

Town of Discovery Bay WW Master Plan Update

Chapter 20 - Plant No. 1 Summary



Plant No. 1 Summary

- Cost to move Plant No. 1 to Plant No.2 was \$13,816,000 in Table 20-1.
- The cost of minimum repairs to Plant No. 1 without counting the Denitrification project is \$3,283,000
- The cost of future repair items for Plant No. 1 without Denitrification is \$571,000.

Plant No. 1 Summary

- The total for all costs at Plant No. 1 not counting Denitrification is then \$3,783,000.
- Denitrification must be built somewhere in front of an oxidation ditch. If we keep Plant No. 1, it will add \$2,619,000 to the investment in Plant No. 1. If Plant No. 1 is moved to Plant No. 2 this \$2,619,000 will be spent at Plant No. 2

Plant No. 1 Summary

Differential costs.

- Keep Plant No. 1. and doing the minimum required
 - \$3,283,000 Plus \$2,619,000 = \$5,902,000.
- Keep Plant No. 1 and do future items also,
 - \$3,783,000 + \$2,619,000 = \$6,402,000
- Move Plant No. 1 to Plant No. 2
 - \$13,816,000 + \$2,619,000 = \$16,435,000

Plant No. 1 Summary

Net Costs.

- Approximately \$10 million increase in cost to move Plant No. 1 to Plant No. 2.
- O&M cost savings estimated at \$863,000 in present worth costs.
- net cost to Town over 20 years is \$10,000,000 - \$863,000 = \$9,137,000.

Plant No. 1 Summary

Discussion

- If you make the improvements to Plant No. 1 you will be repairing a plant that is 40 years old,
 - We would expect a life of 20 years if all facilities are used and maintained going forward.
- If you move it all to Plant No. 2, it is an all new facility and should last longer than that if properly maintained. E.g. Plant No.1 has already gone 40 years.



Debt Service Costs per \$1M

- Current sewer rate is \$82.55/month and the Town has about 6,000 customers

	10 year	20 year	30 year	40 year
Average Estimated interest rate	3.40%	3.70%	4.15%	4.60%
Annual Debt Service per \$1M in project funds	\$140,000	\$80,000	\$70,000	\$60,000
Impact on rates (\$/month)	\$1.94	\$1.11	\$0.97	\$0.83
% rate increase	2.4%	1.3%	1.2%	1.0%

Town of Discovery Bay WW Master Plan Update

Chapter 20 - Plant 1 Summary

