

Alabama Gulf Coast Regional Sewer Supply District

CRC Infrastructure Sub-Committee - Information Submittal

I. What – Project Information/Basic Facts

1. Project Scope

The Alabama Gulf Coast Regional Sewer Supply District (AGCRSSD) is an Alabama public corporation created pursuant to Section 11-89-1, et seq., of the Code of Alabama (1975). AGCRSSD was formed as a means for all public sewer service providers in Mobile County to join together into one regional entity to obtain federal, state, and other grant funding available for planning, design, engineering, construction, and related services for a new regional sewer system. Future plans anticipate including the Northwest corner of Baldwin County and the Southwest corner of Escambia County, Alabama in the regional system. This new regional sewer system will be capable of collecting and treating raw sewage and discharging the effluent in accordance with current and future EPA and ADEM requirements. The AGCRSSD will be capable of providing those services to this large regional geographic area in total compliance with the standards of water quality established by the Federal Water Pollution Control Act (Clean Water Act), the Alabama Water Pollution Control Act, and other state and federal laws and regulations.

AGCRSSD, noting the destruction of sewer treatment facilities along the Gulf Coast by recent hurricanes (Pensacola, Florida, Bayou La Batre, Alabama, Pascagoula, Mississippi, etc), is attempting to be proactive in completing its regional system before such a calamity strikes the greater Mobile, Alabama area.

Approximately three years ago, four local wastewater service providers and the Mobile County Commission joined forces and conducted a study of alternatives for a regional wastewater system to serve the citizens of Mobile County, Alabama.. Several of the existing wastewater treatment systems in Mobile County currently discharge into water quality limited streams, and some have experienced prior violations of National Pollutant Discharge Elimination System (NPDES) permit requirements. A Study was developed to evaluate alternatives for a regional wastewater system that would potentially reduce effluent discharges into existing water quality limited streams by providing reliable, cost-effective wastewater conveyance and treatment to support the long-term needs of this area. The regional study funding was provided through USEPA SPAP Grant No. XP96404204-0 in the amount of \$1,025,090 with EPA providing 55% and Regional Participants providing 45%. The study evaluated various options for the location of a proposed Regional Wastewater Treatment Facility as well as options for the various means of conveyance. The conclusion of the study is detailed in the facility plan that is being used as the basis of design for the new regional system.

The concept of the regional system was based on a 20-year plus planning period that would include a number of regional pump stations and force mains that will be used to convey raw wastewater to a new regional wastewater treatment plant and eventually provide the

infrastructure to replace various aging utility wastewater treatment plants. The future AGCRSSD wastewater treatment plant is planned to be located at the existing ALCOA mud lakes site situated on the east side of the Mobile River adjacent to the Africa Town/Cochran Bridge. This site is isolated from any local neighborhoods, thus eliminating any opposition from the normal “Not In My Back Yard” complaint.

AGCRSSD and its Participants currently have a Memorandum Of Understanding between the Alabama Port Authority, AGCRSSD and its Participants to effect a land swap between the Participate, Mobile Area Water and Sewer Service (MAWSS) and the Alabama Port Authority that would result in AGCRSSD acquiring approximately 115 acres of land at the Alcoa mud lake site. AGCRSSD and its Participant, MAWSS, are currently negotiating with the Alabama Port Authority to complete this land swap. Due to the lack of funding the facility plan recommends a phased approach for implementation of the proposed regional system. However if funds are available the district is ready to implement the entire program and put the region in a much safer position as it pertains to natural disasters such as hurricanes and flooding.

The overall program is in response to an immediate need to address regulatory compliance, water quality (including nitrogen removal) and discharge limitations, public health, welfare and safety, environmental issues, potential adverse impacts from hurricanes and to remove wastewater discharges from 303d impacted waters where current discharges are being made. The positive environmental impact, as well as the infrastructure needed for future economic development, is incalculable.

2. Project duration or schedule by phase and status of any work in progress

Phase 1A of the Regional program is in progress and includes the engineering, planning, acquisition and construction of the lift station, piping and other infrastructure to relocate the discharge point from the Smith Wastewater Treatment plant owned and operated by MAWSS from Three Mile Creek to a new regional outfall to be located on the Mobile River in anticipation of the proposed TMDL limits for Three Mile Creek. This piping system and outfall will be designed and constructed to accommodate not only the MAWSS and Chickasaw flows but those of the other local utilities including Prichard and projected future flows. Total project build-out is estimated to take 3 to 4 years from initiation of design to final construction (excluding phase 1A).

