



Date: February 13, 2009

To: Mark Cotter, Director of Public Works
Mike Cooper, Director of Planning and Building Services
Jeff Schmitt, Assistant Director of Planning and Building Services
Paul Fick, Paul Fick Homes
Michael Runge, Runge Enterprises
Rich Schwanke, JSA Engineering
Steve Brockmueller, Heartland Engineering
Eric Berg, MidAmerican Energy
Erin Hayes, Midcontinent Communications
Mark Vellinga, Graham Organization
Steve Van Buskirk, Van Buskirk Companies, Incorporated
Pat Beckman, Beckman Realty & Development
Orrin Oliver, Oliver Excavating

From: Chad J. Huwe, City Engineer

Subject: INFRASTRUCTURE REVIEW ADVISORY BOARD (IRAB) MEETING

IRAB will meet on **Wednesday, February 18, 2009 at 8:30 a.m., at the Water Purification Plant, 2100 N. Minnesota Ave.**

AGENDA

1. Approval of Minutes from December 17, 2008
2. Business
 - a. Introduction of New Members
 - b. Oak View Library (Informational)
 - c. Hydrant Meters (Informational)
 - d. Eastside Sanitary Sewer System Cost Recovery (Informational)

cc: Mayor Munson
Clerk of Records
Cindy Sheehan, Home Builders Association

NOTE: If you or your alternate are unable to attend this meeting, please call Julie Wilson at 367-8606 or e-mail at jwilson@siouxfalls.org as soon as possible.

Eastside Sanitary Sewer System Cost Recovery Informational Presentation to IRAB



February 18, 2009



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!

ESSS Cost Recovery

- Funded \$32 million worth of work
- Approximately \$1.0 million can be invoiced for lots connected to system
- ESSS cost recovery is structured very similar to WSSS cost recovery (2001)
- ESSS CR was adopted by Council in 2005



September 2002

- Black & Veatch submitted a Sanitary Sewer Collections System Facilities Plan
- Updated a 1990 facilities plan
- Plan is a long-range planning tool that identifies future improvements and preliminary costs
- Cost recovery was estimated at \$4,000 per acre



April 2004

- HDR submitted a series of predesign technical memorandums
- Memorandums expanded on the Facilities Plan completed by Black & Veatch
- Evaluated many items such as pipe material, pipe alignment, and an implementation plan.
- HDR started final design



