

BUDGET NARRATIVE

Budget Detail

Please refer to the Budget Calculations Spreadsheet with annual breakdown of Measure 1-3 budget.

Personnel

No staff positions are proposed for this grant.

Fringe Benefits

No fringe benefits proposed for this grant.

Travel

No travel proposed for this grant.

Equipment

Approximately 35% of funding is reserved for equipment and accessories necessary to make the equipment operational. For Measure 1, equipment includes the fixed steel digester cover and appurtenances. For Measures 2 and 3, equipment includes the blowers, their major piping, fittings, valves, and major electrical upgrades. Measure 3 includes estimated cost for blowers, pumps, and other mechanical equipment that contribute to improved energy efficiency and necessary electrical upgrades to make that equipment operational.

Supplies

No supplies offered on this opportunity.

Contractual

Around half of the budget proposed for these measures fall within the contractual services category (including consultant services). Measures 1-3 Contractual encompass all services to be carried out via an organization other than DNREC, City of Wilmington, and other county and municipal government receiving funds via professional services contract. For Measure 1, contracts will be established for engineering design of the new fixed steel roof and appurtenances. A separate construction contractor will be awarded. Engineering services during construction, construction management, and additional contractual funds for system integration (connection to biogas collection and metering) are also accounted for in the budget spreadsheet. For Measure 2 and 3, budget includes City of Wilmington and future county and municipal partners' professional services for engineering, design, and bidding for aeration blower and other energy efficiency measures as identified in the state program. This includes preparation and submittal of necessary permitting and engineering services procured during the construction phase. Finally, budget includes contracting for construction of the roof cover, including installation and commissioning. Contractual budget for Measure 1-3 will be managed by DNREC to ensure adherence to reported schedule, cost, and quality. Contractual services will be competitively bid.

Other

A mandatory audit fee has been evenly spread across the first year of all three measures. This fee is 0.003% of the total cost and required in the overall budget by DNREC Fiscal. Measure 2 and Measure 3, also include other costs listed as Contingency. Measures 2 and 3 are both energy efficiency projects that have been estimated at a high-level and are not as detailed in scope and schedule as Measure 1. Approximately 7% of total project cost is contingency to accommodate potential changes that may result during the energy assessment. The energy assessments conducted as a part of the state program may identify priority measures that differ from the measures proposed in the Delaware Wastewater

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Needs Assessment. An audit was not conducted in the development of the project listing. DNREC and partners would like to allow contingency dollars to account for additional or change in scope of various energy efficiency pathways that may emerge because of those audits and discussion with the SRF.

Indirect Charges

No indirect charges are proposed at this opportunity.

Expenditure of Awarded Funds

Expenditure of awarded funds will be tracked and managed by DNREC and local governments with longstanding bidding, contracting, and contract management processes to ensure cost effectiveness and adherence to schedule and budget. The project team has managed formal procurement processes in this sector. Furthermore, Delaware Office of Supplier Diversity pledges to “enhance economic opportunities for the diverse business community of minority, women, veteran, service-disabled veteran and individuals with disabilities owned businesses as well as small businesses of a unique size and assist them in competing for the provision of commodities, services, and construction to State departments and agencies.” Delaware will work with Wilmington to ensure competitive bidding and to track and ensure adherence to contract scope and schedule. As detailed in the Budget Calculations Spreadsheet, awarded grant funds will be expended within the grant period in a timely and efficient manner.

Reasonableness of Costs

Costs for Measures 1 and 2 have been informed by the Wilmington WWTP Engineering Manager’s best professional judgment. Equipment, professional services and associated budget scoped for Measure 1 have been detailed by the City of Wilmington, as they have been considering replacing the aging digester roof cover for some time. Measure 2 was estimated using details from Wilmington’s DOE energy assessment and preliminary scoping by the City of Wilmington. Measure 3 budget for the statewide program was informed by Wilmington’s strategy for reducing energy consumption at their site. Pumps and blowers are high energy consumers at WWTPs. As other county and municipal entities complete energy assessment, it is assumed that pumps and blowers will similarly be high energy users in other municipalities’ portfolios. Cost was estimated for the statewide program by reviewing the improvement plans in the Delaware Wastewater Needs Assessment for each facility in the state. Cost estimates for all pump and blower replacement projects proposed in the 5-year plan were used to estimate the budget per county. The proposed grant expenditures are reasonable for accomplishing the proposed goals, objectives, and measurable environmental outcomes described in DNREC’s application.