DURHAM

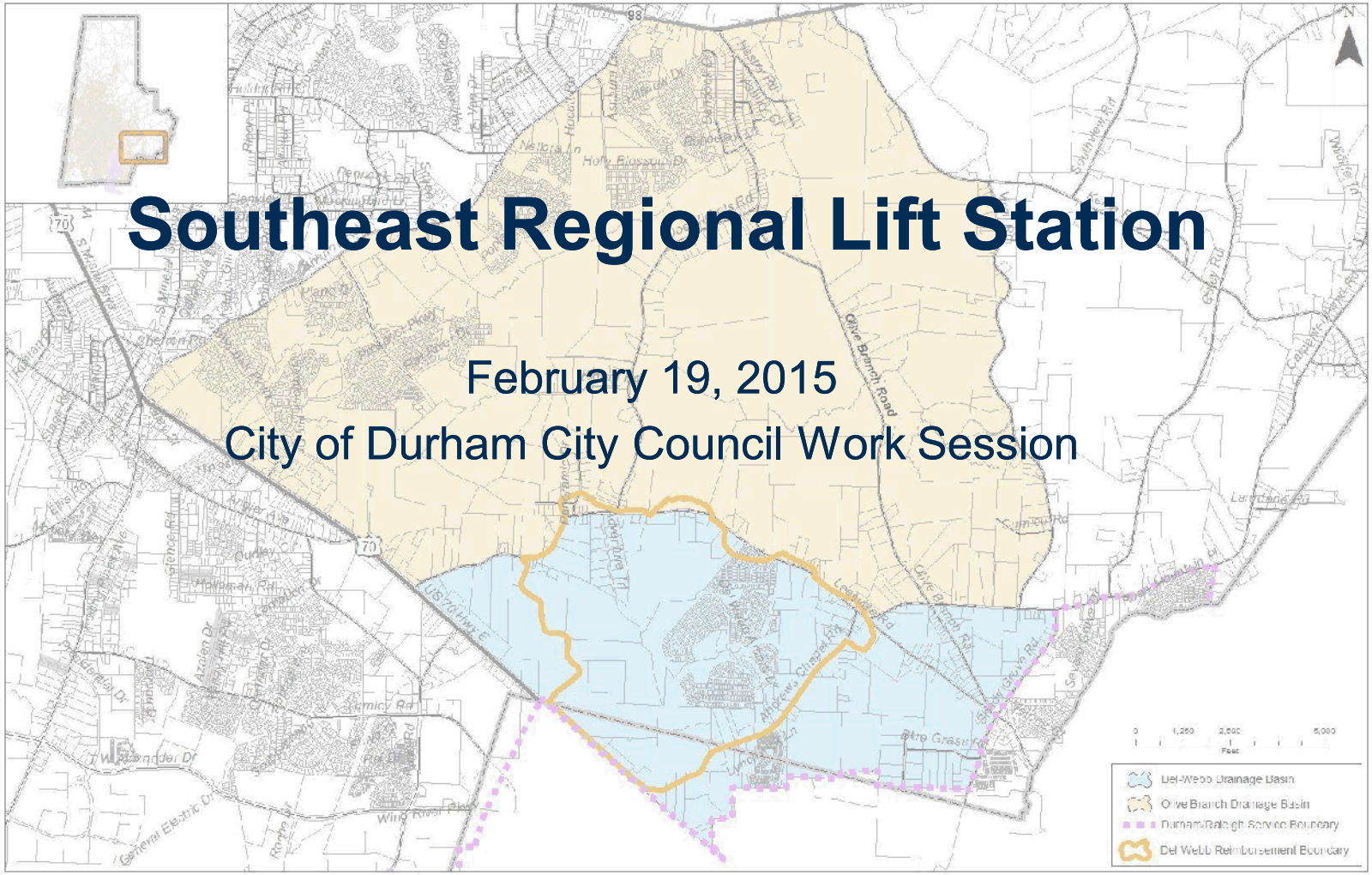
1869

CITY OF MEDICINE

Southeast Regional Lift Station

February 19, 2015

City of Durham City Council Work Session



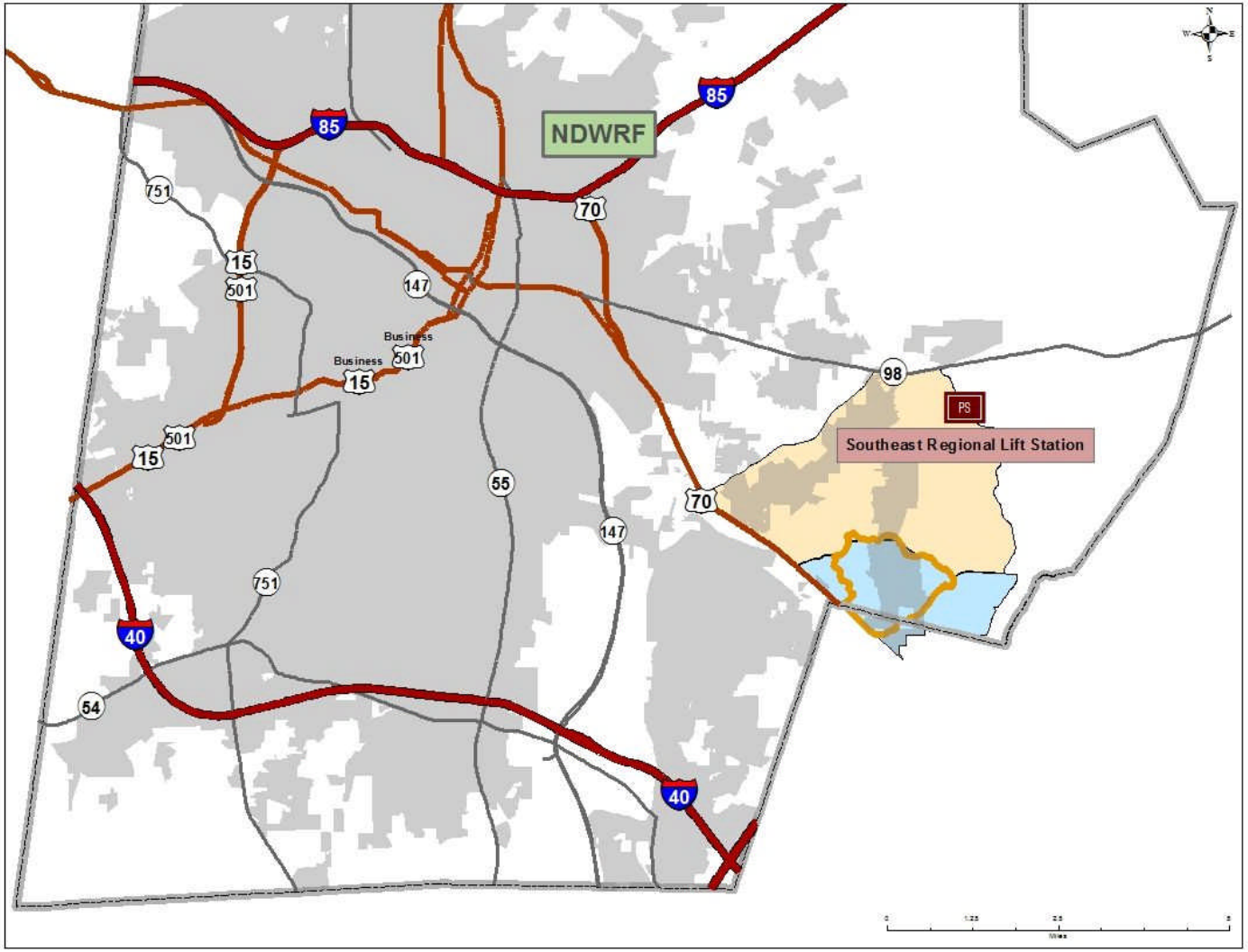
DURHAM
1869
CITY OF MEDICINE

Introduction

- High level of development interest in eastern portion of Durham County
- Convenient to RTP, RDU, Durham, Wake Forest, North Raleigh areas
- Several UEA's approved by Council (Sierra, Falls Village, The Corners at Brier Creek, Ravenstone Phase 4)
- Recently Proposed Site Plans (Brier Creek Assemblage, Leesville Rd Assemblage, Yancey, Play! Sports Complex)
- Recently requests for Capacity (Pelican, Nichols Glen, Ferrell Tract)
- Potentially 13,000 new homes, as well as commercial