March 2003 to February 2005



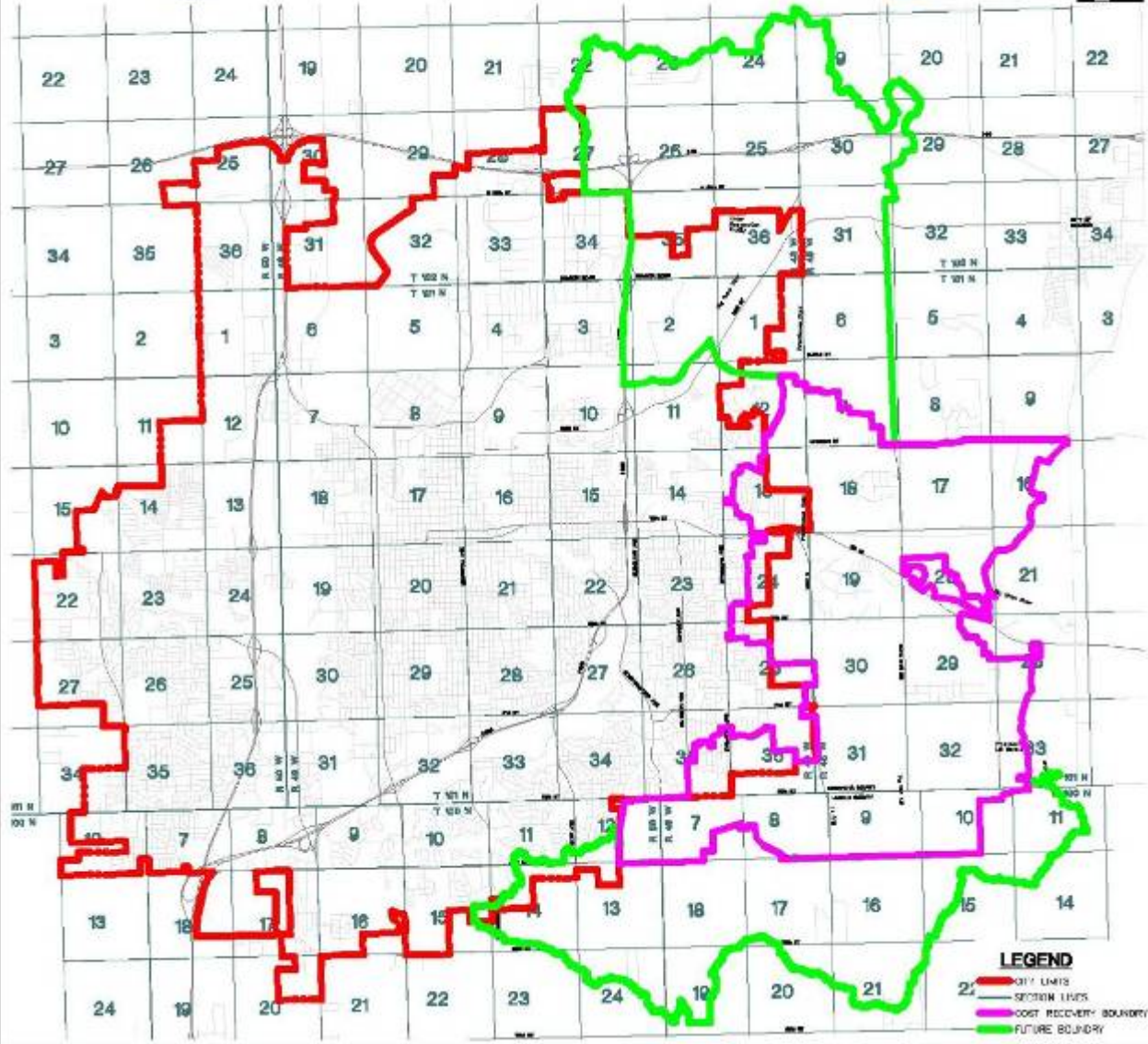
March 2003 to February 2005

- City held 7 public meetings to inform residents of the project, to discuss the associated costs, and to receive resident comments.
- Most equitable cost share estimate was:
 - \$4640 per acre for future development
 - \$1620 per connection for existing residents





**PROPOSED EASTSIDE SANITARY SEWER SYSTEM PROJECT
PROJECT IMPACT AREA**
SIOUX FALLS, SOUTH DAKOTA



Eastside Sanitary Sewer System Recommended Facility

- Gravity Sewer Trunk System
- Pump Station sized for 3.5 mgd, capable to expand for future treatment plant.
- 16 Inch Diameter Forcemain to WRF
- Common Screenings Building at Water Reclamation Plant



Rural Residential Cost Recovery

- Applies to existing single family residence occupied or available for occupancy at date of Cost Recovery Roll Approval (based on 2005 Council approval)
- \$1620 per connection



March 2005

- City Council approved the resolution of necessity to construct the ESSS & assess the costs to the benefitting properties
- Estimated Cost Recovery: \$34,402,931
- Estimated Service Area: 7,414 acres
- Estimated Cost Recovery: \$4640 / acre
- Estimated Rural Cost Recovery: \$1620



2005-2008



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!

2005-2008



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!

2005-2008

- 7 construction projects have been designed and constructed
- Work has been funded with a \$34 million SRF loan
- Pipe installation, screenings addition, removal of lift stations, and lift station 240
- ESSS put in service in the fall of 2007



August 2007



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!

February 2009

- Cost Recovery Roll
- Total Cost Recovery: \$44,931,789.42
- Service Area: 8477.71 acres
- Cost Recovery: \$5299.99 / acre
- Rural Cost Recovery: \$1864.29
- Cost recovery is due at the time of connection to the system



Cost Recovery

- $\$3490.95 + \$1809.04 = \$5299.99$
- $\$3490.95$
 - Repayment of existing SRF loan
 - Fixed cost
- $\$1809.04$
- Future construction projects
- Adjusted annually for inflation based the ENR construction cost index



Construction Cost Index

- A number relating construction costs to the same costs during a certain period of time

$\$1809.04 \times (\text{CCI Jan 2009} / \text{CCI Jan 2008})$

$\$1809.04 \times (8549.06 / 8089.45) =$

$\$1911.82$ (\$102.78 difference or 5.7%,
CCI long range average is 2.6%)



