

***Kingston Water Department
Five-Year Capital Plan***



2010 to 2014



Only Tap Water SM Delivers

- Public Health Protection***
- Fire Protection***
-Support for the Economy***
- The Overall Quality of Life We Enjoy***

Capital Plan Goals and Objectives

The mission of the Kingston Water Department is to provide its customers with drinking water of the highest quality. In addition, the Department must supply flows adequate for fire suppression and sustain water service capacity at levels sufficient to provide for current and future needs of the residents of the City of Kingston. The capital plan of the Kingston Water Department must provide the assets needed to accomplish these goals. Capital plan items should result in improvements in operational effectiveness and efficiencies and improve service delivery or water quality.

Criteria for Capital Projects and Purchases

While all projects are important to the Department, resource limitations dictate that some mechanism to prioritize items should be established. Therefore, capital projects are evaluated according to the following criteria and prioritized consistent with the following ranking system:

Criteria	Rank
The project is legally mandated	8
The project improves public health or safety	7
The project results in significant cost savings or operational efficiencies	6
The project contributes directly to achievement of strategic goals	5
The project is linked to other projects and improves the results of those initiatives	4
The project cost matches available resources and fulfills at least one other criteria	3
The project improves customer service	2
The project supports economic development	1

The ranking system should be used as a guide in scheduling projects for implementation. It was compiled from a survey of the management staff and was created by averaging individual responses.

Project Description and Ranking

Phase 2 B Project: **Rank: 18** (6 + 5+ 4 + 3)

While the Phase 1 and 2 Improvements to the Treatment Plant dealt with repairs and renovations to the treatment system, the Phase 2B project deals with essential repairs to the building envelope. It addresses repairs to the roof and clerestory as well as heating, electrical, and security repairs. Figure 4 shows the proposed project timeline.

Cooper Lake Dam Inspection: **Rank: 24** (8 + 7 + 5 + 4)

The Cooper Lake Dam is essential to the system since it is the principal raw water storage reservoir for the Department. Most importantly, the integrity of the dam has significant public health and safety implications. This is a complex multiyear project that includes an engineering assessment of remediation options. . Since the total cost of remediation, if any is required, can not be known until the full inspection is completed,

Figure 5 depicts the current project timeline. This will be amended as information becomes available.

Cooper Lake Remediation: **Rank: 24 (8 + 7 + 5 + 4)**

Although the inspection of the Cooper Lake Dam is in progress, preliminary findings suggest that some remediation will be required. Like the inspection project, this will be a multi-year project that will follow immediately upon the conclusion of the inspection and Engineering Assessment. This project will include the replacement of the regulating valve and meter at the Reservoir.

Upgrade to Radio-read Meters: **Rank: 17 (6 + 5 + 4 + 2)**

It currently is a full-time task for the meter reader to read all of the meters quarterly. By converting to radio read meters, the system could be read in a few days. This would free the meter reader for other tasks and eliminate one position within the meter department. It would also provide the flexibility to issue monthly bills, if that became desirable. The Department purchased a radio-equipped handheld and software during the recent billing conversion and was successful in getting a NYS Archives grant for the purchase of a vehicle mounted reader as well as a handful of radio transmitters. Radio-read meters are presently installed in all new accounts and we have earmarked approximately 300 difficult to read accounts for conversion in 2009. However, to achieve the full cost benefit and efficiency from radio equipped meters, the entire system should be converted.

Replace Wash-Tank at Plant: **Rank: 18 (7 + 6 + 5)**

An inspection has identified some problems with the current 50,000 gallons tank and the recommendation from our consulting engineer is that the tank should be replaced. The tank is essential for the safe operation of the Plant since it enables the filters to be backwashed without creating hydraulic transients that could damage the system.

LT 2 and CT Compliance: **Rank 20: (8 + 7 + 5)**

Changes in EPA regulations have mandated that all treated water reservoirs must be covered or treated for 4-log virus removal by April 2009. Our 12 MG Binnewater Reservoir is uncovered and will not be in compliance unless covered or appropriately treated. A schedule for compliance was agreed upon by April 1, 2009 and full compliance must be achieved by April 2012. A possible timeline is contained in Figure 7.

Paint Florence St. Tank: **Rank 12: (7 + 5 + 2)**

Re-coat both interior and exterior of tank as recommended after inspection in 2009.

Paint Glen Street Tank: **Rank 12: (7 + 5 + 2)**

Exterior and interior work recommended in inspection report

Paint Pearl St. Tank: **Rank 12: (7 + 5 + 2)**

Re-Coat both exterior and interior of tank. Add ladder system

Install Turbidity Monitoring System at Binnewater: **Rank 17: (7 + 6 + 4)**

This would be a helpful tool to add to the existing system that would enable us to track changes in real time. This would enhance public health and safety and improve efficiency.

