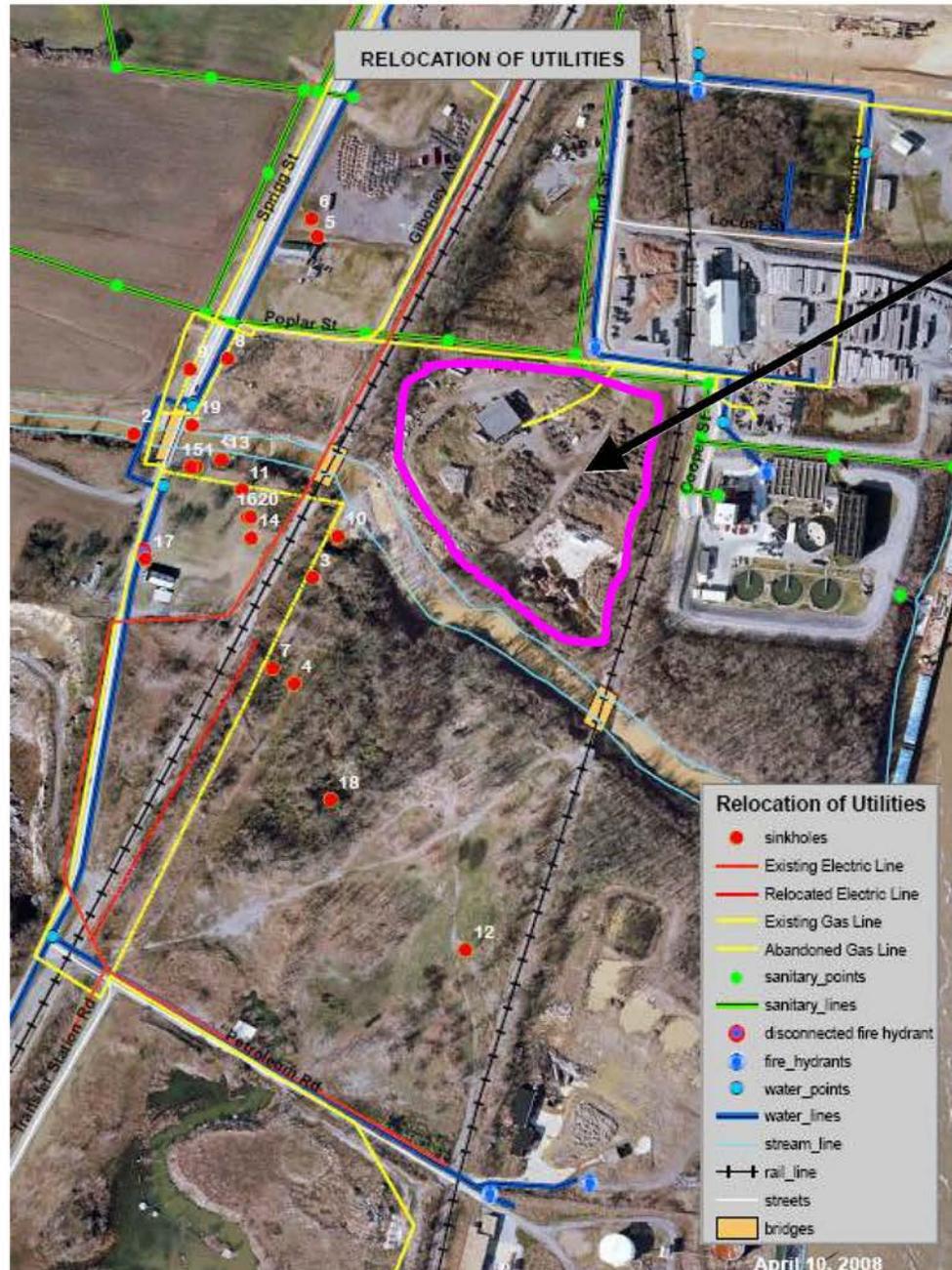
The background of the slide is a light blue color with a subtle, artistic depiction of water. On the right side, there is a vertical stream of water with several bubbles of varying sizes rising upwards, creating a sense of movement and freshness.