Summary

	2005 Resolution Of Necessity	2009 Cost Recovery Roll	Difference
Properties	923	1872	
Total Amount	\$34,402,931	\$44,931,789.42	
Service Area	7,414 acres	8,477.71 acres	
Cost Recovery/Acre	\$4,640.27	\$5,299.99	\$659.73
Rural Cost Recovery	\$1,619.96	\$1,864.29	\$244.33

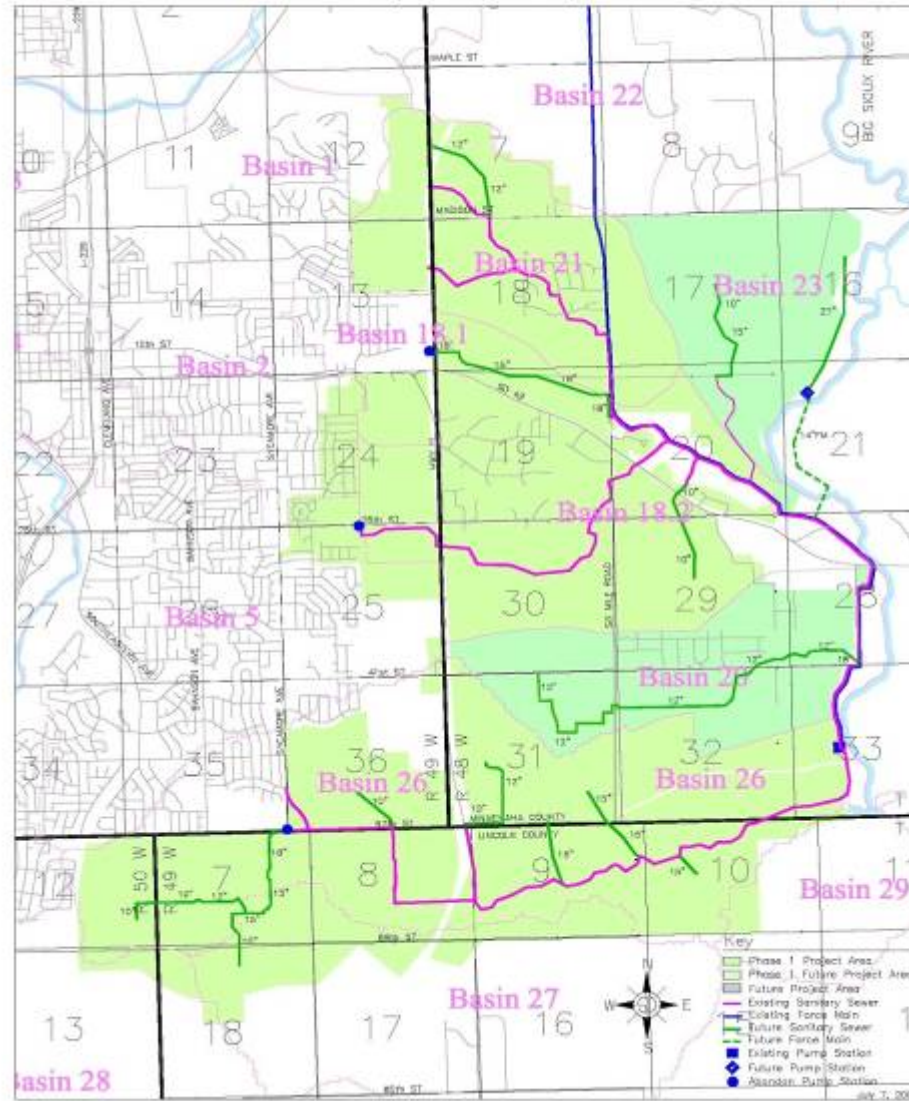


Summary of 2005 vs. 2009 Costs

- Cost difference is due to increased construction costs and the need for an additional lift station
- 2 lots/acre = Additional \$329.87 per lot
- 3 lots/acre = Additional \$219.91 per lot
- 4 lots/acre = Additional \$164.93 per lot
- Questions?



**Eastside Sanitary Sewer System - Phase I
City of Sioux Falls, SD**



Questions?





CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!