Install Tank SCADA System: **Rank 20:** (7 + 6 + 5 + 2)

Currently, there is no remote monitoring capability for the tank systems and personnel must be onsite to determine their status. It is possible to install a SCADA system that would allow them to be monitored and controlled from anywhere there is web access. Due to our proximity to the Town of Ulster, it is possible to install a single system that could serve both communities and grant monies are presently available for shared municipal services. This project would include the replacement of the existing controls at the Foxhall Pump Station.

Install Vehicle GPS System: **Rank 15:** (7 + 6 + 2)

Being able to track and locate our vehicles in real time has significant safety and security implications and should result in improved efficiencies and cost savings.

Purchase Backhoe and Dump Truck: **Rank 16:** (7 + 2 + 4 + 3)

It is essential for the maintenance and repair of the system that the backhoe and dump truck are operational and in reliable condition. The dump was purchased in 1991 and the backhoe was purchased in 1993. While both have had appropriate care and maintenance procedures performed and are in serviceable condition, they are nearing the end of their useful lives and should be replaced in the coming years.

Install Generator at Foxhall Pump Station: **Rank 18:** (7+5+4+2)

Foxhall is the only pump station that does not have auxiliary power. In lieu of a generator, there is an informal agreement with the KFD to place a fire pumper at the station and pump from the gradient into the tank. A recent DOH inspection found this to be an unsatisfactory arrangement and recommends for health and safety reasons, that a back-up generator be installed.

Purchase Time and Attendance System: **Rank 15:** (6+4+3+2)

Timesheets and accruals are currently done manually. This system would automatically track time and attendance as well as accruals and scheduling. It would ensure that all employees are equitably subject to the same standards and would improve efficiencies. In addition, it would interface with the Munis payroll system and reduce the amount of data entry required.

Inventory Storage Rack System: **Rank 15:** (6+4+3+2)

During the renovation of the Office and Shop, existing storage space was converted to work space. Since then, storage of equipment has been scattered among several facilities. This makes inventory control difficult and decreases response times during an emergency. The old boiler room is still used storage. However, we can not take full advantage of its vertical space without the installation of a rack storage system. Such a system would allow better inventory control and promote efficiencies.

Purchase Leak Detection Equipment: **Rank 20:** (7 + 6 + 5 + 2)

Leaks and unaccounted-for water are a waste of a valuable resource and a loss of revenue. In addition, being able to accurately and quickly pin-point the location of leaks, minimizes outages and loss of service and makes repairs more timely and increases both worker and public safety.

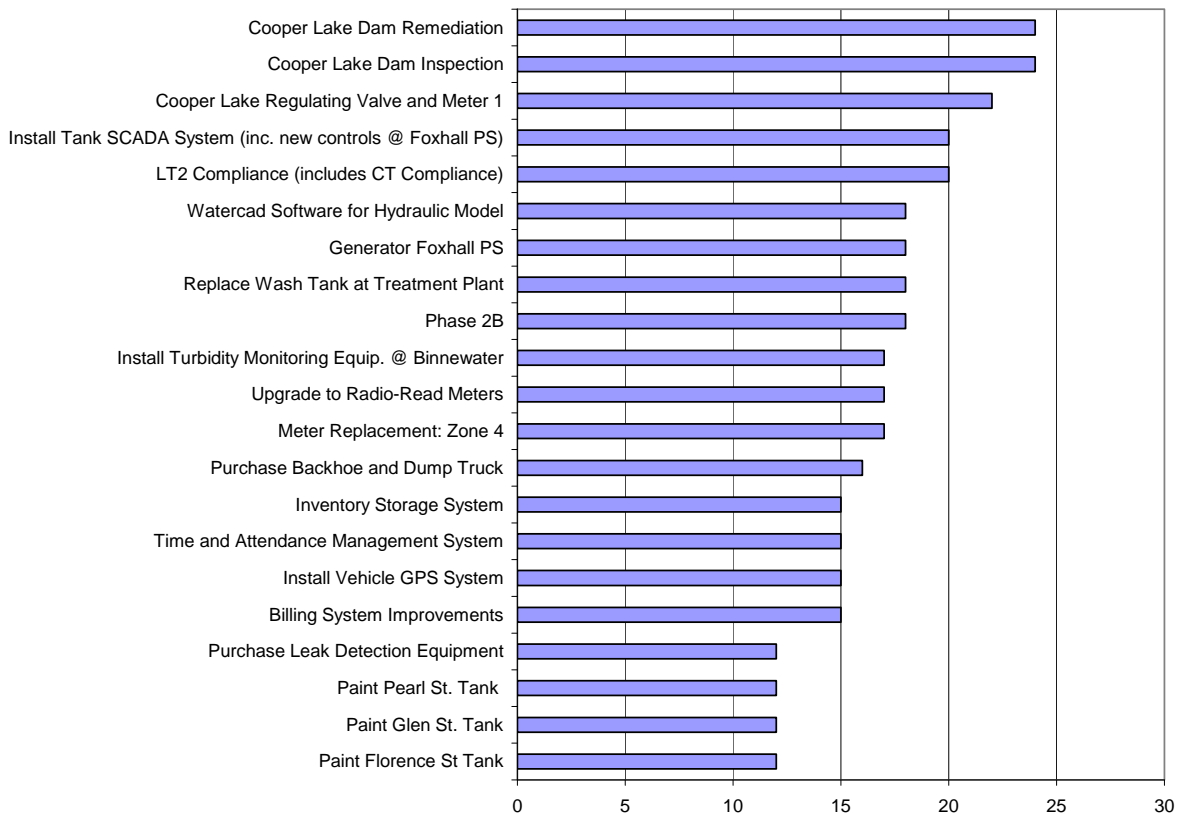
Watercad Software for Hydraulic Model:

