

2017 - 2018 Seattle City Council Green Sheet

Approved

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9	1	A	2

Budget Action Title: Transfer \$1 million from SPU's Watermain Rehabilitation CIP Project C1129 to Reservoir Covering Bitter Lake CIP Project C1419

Ongoing: Yes

Has CIP Amendment: Yes Has Budget Proviso: No

Primary Sponsor: Juarez, Debora

Councilmembers: Bagshaw; González

Staff Analyst: Peter Lindsay

Council Bill or Resolution:

Budget Committee Vote:

Date	Result	SB	TB	LG	BH	LH	RJ	DJ	MO	KS
11/16/2016	Pass 9-	Y	Y	Y	Y	Y	Y	Y	Y	Y

Summary of Dollar Effect

See the following pages for detailed technical information

	2017 Increase (Decrease)	2018 Increase (Decrease)
General Subfund		
General Subfund Revenues	\$0	\$0
General Subfund Expenditures	\$0	\$0

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Net Balance Effect	\$0	\$0
Other Funds		
Water Fund		
Revenues	\$0	\$0
Expenditures	\$0	\$0
Net Balance Effect	\$0	\$0
Total Budget Balance Effect	\$0	\$0

Budget Action description:

This proposal amends SPU's 2017-2021 CIP and shifts \$1 million in planning and design funding for the Reservoir Covering Bitter Lake project from 2021-2022 to 2017-2019. In order to keep the changes to the CIP rate-neutral, this proposal decreases spending in SPU's Watermain Rehabilitation CIP from 2017 to 2019 by \$1 million (see Attachment A). Changes in project cash flows are intended to accelerate project development for the Reservoir Covering Bitter Lake project. Tables 1 and 2 summarize the project impacts of this proposal.

Table 1- Summary of Reservoir Covering Bitter Lake Project Spending 2017 to 2022 (in 000s)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Project Total</u>
(A) Mayor's Proposed Spending	\$25	\$75	\$590	\$1,790	\$7,310	\$18,650	\$28,440
(B) Proposed Change	\$250	\$250	\$500	(\$500)	(\$500)	\$0	N/A
(C) w/ Budget	\$275	\$325	\$1,090	\$1,290	\$6,810	\$18,650	\$28,440

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Action – (A+B)							
% Change (C-A)/A	1000%	333%	85%	-28%	-7%	0%	0%

Table 2 - Summary of Watermain Rehabilitation Spending 2017 to 2022 (in 000s)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Project Total</u>
(A) Mayor's Proposed Spending	\$6,865	\$5,742	\$4,600	\$4,600	\$4,600	\$4,300	\$40,302
(B) Proposed Change	(\$250)	(\$250)	(\$500)	\$500	\$500	\$0	N/A
(C) w/ Budget Action (A+B)	\$6,615	\$5,492	\$4,100	\$5,100	\$5,100	\$4,300	\$40,302
% Change (C-A)/A	-4%	-4%	-11%	11%	11%	0%	0%

The Watermain Rehabilitation project cash flows reflect SPU's projected capital costs related to implementation of water main rehabilitation and replacement in Seattle.

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SPU suggests reducing project costs in SPU's Watermain Rehabilitation CIP project because it includes placeholder amounts for emergency rehabilitation activities that may not occur. SPU advises that the budget action results in less flexibility to address non-programmed watermain rehabilitation should the need arise. In the event of an emergent need for watermain replacement or rehabilitation, SPU would need to modify funding for other projects and potentially incur delays and additional costs in the Water Fund CIP.

Budget Action Transactions

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Budget Action Title: Transfer \$1 million from SPU's Watermain Rehabilitation CIP Project C1129 to Reservoir Covering Bitter Lake CIP Project C1419

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	increase appropriations for Bitter Lake Reservoir concept development acceleration				SPU	Water Quality & Treatment	C140B	43000	2017		\$250,000
2	increase appropriations for Bitter Lake Reservoir concept development acceleration				SPU	Water Quality & Treatment	C140B	43000	2018		\$250,000
3	decrease appropriations for watermain rehabilitation projects				SPU	Distribution	C110B	43000	2017		(\$250,000)
4	decrease appropriations for watermain rehabilitation projects				SPU	Distribution	C110B	43000	2018		(\$250,000)

Seattle Public Utilities

Watermain Rehabilitation

BCL/Program Name:	Distribution	BCL/Program Code:	C110B
Project Type:	Rehabilitation or Restoration	Start Date:	Q1/2004
Project ID:	C1129	End Date:	ONGOING
Location:	Regional		
Neighborhood Plan:	Not in a Neighborhood Plan	Council District:	More than one
Neighborhood District:	In more than one District	Urban Village:	In more than one Urban Village

This ongoing project replaces or rehabilitates existing water mains in Seattle. Replacements occur when leaks become too frequent. Rehabilitation by lining the interior of the pipe with cement mortar restores the capacity of water mains that have degraded due to interior deposits. The benefits of this project are restored quality of the delivered water, lower use of chlorine to maintain required chlorine residual, and restored pressures.

