

# What's New at NEW Water

## *Quarterly Update*

June 19, 2018

# *Today's Agenda*

- Welcome & Overview – Tom Sigmund
- Green Bay Packaging Announcement – Tom Sigmund
- 2019 Budget Overview – Brian Vander Loop
- Fixed Charge Update – Brian Vander Loop
- Bond Refinancing Update- Brian Vander Loop
- Capital Improvement Project – Nate Qualls
- R2E2 Update – Nate Qualls
- On the Horizon with I&I: Flow Monitoring & Interceptor System Master Plan – Nate Qualls / Lisa Sarau

*Protecting our most valuable  
resource, water*

**NEW Water**  
The brand of the Green Bay  
Metropolitan Sewerage District



# *2019 Budget Overview*

# *Budgeting Overview*

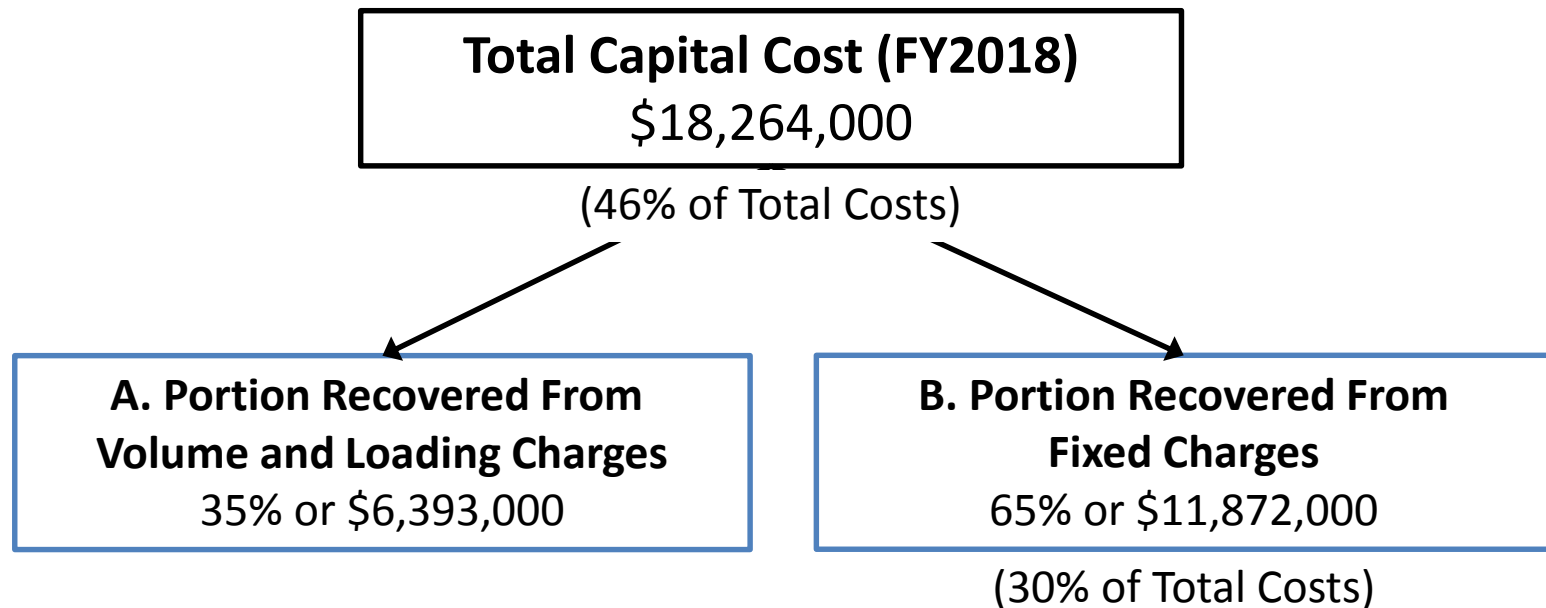
- Revenue Projections – April 2018
- Customer Letters – June 2018
- Revise Revenue Projections – End of June
- Unit Rate Calculation – July 2018
- Commission Budget Workshops and Information Sharing with Customers – August through October
- 2019 Budget Hearing & Adoption – December 5, 2018

# *Fixed Charge Update*

# *Fixed Charge Overview*

- Began at 15% of Total 2014 Budget
- Implemented to Stabilize a Portion of Annual Revenue
- Not an Additional Charge
- Revisions
  - Increased to 45% of Capital in the 2017 Budget
  - Increased to 65% of Capital in the 2018 Budget
- Began Study in January 2018
- Customer Workshops: January 31 and March 27
- Alternatives Presented to Commission – March 28
- Commission Approval of Alternative Methodology – April 25, 2018