Rank 15 (6 + 4 + 3 + 2)

Several years ago, CDM created a hydraulic model of the distribution system. Since we lack the software to run the model, it resides on their computers and we must engage them to run scenarios and calibrate it. With the purchase of the software, we could bring the model in-house and utilize it to evaluate project impacts as well as a tool to enhance our operations.

The relative ranking for all of these projects can be seen in Figure 1.

Figure 1: Ranking of proposed capital projects and acquisitions



Review of 2009 Capital Spending Plan:

The 2009 capital spending plan provided for:

Description	Funding Source	Status
1. Install a Time and Attendance System.	Grant	Purchased system late in 2009 to be installed & operational in 2010.
2. LT 2 Compliance (Cover Binnewater)	Budget	In Progress
3. Install Tank SCADA System	Grant	Not Funded, Deferred
4. Phase 2B Improvements to WTP	Borrowings	In Progress
5. Meter Replacement Zone 4	Budget	Completed

6. Upgrade to Radio Read Meters	Budget	In Progress
7. Cooper Lake Dam Inspection	Budget	In Progress
8. Foxhall Generator	Budget	Deferred

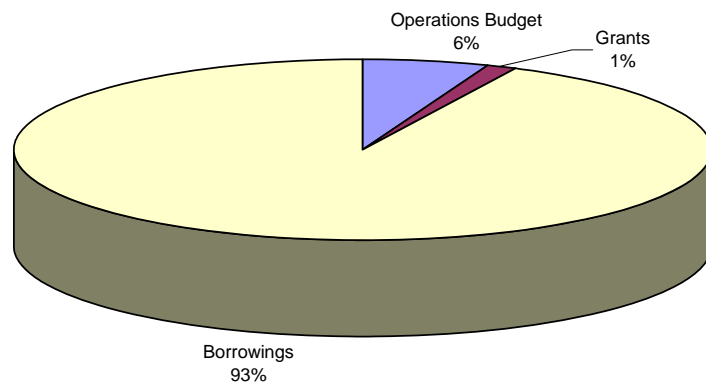
- **Item 1:** The Department applied for and received a grant for the Time and Attendance System from the NYS Archives. The system was ordered in 2009 and will be installed in 2010. It will enhance ongoing records management initiatives within the KWD.
- **Item 2:** As part of EPA's Long-term Enhanced Surface Water Treatment Rule 2, all finished water reservoirs must be covered or adequately treated. This is a mandated multi-year project that is in compliance with the Administrative Order that was agreed up by the Department and the NYS DOH. Site exploratory work was completed in 2009 and construction is expected to begin in 2010 with all work completed in 2011.
- **Item 3:** The Department, in conjunction with the Town of Ulster Water Districts, applied for a shared municipal services grant to install a SCADA (Supervisory Control and Data Acquisition) system and replace the controls at the Foxhall Pump Station. Unfortunately, our application was not funded in the 2009 cycle. As a result, the project was deferred until funding can be obtained.
- **Item 4:** The Phase 2 Improvements to the Edmund T. Cloonan Water Treatment Plant are on track and expected to be completed by early 2010 This project comprises a series of contracts designed to repair and improve the Plant's building envelope. Built in 1899, the facility is an American Water Works Landmark and continues to serve the needs of the City of Kingston.
- **Items 5 & 6:** The replacement of the meters in Zone 4 was completed in 2009. The conversion to radio-read technology is an ongoing project with a few hundred meters converted each year.
- **Item 7:** The Cooper Lake Dam Inspection is a multi-year project. It calls for the structural evaluation of the dam as well as an update to the facility's Emergency Action Plan and inundation map. The Engineering Assessment (EA) is expected to be completed in 2010. Remediation will follow the completion of the EA.
- **Item 8:** The installation of the generator at Foxhall Pump Station is an important project that was deferred due to lack of available funds from the operations budget.