CITY OF SIOUX FALLS PUBLIC WORKS

Providing a Better Quality of Life for You!

Public Comment: Consider Cost Recovery per Residence

- Two Cost Recovery Designations
 - Cost Recovery for existing rural residential properties (Per Unit Basis)
 - Per Acre fee for remaining property within the project area

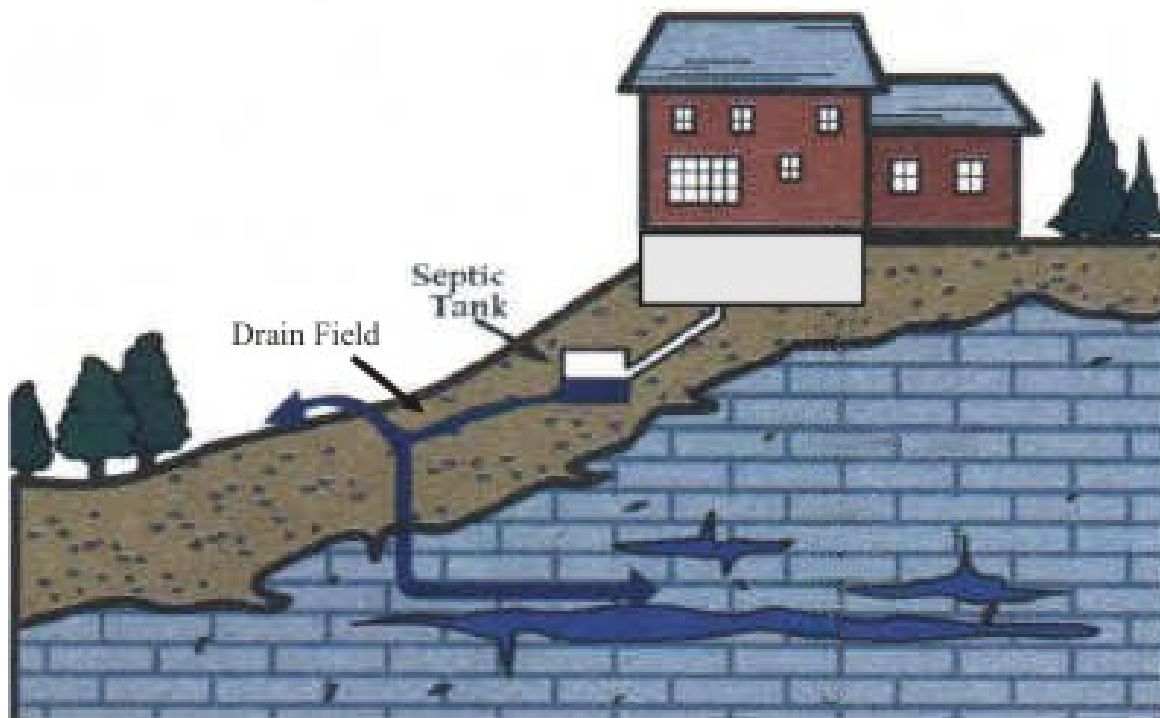


Public Comment: How will my home be connected to the sewer system?

- Each Neighborhood/Development will be addressed specifically
- Considerations will be made for Septic Tank locations in relation to streets, potential sewer access, drainage requirements and costs.
- Various sewer systems will be considered
 - Typical gravity systems either in streets or back access
 - Vacuum sewer system
 - Pressure sewer system



Typical Septic System



- Septic Tank and Drain Field in Back Yard
- Drainage way/lower elevation in back yard typical for this area



Public Comment: When will I have to connect to the system?

- Annexation to the City of Sioux Falls
- Failing Septic Tanks will trigger Notice to connect



Public Comment: How is Septic Tank failure defined?

- Drain field replacement is considered failure
- Septic tank structural failure is considered failure
- Normal maintenance such as inspection and pumping would not be considered failure.



Public Comment: The 'Slip' does not match my tax information

- Please review the list handed out to verify the information
- List was updated with tax information
- Tax records include the acreage determined when the property was obtained/bought
- Geographical Information System (GIS) is a computer technology using a compilation of more recent survey and mapping information



Public Comment: I don't live in the City and therefore have no direct Council Representation. Who should I contact?

- Public Meetings
- City Staff
- The County Commissioners
- City Council

