CRC Infrastructure Sub-Committee

Project Identification Template and Instructions

Project Identification Template

Instructions: Please complete all of the information requested with the best information you have available. Limited attachments are acceptable if necessary to adequately describe the project but the **total length should be limited to 6 pages** one-sided (including attachments). This Identification Template is intended as a preliminary mechanism by which proposals and projects to improve the resiliency of Coastal Alabama are solicited and captured with some consistency of format, scope definition, and project benefits and impact. **This is only a first step: proposals and projects will not be funded based upon this submittal. Further information and details will be solicited at such time as the screening and funding process is more fully defined.**

Responses should be received by December 7, 2010, to be included in the appendix the Coastal Recovery Commission Report to the Governor to be submitted December 15, 2010. Submittals after that date will be accepted for consideration but will not be included in the Project Appendix.

Completed Templates may be submitted:

- **Electronically (.pdf preferred) to: crcalabama.templateresponse@gmail.com**
- **By US mail to: Coastal Recovery Commission, P.O. Box 881, Mobile, AL 36601-0881**

I. What – Project Information/Basic Facts

1. Project Scope Daphne Utilities Wastewater Treatment and Collection System Improvements

2. Project duration or schedule by phase and status of any work in progress The proposed improvements will be performed in phases. Currently, design for the first phase is estimated to be completed within two months with all design improvements estimated to be completed within nine months. Construction will also be phased with an anticipated scheduled completion of six months for the first phase and all phases completed within 15

months from start of construction. Conceptual planning has already been performed for the proposed improvements.

2.1. Conceptual and Feasibility Planning, Engineering, Construction The proposed improvements have been identified by Daphne Utilities and included in the Capital Improvement Plan as necessary projects to eliminate sources of pollution and enhance water quality in Blakely River, Mobile Bay, D'Olive Creek and surrounding tributaries.

3. Estimated Cost (plus or minus 30%) $12 million

3.1. Indicate level of confidence in accuracy of these estimates The estimated costs associated with these improvements are order of magnitude costs based on the Engineer's experience with similar work and budgetary estimates provided by equipment suppliers.

II. Why – Project Description relative to Impact and Criteria

1. Identify what need, threat or opportunity that this project, study, or recommendation will address These improvements are necessary for three primary purposes: 1) Replace aging infrastructure that has reached its useful life as determined by visual inspections and/or routine shut downs for maintenance which jeopardize quality of services and significantly increases operation and maintenance costs. 2) Provide upgrades/improvements necessary to sustain regulatory compliance and plan for the potential of more stringent regulations that are currently under consideration by governing regulatory agencies. and 3) Redundancy in capacity to meet the demands for service during average and peak times to ensure that quality service can be maintained to customers during scheduled and non-scheduled emergency outages. The improvements at the wastewater treatment facility include effluent filtration to address nutrient removal, upgrades to the existing UV disinfection system to allow for redundant disinfection during peak flows and emergency events, flow equalization to improve treatment efficiency by providing a more steady flow not only during wet weather events but also during peak flows, and additional treatment capacity to accommodate biological loadings. All of these improvements will enhance the water quality of the effluent that is discharge into Blakely River. Improvements proposed for the collection system will address back up power capabilities at lift stations to better accommodate disaster events, upgrades to existing lift stations that have been identified as been located near environmentally sensitive areas and are critical to the successful conveyance of untreated sewage, and rerouting portions of the collection system that have been identified as areas that would be difficult to repair during a

failure due to current site conditions and that would have a significant adverse impact on the environment if a failure was to occur.

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

    2.1.1. Coastal Recovery Protects existing waterbodies by improving the quality of effluent discharged from the wastewater treatment facility and improving the collection system to avoid sanitary sewer overflows of raw, untreated sewer.

    2.1.2. Resiliency The proposed improvements will allow Daphne Utilities to better respond to disasters by: reduction of system operational failures through the use of generators powered by DU natural gas where available; reduction of potential sanitary sewer overflows from failure of equipment; and reduced time to recovery by providing redundancy in treatment and increased flow capacities to accommodate peak flows often experienced during a disaster.