	LTD Actuals	2016 Rev	2017	2018	2019	2020	2021	2022	Total
Revenue Sources									
Water Rates	4,413	5,182	6,865	5,742	4,600	4,600	4,600	4,300	40,302
Water Rates	4,413	5,182	6,615	5,492	4,100	5,100	5,100	4,300	40,302
Total:	4,413	5,182	6,865	5,742	4,600	4,600	4,600	4,300	40,302
Total:	4,413	5,182	6,615	5,492	4,100	5,100	5,100	4,300	40,302
Fund Appropriations/Allocations									
Water Fund	4,413	5,182	6,865	5,742	4,600	4,600	4,600	4,300	40,302
Water Fund	4,413	5,182	6,615	5,492	4,100	5,100	5,100	4,300	40,302
Total*:	4,413	5,182	6,865	5,742	4,600	4,600	4,600	4,300	40,302
Total*:	4,413	5,182	6,615	5,492	4,100	5,100	5,100	4,300	40,302
O & M Costs (Savings)			0	0	0	0	0	0	0
Spending Plan by Fund									
Water Fund	4,535	6,865	5,742	4,600	4,600	4,600	4,300	35,242	
Water Fund	4,535	6,615	5,492	4,100	5,100	5,100	4,300	35,242	
Total:	4,535	6,865	5,742	4,600	4,600	4,600	4,300	35,242	
Total:	4,535	6,615	5,492	4,100	5,100	5,100	4,300	35,242	

* Funds are appropriated through the Adopted Budget at the Budget Control Level. Amounts shown above are in thousands of dollars.

Reservoir Reservoir Covering-Bitter Lake

BCL/Program Name:	Water Quality & Treatment	BCL/Program Code:	C140B
Project Type:	Improved Facility	Start Date:	Q1/2019
Project ID:	C1419	End Date:	Q4/2020
Location:	N 143rd St and Linden Ave N		
Neighborhood Plan:	Not in a Neighborhood Plan	Council District:	5
Neighborhood District:	Northwest	Urban Village:	Not in an Urban Village

This project addresses the need for a new cover on Bitter Lake Reservoir once the existing floating cover has reached the end of its useful life. Replacing the existing structure with a new hard covered structure within the same footprint will be one of the options considered. A new cover will be designed and constructed to improve and maintain the water quality protection and security enhancement functions of the existing cover.

	LTD Actuals	2016 Rev	2017	2018	2019	2020	2021	2022	Total
Revenue Sources									
Water Rates	0	0	25	75	590	1,790	7,310	18,650	28,440
<u>Water Rates</u>	<u>0</u>	<u>0</u>	<u>275</u>	<u>325</u>	<u>1,090</u>	<u>1,290</u>	<u>6,810</u>	<u>18,650</u>	<u>28,440</u>
Total:	0	0	25	75	590	1,790	7,310	18,650	28,440
Total:	<u>0</u>	<u>0</u>	<u>275</u>	<u>325</u>	<u>1,090</u>	<u>1,290</u>	<u>6,810</u>	<u>18,650</u>	<u>28,440</u>
Fund Appropriations/Allocations									
Water Fund	0	0	25	75	590	1,790	7,310	18,650	28,440
<u>Water Fund</u>	<u>0</u>	<u>0</u>	<u>275</u>	<u>325</u>	<u>1,090</u>	<u>1,290</u>	<u>6,810</u>	<u>18,650</u>	<u>28,440</u>
Total*:	0	0	25	75	590	1,790	7,310	18,650	28,440
<u>Total:</u>	<u>0</u>	<u>0</u>	<u>275</u>	<u>325</u>	<u>1,090</u>	<u>1,290</u>	<u>6,810</u>	<u>18,650</u>	<u>28,440</u>
O & M Costs (Savings)			0	0	0	0	0	0	0

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