DURHAM
1869
CITY OF MEDICINE

Project Area

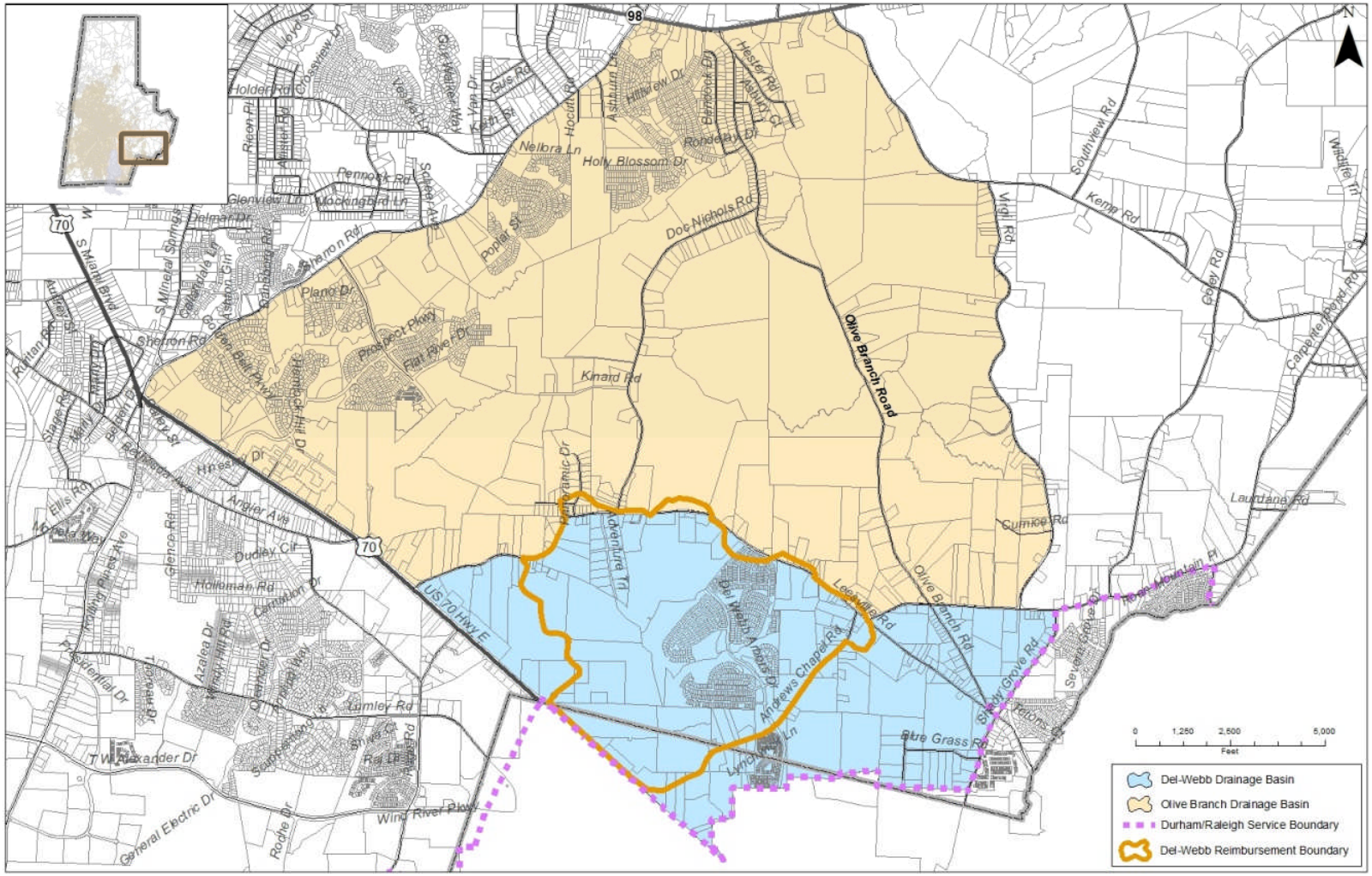


DURHAM