Regional Water Finance Forum

Wastewater Treatment in Cape Girardeau
Presenter: City Manager Scott Meyer

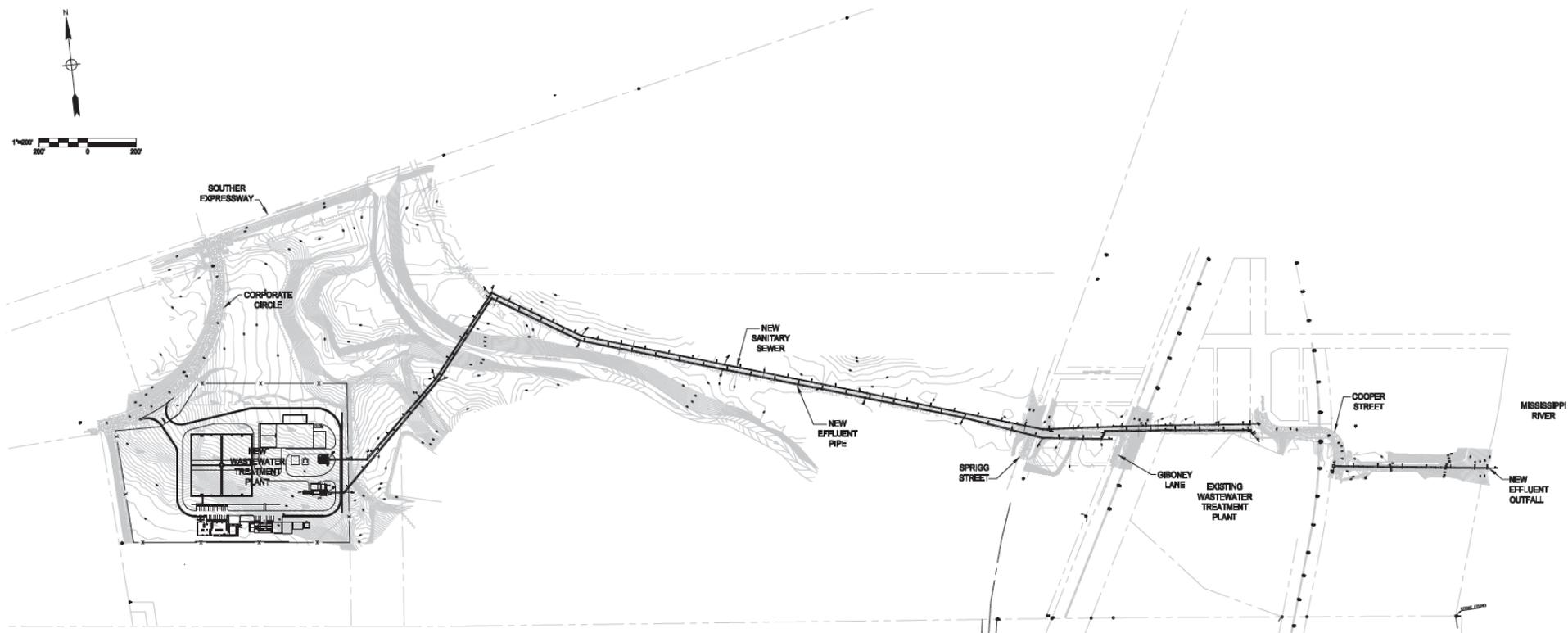
September 12, 2017
St. Joseph, Mo.



