

High Level Meeting Notes from Engineering & Planning Subcommittee
Feb. 2 Meeting
for Feb. 22 MWPAAC General Meeting

Presentation - "Forecasting the Wastewater Treatment Division (WTD) Capital Improvement Program (CIP)" Crystal Fleet, Capital Portfolio Planning and Analysis Unit Manager, and Devin ViBarnes, WTD & Rates, Capital, & Debt Management Manager.

The CIP has a large impact on rates, so it is helpful to understand the process by which an idea becomes a project. Subject matter experts identify a need and build a case for funding. The highest priority projects are developed by a team that is dedicated to turning conceptual needs into conceptual projects. These conceptual projects represent future costs and that information is used to develop the biennial budget request and to also forecast the 10 year sewer rate forecast.

As projects migrate from the idea phase toward the construction phase, contingencies are managed by reducing those contingencies for unknowns as projects become better defined and there are fewer unknowns or risks to the projects. The programs are also very careful to manage scope creep, using contingencies to manage risks, rather than simply expanding projects.

The information in this presentation was helpful in responding to questions from the previous month. The CIP program must rapidly increase capacity in response to increased needs due to aging infrastructure and continuing regional growth. To respond to the increasing CIP demand, WTD is proposing increases to staff and is exploring "collaborative delivery" to take more advantage of external resources.

One area of interest was understanding how the CIP can grow so rapidly and how WTD can build capacity to accomplish the higher rate of CIP. The current forecast acknowledges that challenge by using a resource-constraint at the beginning of the decade with the intent of growing the WTD capacity over time and catching up later in the decade.

Steve Hitch, Chair
Comprehensive Engineering & Planning Subcommittee