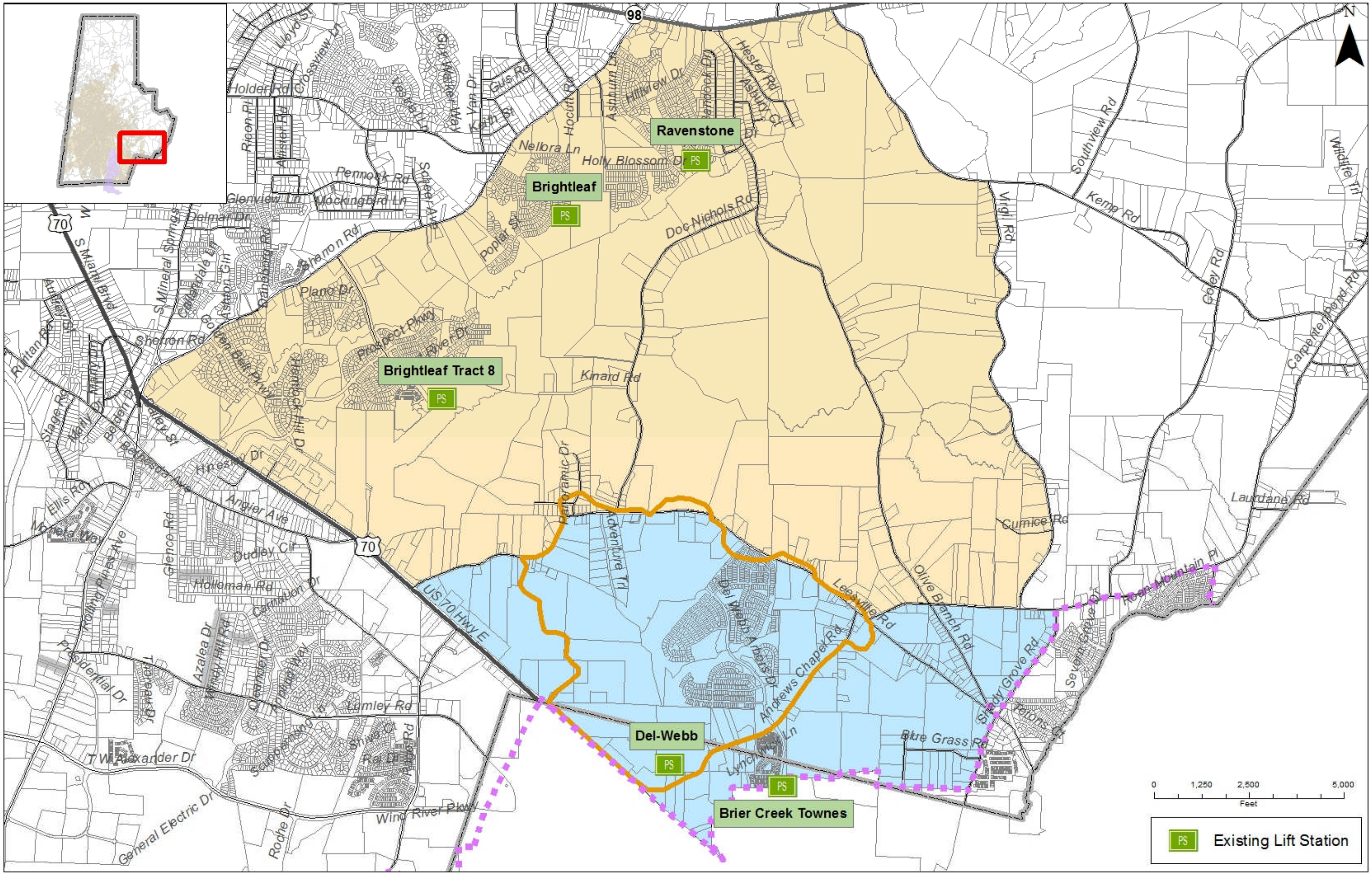
1869

CITY OF MEDICINE

Project Area



Current Sewer Service