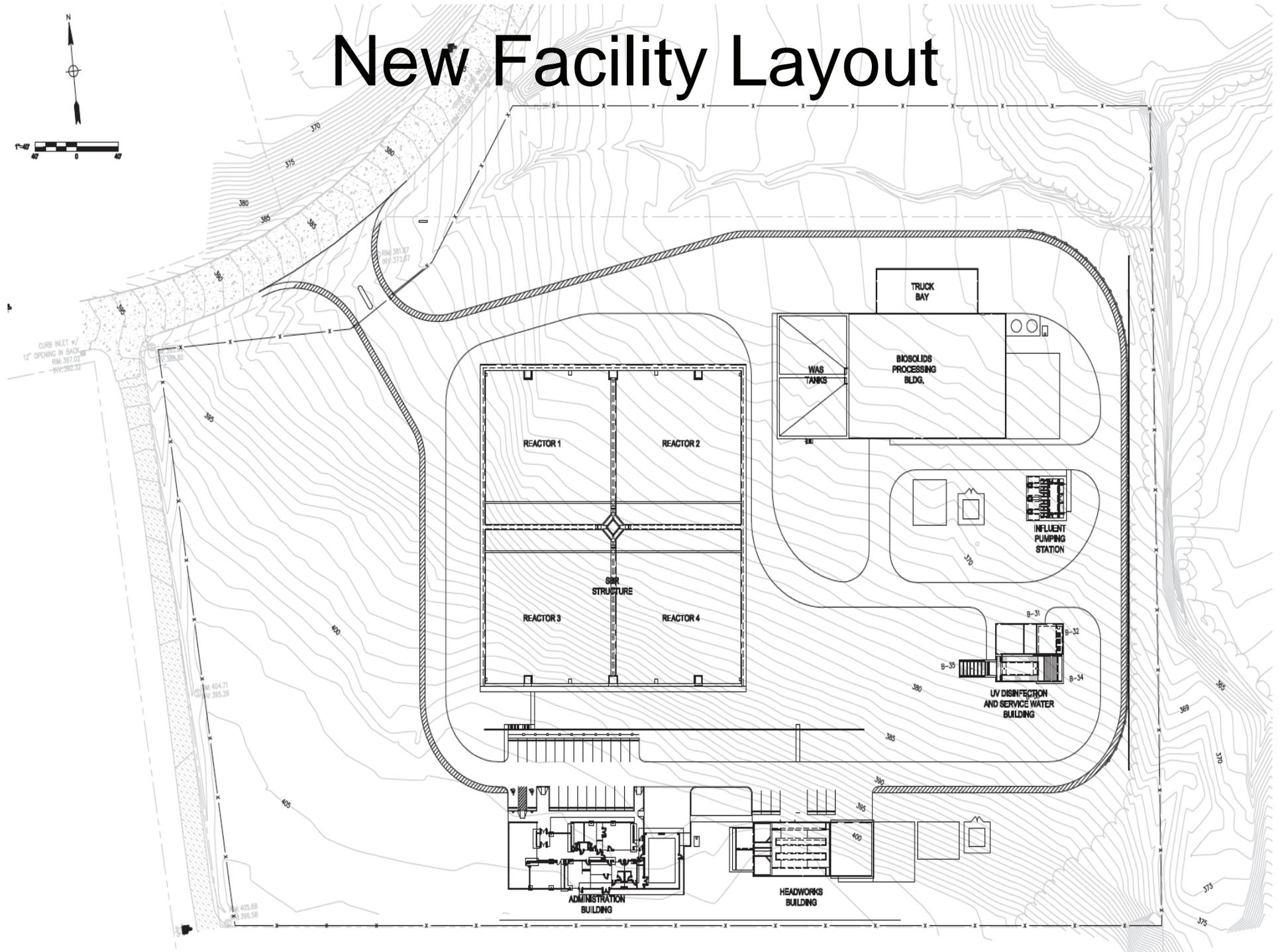
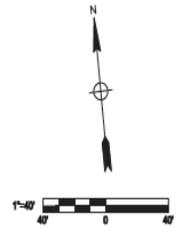




New Facility Site



New Facility Layout



Timeline

1962	<u>Existing</u> Wastewater Treatment Facility Built
1977	Facility Upgraded for Secondary Biological Treatment
1988	Facility Upgraded for Biosolid Management System
2003	Facility Equipment Upgrade
2006	Department of Natural Resources no longer allows untreated bypasses in permit
2006	City began looking to expand/upgrade existing facility
2007/2008	<u>Sinkholes</u> develop near facility; expansion no longer feasible
2009	Began to talk about a new facility at new location; Hired design firm
2010	Negotiated settlement agreement with DNR to set timeline/fines and build new facility & make system improvements
April 2011	Vote on Sales Tax Extension & Bonding to help reduce rate hike needed to build new facility
2012	Begin Construction
2013	Implement Supplemental Environmental Project
June 2014	New Treatment Facility in operation

New Treatment Facility

Design Capacity
 11 mgd daily average
 50 mgd peak

Sequencing Batch Reactor
 Biosolids Management System
 I/I Management & Repairs

Location
 Corporate Circle
 Behind Public Works

Construction Cost

• Site Work	\$3,500,000
• <u>Pipelines</u>	\$7,800,000
• Headworks	\$5,200,000
• SBR Tanks	\$17,500,000
• UV Disinfection	\$3,000,000
• Administration Bldg.	\$2,000,000
• Electrical & Instrumentation/Controls	\$5,000,000
• Biosolids Facilities	<u>\$16,400,000</u>
• Total Construction Cost	\$62,400,000
• System Improvements (I/I) Cost	\$7,600,000
• Bond Issuance Cost	\$2,000,000
• Total Needed	\$72,000,000

Financing Options

- *State Revolving Fund Loan
 Voter approved
 Subsidized interest rate
- *Municipal Bonds
 Voter approved
- *Annual Appropriation Bonds
- *Lease-Purchase

