

**Racine Water and
Wastewater Utilities**

Keith E. Haas, P.E.
General Manager



Michael L. Gitter, P.E.
Chief of Operations
Kenneth M. Scolaro, C.P.A.
Administrative Manager
Chad W. Regalia, P.E.
Chief Engineer

February 19, 2015

Board of Waterworks Commissioners:

Mayor John Dickert
Alderman Ronald D. Hart
Alderman James Morgenroth
Thomas Bunker
Kathleen DeMatthew
Ralph Schwarz
James Spangenberg
Thomas Friedel

Dear Commissioners:

At this time, it is necessary to amend the 2015-2019 Capital Improvement Plan adopted by this Commission and the Common Council in 2014. The reasons for this amendment are as follows: 1) Recent bid results for the High Lift VFD were significantly lower than budgeted (decrease \$1,000,000 in 2015); 2) The line item for lead service line replacement needs to be increased due to additional work on lead services in 2015 (increase \$480,000); 3) Add SE Frontage Road water main (increase \$350,000 – *Note: Mt. Pleasant to pay \$300,000*); 4) Oversizing (decrease \$50,000); 5) High Lift VFD 2016 (decrease \$1,000,000).

The net effect of these amendments and adjustments is a reduction of \$520,000 in 2015 and a reduction of \$1,000,000 in 2016 over the approved 2015-2019 CIP. It is further recommended that this item be referred to the City of Racine Finance and Personnel Committee for further consideration and then on to the Racine Common Council.

A copy of the revised 2015-2019 CIP is attached with notations for your review and approval.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Haas", is written over the typed name.

Keith Haas
General Manager

Enclosure

c: K. Haas
M. Gitter
K. Scolaro
C. Regalia

**RACINE WATER UTILITY
CAPITAL IMPROVEMENT PROGRAM 2015 - 2019
PROPOSED REVISED**

| | 2015 | REVISED 2015 | 2016 | REVISED 2016 | 2017 | 2018 | 2019 | Total |
|--|-------------|-----------------|-------------|-----------------|-------------|-------------|--------------|--------------|
| METERS | | | | | | | | |
| 1 Meter replacement | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$3,000,000 |
| ADMINISTRATIVE | | | | | | | | |
| 1 Office Equipment | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$60,000 |
| DISTRIBUTION SYSTEM | | | | | | | | |
| 1 Watermain Replacement | \$1,775,000 | \$1,775,000 | \$1,775,000 | \$1,775,000 | \$1,775,000 | \$1,650,000 | \$1,700,000 | \$10,050,000 |
| 2 **Water St 12" main | 300,000 | 300,000 | 0 | 0 | 0 | 0 | 0 | 600,000 |
| 3 Lead & Service Replacement | 300,000 | 780,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,980,000 |
| 4 Valve Replacement | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 |
| 5 Hydrant Backflow Preventer | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | - | 5,000 | 20,000 |
| 6 Meter Reading Equipment | 22,000 | 22,000 | - | - | - | - | - | 44,000 |
| 7 Hydrant Replacement | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 150,000 |
| 8 Closing Loops & 3" Main Repl. | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 600,000 |
| 9 Telemetry System Improv. | 65,000 | 65,000 | 25,000 | 25,000 | 25,000 | 25,000 | - | 205,000 |
| 10 Wholesale Acquisition - Yorkville | - | - | - | - | - | - | 200,000 | 200,000 |
| 11 Dodge & Chatham Transmission Pit | 75,000 | 75,000 | - | - | - | - | - | 150,000 |
| 12 Trench Box | 9,000 | 9,000 | - | - | - | - | - | 18,000 |
| 13 **Oversizing - Watermains (Regional) | 100,000 | 50,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 450,000 |
| 14 **16" WM 194 front Hwy 20 to Town Line (4 | - | - | - | - | - | 60,000 | - | 60,000 |
| 15 **20" WM Hwy V - Hwy 20 N (OS) [37] | 870,000 | 870,000 | - | - | - | - | - | 1,740,000 |
| 16 **Hwy V Storage Tank [42] | - | - | - | - | - | - | 3,239,000 | 3,239,000 |
| 17 **Temp Booster Station (Hwy20/Ren) [42] | - | - | - | - | - | 255,000 | - | 255,000 |
| 18 **16" WM Hwy C from Hwy V to 194 [39] | - | - | - | - | 5,000 | - | - | 755,000 |
| 19 **16" WM Hwy V ext 1,850ft S to Hwy 11 [| - | - | - | - | 50,000 | - | 80,000 | 80,000 |
| 20 **SE Frontage Road water main | 350,000 | 350,000 | - | - | - | - | - | 350,000 |
| | \$3,696,000 | \$4,476,000 | \$2,150,000 | \$2,205,000 | \$3,320,000 | \$5,799,000 | \$20,896,000 | |

