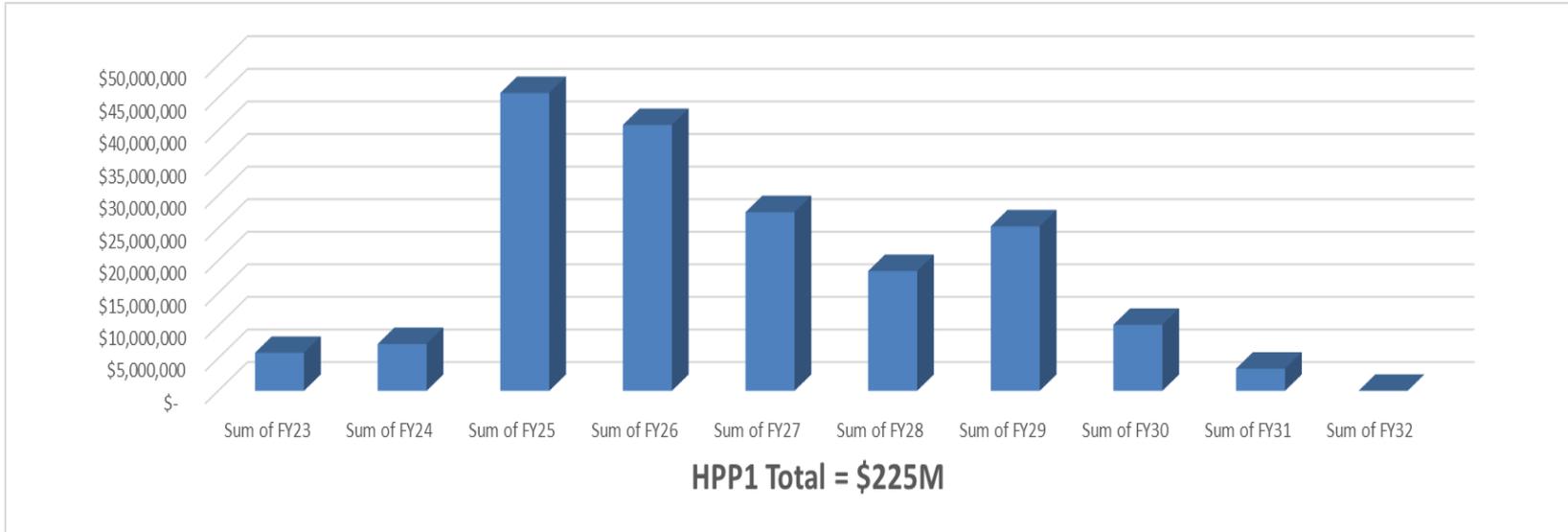
Program Review

SWIFT Program



- FY22 Program Total - \$2.598B
- FY23 Program Total - \$2.672B*

Integrated Plan – High Priority Projects



Middlesex



CIP#	Project Name	Total Project Cost	HRSD Share	Total HRSD
MP013500	Middlesex Collection System – Cooks Corner	\$ 2,318,622	0%	\$ -
MP013710	Middlesex Interceptor System Program Phase II – Saluda Pump Station	\$ 2,401,700	51%	\$ 1,224,867
MP013720	Middlesex Interceptor System Program Phase II – Hartfield Pump Station	\$ 5,216,000	97%	\$ 5,059,520
MP013730	Middlesex Interceptor System Program Phase II – Transmission Force Main	\$ 32,749,579	100%	\$ 32,749,579
MP013810	Middlesex Interceptor System Program Phase III (Deltaville)	\$ 2,663,185	100%	\$ 2,663,185
MP013820	Middlesex Interceptor System Program Phase III (Topping)	\$ 1,483,290	0%	\$ -
MP014100	Middlesex Collection System – Topping Service Area Phase I	\$ 1,313,280	0%	\$ -
MP014200	Middlesex Collection System – Locust Hill Service Area	\$ 4,287,600	0%	\$ -
MP014300	Middlesex Collection system – Locust Hill Service Area	\$ 4,536,000	0%	\$ -
MP014410	Middlesex Collection System – Hartfield Service Area Phase 1	\$ 3,700,893	0%	\$ -
MP014500	Middlesex Collection System – Saluda Service Area	\$ 3,823,200	0%	\$ -
MP014510	Middlesex Collection system – Saluda Service Area Phase 1	\$ 477,842	0%	\$ -
MP014600	Middlesex Collection System – Deltaville Service Area	\$ 19,538,000	0%	\$ -
MP015400	Middlesex Interceptor System Program Phase IV	\$ 3,163,320	0%	\$ -
	Total	\$ 87,672,511		\$ 41,697,151
				48%

Administration Buildings

		FY21	FY22	FY23	Differential
PR_AB011900	Army Base Treatment Plant Administration Building Renovation (2021)	\$ 1,014,800	\$ 1,559,552	\$ 2,011,671	98%
PR_ES010300	Onancock Treatment Plant Administration Building Upgrade	\$ -	\$ 550,000	\$ 594,000	8%
PR_MP014900	Middle Peninsula Operations Center Locker Room and Administrative Facilities	\$ 700,000	\$ 2,058,595	\$ 2,157,980	208%
PR_NP_NTP Admin	Nansemond Treatment Plant Administration Building Replacement	\$ -	\$ -	\$10,352,400	NEW
PR_VP018800	Virginia Initiative Plant Administration Building Renovation	\$ 2,162,000	\$ 3,234,112	\$ 4,201,884	94%
PR_WB012900	Williamsburg Treatment Plant Administration Building Renovation	\$ 1,358,171	\$ 2,900,012	\$ 3,893,312	187%
PR_YR014000	York River Treatment Plant Administration Building Renovation	\$ 1,329,400	\$ 2,650,680	\$ 4,470,921	236%

Existing Project Review