

## CAPITAL IMPROVEMENT PROGRAM

### City of Missoula CIP Project Request/Update Form FY 2018-2022

| Department Priority |                | Major Department         | New or Update                                 | Required<br>Is this project<br>Required? | Delay<br>Can project be<br>delayed? | Project Title                |   |  |
|---------------------|----------------|--------------------------|---|--|-------------------------------------|------------------------------|---|--|
| 6                   | of 12          | Public_Works             | Update  | Yes                                      | No                                  | Garden City Compost Facility |   |  |
| Project Rating      | Project Number | Division/ Sub-Department |   |  |                                     |                              |   |  |
| Required            | WW_09          | Wastewater/Compost       | Is the project APPROVED for Fiscal Year 2018? |  | Y                                   | FUNDED?                      | Y |  |

#### Summary Description and rationale of project and funding sources:

The City purchased Eko Compost in November 2016. The City will be required to upgrade the current composting facilities to improve efficiency, meet the Montana Department of Environmental Quality regulations, and control odors. Composting biosolids for beneficial reuse is critical for operation of wastewater treatment facility. No other options for biosolids disposal allows for beneficial reuse and are as cost effective. Phase I will include design, construction, purchase of a stationary mixer, a new grinder, two new front end loaders, two 40 hp aeration blowers, and aeration piping. Estimated costs for Garden City Compost Phase II capital improvements are \$4.2 million (may be implemented in multiple phases depending on availability of funds). Additional equipment needs to be purchased, including a new trommel screen and automated aeration controls. Other necessary expenses include a 1.7-acre impervious surface for the compost piles (required by the MDEQ)

#### History & Current Status: Impact if Cancelled or Delayed

If the project is delayed or canceled, we will lose the ability to accept green waste or produce compost as the existing equipment is at the end of their service life.

#### Are there any site requirements/ Potentially Affected Interest (PAI) Coordination:

| How is this project going to be funded:   |                        |                         |  |               |                                 |                             |                                    |                              |
|---|------------------------|-------------------------|--|---------------|---------------------------------|-----------------------------|------------------------------------|------------------------------|
| REVENUE   | Funding Source         | Accounting Code         | Prior Year<br>Summation  | Yr. 1. budget | Unappropriated subsequent years |                             |                                    |                              |
|   |                        |                         |  | FY18          | FY19                            | FY20                        | FY21                               | FY22                         |
|   | Wastewater/Sewer Funds | 5311.330.*              | See "UPDATE" tab<br>for detail of revenue<br>funding sources and<br>amounts. | 633,786       | 4,200,000                       | -                           | -                                  | -                            |
|   |                        |                         |  | 209,794       | 633,786                         | 4,200,000                   | -                                  | -                            |
| How is this project going to be spent:  |                        |                         |  |               |                                 |                             |                                    |                              |
| EXPENSE   | Budgeted Funds         | Accounting Code         | Prior Year<br>Summation  | FY18          | FY19                            | FY20                        | FY21                               | FY22                         |
|   |                        |                         |  | A. Land Cost  | B. Construction Cost            | C. Contingencies (10% of B) | D. Design & Engineering (15% of B) | E. Percent for Art (1% of B) |
|   |                        |                         | See "UPDATE" tab<br>for detail of<br>expenditures sources<br>and amounts.    | 286,749       | 56,029                          | 66,263                      | 224,745                            | -                            |
|   |                        |                         |  | 26,647        | 633,786                         | -                           | -                                  | -                            |
| Is this equipment prioritized on an equipment replacement schedule?   |                        |                         |  |               |                                 |                             |                                    |                              |
| Is there ongoing Operating and/or Maintenance costs upon completion of project?<br>If "Y" then complete the section below (Operational Budget Impact)   |                        |                         |  |               |                                 |                             |                                    |                              |
| (account for operational savings and/or reduction in current budget of previous operating/maintenance charges)  |                        |                         |  |               |                                 |                             |                                    |                              |
| Operational Budget Impact   | Expense Object         | Accounting Code         |  | FY18          | FY19                            | FY20                        | FY21                               | FY22                         |
|   |                        |                         |  | A. Personnel  | B. Supplies                     | C. Purchased Services       | D. Fixed Charges                   | E. Capital Outlay            |
|   |                        |                         |  | -             | -                               | -                           | -                                  | -                            |
| NOTE: Approval of the CIP does not indicate approval of the ongoing operating and maintenance costs. Those costs must be submitted as a "New Request" in the regular budget process. This will ensure the coordination exists between the CIP and the new request |                        |                         |  |               |                                 |                             |                                    |                              |
| Description of additional operating budget impact:  |                        |                         |  |               |                                 |                             |                                    |                              |
|   |                        |                         |  |               |                                 |                             |                                    |                              |
| Responsible Person:   |                        | Responsible Department: | Date Submitted to Finance  |               | Today's Date and Time           |                             | Preparer's Initials                |                              |
| Starr Sullivan  |                        | Public Works            | 7/3/2017   |               | 1/22/2018 17:15                 |                             | LAH                                |                              |

**CAPITAL IMPROVEMENT PROGRAM**  
**City of Missoula CIP Project Request - [Update Form](#) for FY2018-2022**

| Department Priority |                | Major Department         | New or Update  | Required                  | Delay                   | Project Title                |  |     |
|---------------------|----------------|--------------------------|--|---------------------------|-------------------------|------------------------------|--|-----|
| 6                   | of 12          | Public_Works             | Update   | Is this project Required? | Can project be delayed? | Garden City Compost Facility |  |     |
| Project Rating      | Project Number | Division/ Sub-Department |  | Yes                       | No                      |                              |  |     |
| Required            | WW_09          | Wastewater/Compost       | Was the project APPROVED for the prior Fiscal Year 2017? |                           | Yes                     | FUNDED?                      |  | Yes |

**Please complete the remainder of the pertinent information below:**

**Provide an update on the project; phase x of x; % complete; outstanding items/purchases; what is remaining to complete the project.**

This project was previously titled Composting and Green Waste Facility Design.