Recommended Payment Options

1/4¢ Sales Tax Extension & Increased User Charge will pay off loan or bonds

<u>EPA Affordability Guide</u>	<u>Current Sewer User Charge</u>	<u>New Sewer User Charge</u>
<p>Based on 2% of Median Household Income (\$40,322)</p>	<p>Current Rate Formula \$4.50 base fee + \$1.35/ Ccf</p>	<p>New Rate Formula \$16.00 base fee + \$3.00/Ccf</p>
<p>EPA Affordability Charge \$67.20 per month</p>	<p>Average Residential Sewer Charge \$13.46 per month</p>	<p>Average Residential Sewer Charge \$36 per month (Increase \$23.00 per month)</p>
<p>Average Residential Utility Bill w/ EPA “Affordable” Charge \$106.24 per month (water, sewer & trash)</p>	<p>Average Residential Utility Bill currently \$52.50 per month (water, sewer & trash)</p>	<p>Average Residential Utility Bill After increase \$75.50 per month (water, sewer & trash)</p>
<p>Sewer charges would have to reach this level before being considered a burden by EPA</p>	<p>Average residential water use is 6.64 Ccf</p>	<p>If Bond Issue and 1/4¢ Sales Tax Extension Fail Rates could be as much as 33% higher</p>

Estimated Monthly Residential User Charge

	Election Result Scenarios			
	Bond Yes Sales Tax Yes	Bond No Sales Tax Yes	Bond Yes Sales Tax No	Bond No Sales Tax No
SRF	<\$36.00	NA	<\$43.00	NA
Municipal Bonds	\$36.00	NA	\$43.00	NA
Annual Bonds	NA	\$38.00	NA	\$44.00
Lease/ Purchase	NA	\$38.00	NA	\$44.00

Election to Extend the 1/4¢ Sales Tax

City of Cape Girardeau, MO

Tuesday April 5, 2011

PROPOSITION

Shall the City of Cape Girardeau, Missouri, extend the imposition of the City's existing sales tax of one-quarter of one percent (1/4 of 1%) for the purpose of funding capital improvements and the operation and maintenance of such improvements, including but not limited to constructing a new wastewater treatment plant and other improvements to the City's sewerage system necessary for compliance with the requirements of the Missouri Department of Natural Resources and the retirement of authorized bonded indebtedness for such purposes, such sales tax to terminate automatically on December 31, 2037?

Bond Election

City of Cape Girardeau, MO

Tuesday April 5, 2011

PROPOSITION

Shall the City of Cape Girardeau, Missouri, issue its sewerage system revenue bonds in the amount of \$72,000,000 for the purpose of acquiring, constructing, extending and improving the sewerage system of the City, including but not limited to constructing a new wastewater treatment plant and other improvements necessary for compliance with the requirements of the Missouri Department of Natural Resources? The authorization of the bonds will authorize the City Council to fix, establish, maintain and collect rates and charges for the services provided by said system as will produce income and revenues sufficient to provide funds to pay the costs of operation and maintenance of the system and the principal of and interest on the bonds as they become due and to provide for the establishment of reasonable reserves therefore, any provision of the City's charter to the contrary notwithstanding.

<u>Current User Charge</u>	<u>Proposed Finance Plan</u>	<u>Election Result Scenarios</u>		
Current Sewer Use Charge \$4.50 + \$1.35/Ccf	New Sewer User Charge: \$16.00/mo + \$3.00/Ccf	Bond No Sales Tax Yes	Bond Yes Sales Tax No	Bond No Sales Tax No
Current Average Residential Sewer charge \$13.46/mo	Average Residential Sewer Charge Increase \$23.00/mo	\$25.00/mo increase	\$29.00/mo increase	\$31.00/mo increase
Current Average Utility Bill (water, sewer & trash) \$52.50/m	Utility Bill after increase \$75.50/mo	\$77.50/mo	\$81.50/mo	\$83.50/mo
<u>Affordability</u> EPA Affordability Guide Based on 2% Median Household Income (\$40,322) EPA Affordability Charge \$67.20/mo Sewer charge would have to reach this amount before being considered a burden by EPA Average Utility Bill w/ EPA "Affordable" Charge \$106.24/mo	<u>Financing Options</u> *State Revolving Fund Loan Voter approved Subsidized interest rate *Municipal Bonds Voter approved *Annual Appropriation Bonds *Lease-Purchase <u>Recommended Payment Options</u> Extend Existing 1/4¢ Sales Tax & Increased user charge will pay off loan or bonds	Ballot Issues Tuesday April 5, 2011 1/4¢ Capital Improvement Sales Tax Extension Bond Issue		

Timeline

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NEW TREATMENT FACILITY

Design Capacity

11 mgd daily average
50 mgd peak

Location

Corporate Circle - Behind Public Works

Sequencing Batch Reactor

Biosolids Management System

I/I Management & Repairs

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Total Needed	\$72,000,000







Questions?

Contact:

City Manager

Scott Meyer

City of Cape Girardeau

573-339-6320

smeyer@cityofcape.org