2.1. Conceptual and Feasibility Planning, Engineering, Construction

The District Members have already performed and completed a regional study of the benefits and alternatives of a regional wastewater treatment plant to be located in Mobile County. Several wastewater treatment systems in Mobile County discharge into water quality limited streams and have had prior violations of NPDES permit requirements. A regional wastewater treatment plant would benefit several municipalities in Mobile County and reduce effluent discharging into water quality limited streams.

3. Estimated Cost (plus or minus 30%) – Contingency Included

ITEM	INITIAL PHASE	FUTURE PHASE	TOTAL PROJECT COST
Phase 1A:	\$ 20.0	\$ -	\$ 20.0
Conveyance System:	\$ 105.0	\$ 109.6	\$ 214.6
Treatment System:	\$ 207.4	\$ 143.3	\$ 350.6
TOTAL:	\$ 332.4	\$ 252.9	\$ 585.3

3.1. Indicate level of confidence in accuracy of these estimates:

The above estimates are based on the regional study, conceptual design and comparable cost of other regional utilities.

II. Why – Project Description relative to Impact and Criteria

1. Identify what need, threat that this project, study, or recommendation will address

A new regional facility would mitigate damage and loss of wastewater treatment at existing wastewater treatment plants which are vulnerable to flooding. Chickasaw lost its treatment facility during Hurricane Katrina. The MAWSS' CC Williams plant is susceptible to surge flooding, which is located on McDuffie Island. A direct hit could inundate the plant and leave much of Mobile without adequate wastewater treatment. The plant is adjacent to the coal terminal and new container facility operated by the Alabama Port Authority. An agreement to exchange property on McDuffie Island for the ALCOA site would provide a win-win solution for both organizations.

2. How does this project address and impact the recommended evaluation criteria:

2.1.1. Coastal Recovery

This project would provide for a state of the art wastewater treatment facility that would provide positive impacts while further meeting the Clean Water Act. The ultimate results would be seen through improved water quality for the local streams, rivers and Mobile Bay. The streams, rivers and bay provide great venues for fishing and shrimp harvesting. Greater water qualities will only further the potential of our great natural resource.

2.1.2. Resiliency

A new regional facility located at the ALCOA mud lakes site would be constructed at an elevation of approximately 40 ft. This is much greater than the existing surge elevation potential of approximately 14 feet above mean sea level. Therefore, construction of this facility would help eliminate damage and loss of wastewater treatment at existing wastewater treatment plants which are vulnerable to flooding.

2.1.3. Transformational

A three year long regional study on this particular project, conceptual design development, costing, etc. have been completed on this project since 2008. If all of the required funding

was available today for this project, all pieces are in place to move forward with the design and complete implementation. Full implementation would provide capacity for residential, commercial and industrial development.

2.1.4. Regionalism

The plan for the regional wastewater conveyance and treatment system includes a large number of Mobile County entities. Identified members and potential members include: the Mobile Area Water and Sewer System of the City of Mobile, the City of Chickasaw, the City of Prichard, the city of Saraland, the city of Satsuma, Mobile County and potentially customers in Baldwin County.

2.1.5. Economic Diversification

Implementation of this project would provide for resiliency after an environmental disaster such as a major hurricane. In addition, the project would also allow for increase growth and expansion of the Alabama State Port Authority's facility.

3. Project Economics

As part of the regional study, a preliminary cost estimate was developed to determine the cost of the project throughout the implementation phases up to the full build-out. It is important to note that once this project is completed, the Alabama State Port Authority will be able to further develop valuable real estate that will increase the revenue stream of the port.

4. Identify Direct Project benefits to Coastal Alabama:

A "no build" alternative will result in a decrease water quality in the existing receiving streams that receive effluent from the existing wastewater treatment plants. In addition, several of the existing wastewater treatment plants are susceptible to damage by storm surge. In 2005, the city of Chickasaw's wastewater treatment plant was inundated by the storm surge. The electrical treatment systems (aerators) and physical barriers (baffle curtains) were severely damaged. As a result, the treatment system functioned poorly for a number of months before repairs could be made. Had Mobile received a direct hit by Katrina, it is highly likely that the CC Williams wastewater treatment plant would have received substantial damage which would have resulted in the loss of ability to treat in excess of 20 million gallons per day of wastewater. This would be a catastrophic event for the City of Mobile and Mobile Bay.

4.1. Impact on employment, job training and development.

Implementation of this project would increase the likelihood of future expansion of the state docks and industrial growth. As a result, this would allow for increase employment in both short-term (construction efforts) and long-term (future full time jobs and increase revenue for the local and state entities).