# Illustration of the Approved Fixed Charge Methodology





# Illustration of the Approved Fixed Charge Methodology

## B. Portion from Fixed Charge

65% or \$11,872,000

**\* Method results in the same customer allocation as if there was no fixed charge, and the costs were recovered through the variable rates**

### 1. Allocate Fixed Charge to Parameters based on Fixed Asset Allocation

Customer	Flow	BOD	TSS	Phos	TKN
ALL	16.0%	38.7%	38.4%	0.8%	6.0%
ALL	\$1.90M	\$4.60M	\$4.56M	\$0.09M	\$0.72M

### 2. Distribute Fixed Charge to Customers based on Flow / Strength Contributions

Customer	Flow	BOD	TSS	Phos	TKN
Customer X	2.7%	6.2%	3.9%	5.0%	6.5%

Customer X Portion = (2.7% x \$1.90M) + (6.2% x \$4.60M) + etc...

# *Bond Refinancing*

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- \$10M General Obligation Sewerage Improvement Bond at 4.4% - August 2008
- Began Process to Call and Refinance – January 2018
- Moody's Investment Service – Aaa rating
- Commission Approval – February 28, 2018
- Bond Bids – March 1, 2018
- Refinanced \$6.5M Bond at 2.6%
- Debt Saving – Approximately \$80,000 Annually or \$800,000 Remaining 10 Years

# *Capital Improvement Plan*

## *Capital Improvement Plan*

- 5-year CIP developed annually
- To plan for and fund capital projects
- Three major sections of the plan
  - Major Capital Treatment Facilities **Loans**
  - Major Capital Interceptors **Loans**
  - Annual Capital

# *R2E2 Update*

## *R2E2 Update*

- Project to construct Anaerobic Digestion & Solids Facility
- Work completed
  - Digester No. 1 cover replacement
  - Biogas engine testing on biogas
  - First sludge burn in incinerator
  - Start of fluid bed incinerator demonstration testing
  - Partial relocation into office areas and control room

# *R2E2 Update*

- Upcoming work
  - Seeding Digester No. 1
  - Nutrient recovery system installation & testing
  - Biogas generator and gear testing and connection to plant
  - Thickening centrifuge troubleshooting
  - Dewatering, dryer, and cake pump troubleshooting
  - Air emissions initial testing
- Construction Schedule
  - behind schedule and under review
  - 4-month extension requested



# *R2E2 Update*

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  - 4-month extension requested

## *R2E2 Update*

- Net change order amount = approximately \$1.2M
- Completed approximately \$126M of the \$132M construction contract through May'18
- Expensed approximately \$10.8M of the \$12.2M engineering services through April'18
- Utilized \$8.7M of \$16M cash reserves







*On the Horizon with  
Inflow & Infiltration (I&I):*

*Flow Monitoring &  
Interceptor System Master Plan*

# *Discussion Topics*

- Inflow and Infiltration
  - NEW Water's annual flow monitoring program
  - Customer involvement next steps
- Interceptor System Master Plan
  - Distribution of report

# *NEW Water's Annual Flow Monitoring Program*

- Summary
  - Five-year program rotating around NEW Water service area
  - Based on major interceptor systems
    - De Pere East Side Basin (2017; 2022-23)
    - Quincy Street Basin (2018-19)
    - De Pere West Side Basin (2019-20)
    - West Tower Drive Basin (2020-21)
    - East Tower Drive Basin (2021-22)
- Purpose
  - Aid NEW Water in monitoring, identifying, and prioritizing future interceptor CIP projects
  - Tracking interceptor flow conditions
  - Interceptor System Model updates and validation



# *Annual Flow Monitoring Plan*

- Discussion Items:
  - Possible customer coordination for metering upstream of NEW Water meters
  - Data sharing
  - Mapping available upon request

# *Interceptor System Master Plan Update*

- Final Report has been received
- Customers interested in receiving a copy of the report should contact Lisa Sarau to set up a meeting
  - Lisa Sarau (920) 438-1039 or [lsarau@newwater.us](mailto:lsarau@newwater.us)
- Interceptor System Master Plan does include an I&I analysis
  - Starting point for future I&I discussions
  - Technical reference

# Questions / Comments?

[www.newwater.us](http://www.newwater.us)