Haas, Keith:
Increased by \$480,000

Haas, Keith:
decreased by \$50,000

Haas, Keith:
Mt Pleasant pays \$300,000. Water Util pays \$50,000

Haas, Keith:
decr \$1,000,000

| | | | | | | | |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| TOTAL COST | \$7,025,000 | \$6,805,000 | \$4,528,000 | \$4,141,000 | \$5,005,000 | \$7,133,000 | \$31,887,000 |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|

**Total Contributed Capital Projects \$1,270,000

NET CHANGE \$5,755,000

Note: (OS) Denotes that the project cost represents Contributions in Aid of Capital (CIAC) by a developer or municipal project initiation trigger with the Utility paying Oversizing costs, per the Retail Water Agreement

Haas, Keith:
Utility commitment decreased \$520,000

Haas, Keith:
Utility commitment decreased \$1,000,000

**RACINE WATER UTILITY
CAPITAL IMPROVEMENT PROGRAM 2015 - 2019
PROPOSED REVISED**

| | 2015 | REVISED 2015 | REVISED 2016 | 2017 | 2018 | 2019 | Total |
|-------------------------------------|--|-----------------|-----------------|-----------|-----------|-----------|-------------|
| GENERAL PLANT | | | | | | | |
| 1 Roof Replacement | Haas, Keith: reduced from \$2,000,000 | \$110,000 | | | | \$0 | \$320,000 |
| 2 High Lift Pump Upgrade [22] | 2,000,000 | 1,000,000 | 1,000,000 | | | | 2,000,000 |
| 3 Zero Turn Lawn Mower | 10,000 | 10,000 | | | | | 20,000 |
| 4 Energy Savings - LED Lighting | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 120,000 |
| 5 Membrane Module Replacement | 300,000 | 300,000 | 400,000 | 500,000 | 600,000 | 600,000 | 2,700,000 |
| 6 Doors and Windows | 5,000 | 5,000 | | | | | 10,000 |
| | \$2,440,000 | \$1,440,000 | \$1,530,000 | \$520,000 | \$620,000 | \$620,000 | \$5,170,000 |
| AUTOMOTIVE | | | | | | | |
| 1 Utility Trucks | Haas, Keith: decr \$1,000,000 | \$0 | | | | | \$274,000 |
| 2 Pickup/SUVs | 30,000 | 30,000 | | 35,000 | \$139,000 | \$93,000 | \$274,000 |
| 3 Vans | 60,000 | 60,000 | 60,000 | 65,000 | 23,000 | 36,000 | 154,000 |
| | \$90,000 | \$90,000 | \$60,000 | \$142,000 | \$30,000 | \$35,000 | \$310,000 |
| | | | \$60,000 | \$192,000 | \$164,000 | \$164,000 | \$738,000 |
| WATER TREATMENT | | | | | | | |
| 1 SCADA & Process Controls | \$152,000 | \$152,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$404,000 |
| 2 Security Cameras | 20,000 | 20,000 | | | | | 60,000 |
| 3 Filter Media Rehab | | | 168,000 | 104,000 | 323,000 | | 595,000 |
| 4 Isolation Valve Replacement | 91,000 | 91,000 | | | | | 182,000 |
| 6 Laboratory Spectrophotometer | 11,000 | 11,000 | | | | | 22,000 |
| 7 On-site Chlorine Generator System | | | 50,000 | | | | 635,000 |
| 8 Anthracite Media Replenishment | | | | 35,000 | | | 35,000 |
| 9 On-line Water Quality Monitors | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 90,000 |
| | \$289,000 | \$289,000 | \$278,000 | \$764,000 | \$363,000 | \$40,000 | \$2,023,000 |