4.2. Oil spill mitigation outside of claims process - none

5. Identify Indirect benefits and costs

5.1. Collateral Benefits to the objectives of Healthy Environment, Healthy Economy:

Adequate wastewater treatment is essential to support the economic growth occurring in our region. In addition to being able to meet growing capacity needs, treatment plants must meet increasingly stringent environmental and regulatory requirements to protect our coastal waters. Receiving streams for several existing plants will see lower load limits allowed by the Alabama Department of Environmental Management over the next few years. This will require significant upgrades to the plants or a relocation of their outfalls to deeper waters. Systems impacted will include MAWSS, Prichard, Chickasaw and Satsuma.

5.2. Collateral Costs or impacts to the objectives of Healthy Environment:

The regional project is definitely needed for this area. If this project is implemented without supplemental funding, it will be a direct impact on the citizens in Mobile County. With funding, this area would benefit by increasing the local water quality, quality of life, resiliency, and have a positive impact on economic growth potential.

5.3. Connectivity and Linkage to other projects or initiatives:

Based on the proposed implementation, a regional wastewater treatment plant will eliminate the need for a number of aging inefficient facilities. In doing so, the existing space would immediately be available for development. For instance, if the treatment plant at McDuffie Island (CC Williams WWTP) is demolished, this space would be available for development by the Alabama State Port Authority. As a result, this would provide for economic growth locally as well as provide for increase revenue for the State. The same is true for the City of Chickasaw in terms of providing available space for development, which the City is currently limited.

III. Who/How – General Information

- 1. Name and contact information for Entity - ALABAMA GULF COAST REGIONAL SEWER SUPPLY DISTRICT** Incorporated in 2008 contact Gerald Easley, Chairman (cell 251.604.5600), Pete McMaster – Malcolm Pirnie (cell 251.545.9954), Perry Hand – Volkert (cell 251.604.7936)

1.1. Entities and communities sharing a common threat:

The District was founded based on the tenant of collaboration between the local municipalities. This is the basis for the district and its reason for existence. In order to get any meaningful funding from the applicable agencies it is a known fact that grants will be awarded to organizations offering regional solutions to local issues. This District currently includes MAWSS and the City of Chickasaw. It is envisioned that other communities such as the City of Prichard and other communities will join as their wastewater needs become more critical. The District has the support of the Mobile County Commission, the Mobile Chamber of Commerce and numerous environmental agencies as all see the clear benefit of the regional approach.

- 2. Identify Sponsoring Entity for oversight and accountability - Same.**

2.1. Existing or to be created? Existing - This is a newly incorporated Sewer District

2.1.1. If to be created. Not Applicable

2.2. Describe governance, organizational capacity, etc.

The District is governed by a Board of Directors comprised of 2 members from each of MAWSS and Chickasaw and one member from the Community. All are seasoned leaders having served on numerous boards and in responsible civic positions. They are supported by their participants and a program manager (Malcolm Pirnie) with very strong experience in establishing and managing these kinds of entities.

2.3. Project complexity: Hurdles and barriers to project implementation.

Due to the magnitude of this program and the number of potentially affected parties this program is considered to be fairly complex. However it has been ongoing for 10+ years and through a study grant from EPA (1000 page report available) the hurdles and barriers associated with this program have been identified and are currently being managed. As the first phase of this program has already begun most of the hurdles specific to implementation of this phase have been overcome. Since this is a complex environmental program the permitting effort is significant but the permits have been identified through meetings with the regulators including ADEM, USACE, USCG, ASPA, EPA, ALDOT and other parties that have jurisdiction and are currently in process of submittal.

3. Identify any known or anticipated administrative, regulatory, or legislative action.

Since the District is already incorporated no further action is anticipated at this time other than that necessary to obtain funding.

4. Requested funding from Coastal Recovery Fund (CRF) \$585,300,000

5. Identified potential funding sources other than the CRF. - EPA , WRDA, FEMA SRF,ADECA, CDBG, CIAP, GOMESA

5.1. Leverage or multiplier on CRF investment: matching funds, public or private

This will be dependent on what other funding sources can be tapped and the amount of funding available.

5.2. Public Private Opportunities, user fees, Federal funds, bonding capacity, etc.

The initial phase will be funded by bonds if grants are not forthcoming prior to the start of construction. Generally all potential opportunities will be considered in the funding of this program.

6. Forecast of ongoing maintenance or operating costs.

As this will be a user rate supported entity it will be self sustaining once the capital costs are covered.