Five-Year Capital Plan:

The five-year capital plan proposes spending some \$10,086,397 on 21 projects and acquisitions. Approximately \$794,820 has already been expended on these items and the detailed plan is contained in Table 1.

The funding sources for the Plan can be seen in Figure 2. Approximately 87 percent is proposed to come from borrowings, 11 percent is expected to come from the Department's annual operating budget, and 2 percent is proposed to be funded through grants.

Figure 2: Capital Plan funding sources



Since 93 percent of the funding for the Plan is proposed to come directly from operations or debt, the anticipated impact on the Department's budget will be significant in the coming years. The specific timing of these projects will certainly have an impact on the magnitude of future rate increases

Description	Rank	Total Cost	Prior Years	2010	2011	2012	2013	2014	Balance	Annual Maint Cost
Paint Florence St Tank	12	\$ 400,000					\$ 400,000		\$ -	\$ 1,000
Paint Glen St. Tank	12	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -		\$ -	\$ 1,000
Paint Pearl St. Tank	12	\$ 400,000		\$ -	\$ -	\$ 400,000	\$ -		\$ -	\$ 1,000
Purchase Leak Detection Equipment	12	\$ 40,000						\$ 40,000	\$ -	
Billing System Improvements	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Install Vehicle GPS System	15	\$ 7,200			\$ 7,200		\$ -		\$ -	\$ 7,000
Time and Attendance Management System	15	\$ 9,950	\$ 8,455	\$ 1,495	\$ -	\$ -	\$ -	\$ -	\$ -	
Inventory Storage System	15	\$ 20,500	\$ -	\$ 20,500	\$ -	\$ -	\$ -		\$ -	
Purchase Backhoe and Dump Truck	16	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -		\$ -	\$ -
Meter Replacement: Zone 4	17	\$ 74,500	\$ 74,500	\$ -					\$ -	\$ -
Upgrade to Radio-Read Meters	17	\$ 780,000	\$ 57,000	\$ 52,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 536,000	\$ -	\$ -
Install Turbidity Monitoring Equip. @ Binnewater Phase 2B	17	\$ 5,000				\$ 5,000			\$ -	\$ 1,000
Replace Wash Tank at Treatment Plant	18	\$ 629,147	\$ 504,765	\$ 124,382	\$ -	\$ -	\$ -		\$ -	\$ -
Generator Foxhall PS	18	\$ 1,510,800	\$ 10,800	\$ 1,500,000	\$ -	\$ -	\$ -		\$ -	\$ 1,000
Watercad Software for Hydraulic Model	18	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -	\$ -		\$ -	
LT2 Compliance (includes CT Compliance)	18	\$ 40,000		\$ 27,000				\$ 13,000	\$ -	
Install Tank SCADA System (inc. new controls @ Foxhall PS)	20	\$ 3,770,000	\$ 30,000	\$ 730,000	\$ 3,010,000	\$ -	\$ -		\$ -	\$ 41,000
Cooper Lake Regulating Valve and Meter ¹	20	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000			\$ -	\$ 2,000
Cooper Lake Dam Inspection	22	\$ 30,200	\$ 5,200	\$ -			\$ 25,000		\$ -	\$ 2,000
Cooper Lake Dam Remediation	24	\$ 179,100	\$ 104,100	\$ 75,000	\$ -	\$ -	\$ -		\$ -	\$ -
	24	\$ 1,500,000			\$ 500,000	\$ 500,000	\$ 500,000		\$ -	
		\$ 10,086,397	\$ 794,820	\$ 2,710,377	\$ 3,472,200	\$ 550,000	\$ 970,000	\$ 589,000	\$ -	\$ 57,000
Funding										
Budget Appropriations		\$ 601,995	\$ 265,055	\$ 175,995	\$ 62,200	\$ 50,000	\$ 70,000	\$ 53,000		\$ 57,000
in-house labor		\$ -								
Reserve Funds		\$ -								
Grants		\$ 125,000	\$ 25,000			\$ 100,000				
Borrowings		\$ 9,359,402	\$ 504,765	\$ 2,534,382	\$ 5,410,000	\$ 900,000	\$ 900,000	\$ 536,000		
Other		\$ -								
Total		\$ 10,086,397	\$ 794,820	\$ 2,710,377	\$ 5,472,200	\$ 1,050,000	\$ 970,000	\$ 589,000		