The City purchased EKO Compost in November 2016. The City has commissioned a study to determine the feasibility of operating the composting/green waste. The Montana Department of Environmental Quality has issued new regulations for large composting facilities. The compost facility does not currently meet those regulations. Now the City has taken over operation of the composting/green waste facility it will have to design/engineer a facility that will meet those proposed regulations and ultimately invest capital costs for upgrades.

**Project Revenues**

| Funding Source               | Accounting Code | Actual FY 2015 | Actual FY2016 | Budgeted FY2017 | Actual FY2017 | Variance FY 2017 | Total Project Revenue |
|------------------------------|-----------------|----------------|---------------|-----------------|---------------|------------------|-----------------------|
| Replacement and Depreciation |                 | \$ 68,653      | \$ 460,000    | \$ 141,141      | \$ 318,859    | \$ 209,794       |                       |
|                              |                 | \$ -           | \$ 68,653     | \$ 460,000      | \$ 141,141    | \$ 318,859       | \$ 209,794            |

**Project Expenditures**

| Funding Source               | Accounting Code | Actual FY 2015 | Actual FY2016 | Budgeted FY2017 | Actual FY2017 | Variance FY 2017 | Total Project Expenditures |
|------------------------------|-----------------|----------------|---------------|-----------------|---------------|------------------|----------------------------|
| Replacement and Depreciation |                 | \$ 460,000     | \$ 26,647     | \$ 460,000      | \$ 26,647     | \$ 433,353       | \$ 26,647                  |
|                              |                 | \$ -           | \$ -          | \$ 460,000      | \$ 26,647     | \$ 433,353       | \$ 26,647                  |

## CAPITAL IMPROVEMENT PROGRAM

### Project description/Rating

(See C.I.P Instructions for explanation of the Project Rating and Rational that is required)

| Department Priority   | Project Rating   | Department                         | New or Update | Project Title                |
|---|--|------------------------------------|---------------|------------------------------|
| 6<br>of 12  | Required<br>WW_09  | Public_Works<br>Wastewater/Compost | Update        | Garden City Compost Facility |
|   |  |                                    |               |                              |
| Project Rating #1   | Project Rationale #1   |                                    |               |                              |
| <b>Required</b>   | Is the project necessary to meet a contractual obligation, Federal, State, or local legal requirements? This criterion includes projects mandated by Court Order to meet requirements of law or other such requirements. |                                    |               |                              |
| The compost facility needs to adhere to Montana Department of Environmental Quality standards, which are not currently being met. Upgrades are needed to continue operations. This project will also increase efficiency and reduce fuel costs. |  |                                    |               |                              |
|   |  |                                    |               |                              |
| Project Rating #2   | Project Rationale #2   |                                    |               |                              |
| #N/A  |  |                                    |               |                              |
|   |  |                                    |               |                              |
| Project Rating #3   | Project Rationale #3   |                                    |               |                              |
| #N/A  |  |                                    |               |                              |
|   |  |                                    |               |                              |
| Project Rating #4   | Project Rationale #4   |                                    |               |                              |
| #N/A  |  |                                    |               |                              |
|   |  |                                    |               |                              |

# Phase 1 Capital Outlay

Total Capital: 2.75 M \$2,750,000.00

Asset Purchase (Eko): **\$1,300,000.00**

Phase 1 Budget: 1.45 M \$1,450,000.00

Phase 1 Spent:

|                   |              |
|-------------------|--------------|
| Engineering:      | \$114,493.98 |
| Blowers           | \$17,680.00  |
| Block Molds       | \$14,618.75  |
| Engineering       | \$6,233.29   |
| Grinder           | \$618,000.00 |
| Geoprobe          |              |
| Sampling/Analysis |              |

Total: **\$771,026.02**

Phase 1 FY'17 Invoice Pending

|       |                                 |                    |
|-------|---------------------------------|--------------------|
| Power | (partially done - not invoiced) | <b>\$22,595.00</b> |
|-------|---------------------------------|--------------------|

|                             |                       |
|-----------------------------|-----------------------|
| <b>FY '17 Capital spent</b> | <b>\$2,093,621.02</b> |
|-----------------------------|-----------------------|

Phase 1 Planned Carryover to FY'18

|   |                     |
|---|---------------------|
| <b>Total Remaining Capital Outlay Not Spent In FY'17:</b> | <b>\$678,973.98</b> |
| \$1.45 M minus purchases                                  |                     |

FY'18

| <u>Carry Over</u>  | <u>Complete Transitional Production Facility</u> |  |
|--|--|--|
| Mixer (Will be delivered and invoiced mid July FY '18)   | \$224,745.00                                     |  |
| Blower Equipment (to be advertised for bid in late July) | \$184,666.00                                     |  |
| Concrete Blocks (production has begun)                   | \$102,084.00                                     |  |
| Remaining Phase 1 Engineering                            | \$66,263   |  |
| Contingency  | \$101,216.25                                     |  |
|  | <b>\$678,973.98</b>                              |  |

New Capital FY'18

|                |               |                  |
|----------------|---------------|------------------|
| Trommel Screen | (If approved) | <b>\$241,500</b> |
|----------------|---------------|------------------|

Differed Phase 2 Telestacker with concrete floors