    2.1.3. Transformational Improvements to enhance the quality of effluent beyond current ADEM NPDES limits but future anticipated limits based on the Clean Water Act and associated regulations that are being implemented throughout the country by EPA.

    2.1.4. Regionalism Daphne Utilities system services areas all along the Eastern Shore of Mobile Bay, including Spanish Fort, Daphne, Montrose and Fairhope. Also, Daphne Utilities continues their efforts to share successful programs that have enhanced the environment and how other utilities can implement these programs in their areas through public media on a local, regional, sate, and national levels.

    2.1.5. Economic Diversification Daphne Utilities works with its partners to ensure proposed improvements are the most economical alternative to address the concern.

3. Project Economics $12 million

4. Identify Direct Project benefits to Coastal Alabama, including avoided costs, consequence of "No Build" alternative. Without these improvements, surrounding bodies of water would be compromised by the potential for pollutants entering the waterways.

4.1. Impact on employment, job training and development, both short term and permanent These improvements would have a positive impact on employment through necessary construction activities and purchase of equipment.

4.2. Oil spill mitigation outside of claims process N/A

5. Identify Indirect benefits and costs

5.1. Collateral Benefits to the objectives of Healthy Environment, Healthy Economy and Healthy Society (subjective responses allowed) Improved water quality that may attract additional recreational or tourism activities along with improved public image for having pristine waterbodies

5.2. Collateral Costs or impacts to the objectives of Healthy Environment, Healthy Economy and Healthy Society (subjective responses allowed) Loss of job creation and revenues from increased property values , ad valorem and sales tax revenues

5.3. Connectivity and Linkage to other projects or initiatives: Does this project complement or compete with other projects? What other projects would be precluded if this project is funded? This project does not compete with other projects but would complement other projects that are addressing water quality issues.

III. Who/How – General Information

1. Name and contact information for Entity, Collaboration or Person submitting project or recommendation nomination. **Daphne Utilities, ATTN: Rob McElroy, P.E., General Manager, PO Box 2550, Daphne Alabama 36526**

1.1. Entities and communities sharing a common threat or need are encouraged to collaborate for a joint/combined project submittal to raise the profile of the issue and solution to be addressed. Also please indicate the level of community support or resistance and hurdles to collaboration.

2. Identify Sponsoring Entity for oversight and accountability if different from above.

2.1. Existing or to be created? Same

2.1.1. If to be created, what parties or interests must be involved and what level of effort is required to do so?

2.2. Describe governance, organizational capacity, availability of skills, experience of sponsoring entity to implement the Project Daphne Utilities is committed to implement projects in a timely and cost effective manner. Their staff, in conjunction with the Board, ensures that policies and rate structures are maintained for a financially viable utility while meeting the needs of the utility. Daphne Utilities' commitment to a standard of excellence as stated in their Mission statement has been recognized through multiple awards including the EPA Region 4 Award of Excellence, and Winning Workplaces Best Small Workplaces in 2009 and 2010 and recognized by the Wall Street Journal and Inc. Magazine.

2.3. Project complexity: Hurdles and barriers to project implementation, completion and sustainability. Identify regulatory issues. Daphne Utilities works closely with the regulatory agencies that would be involved in these improvements including ADEM, EPA and the Corps of Engineers. At this time, there are no identified barriers to these improvements.

3. Identify any known or anticipated administrative, regulatory, or legislative action that would be required at either the local, state, or federal governmental level.

4. Requested funding from Coastal Recovery Fund (CRF) $12 million

5. Identified potential funding sources other than the CRF Bonds and Capital Reserves

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

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

6. Forecast of ongoing maintenance or operating costs and source of funding if not self sustaining Maintenance and operation of these projects will be self-sustaining through Daphne Utilities current and anticipated rate revenues