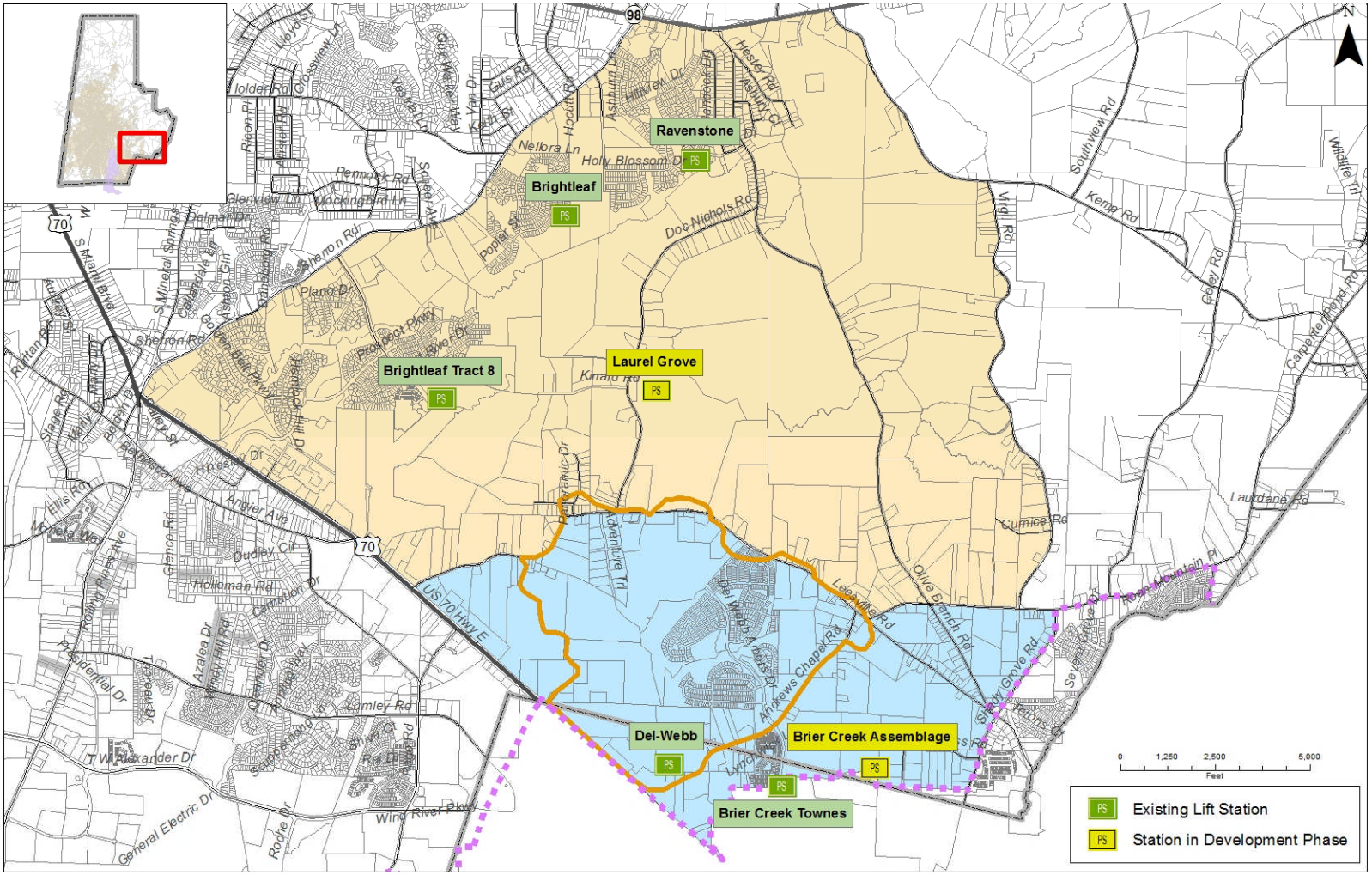


DURHAM

1869

CITY OF MEDICINE

Sewer Service - 2017

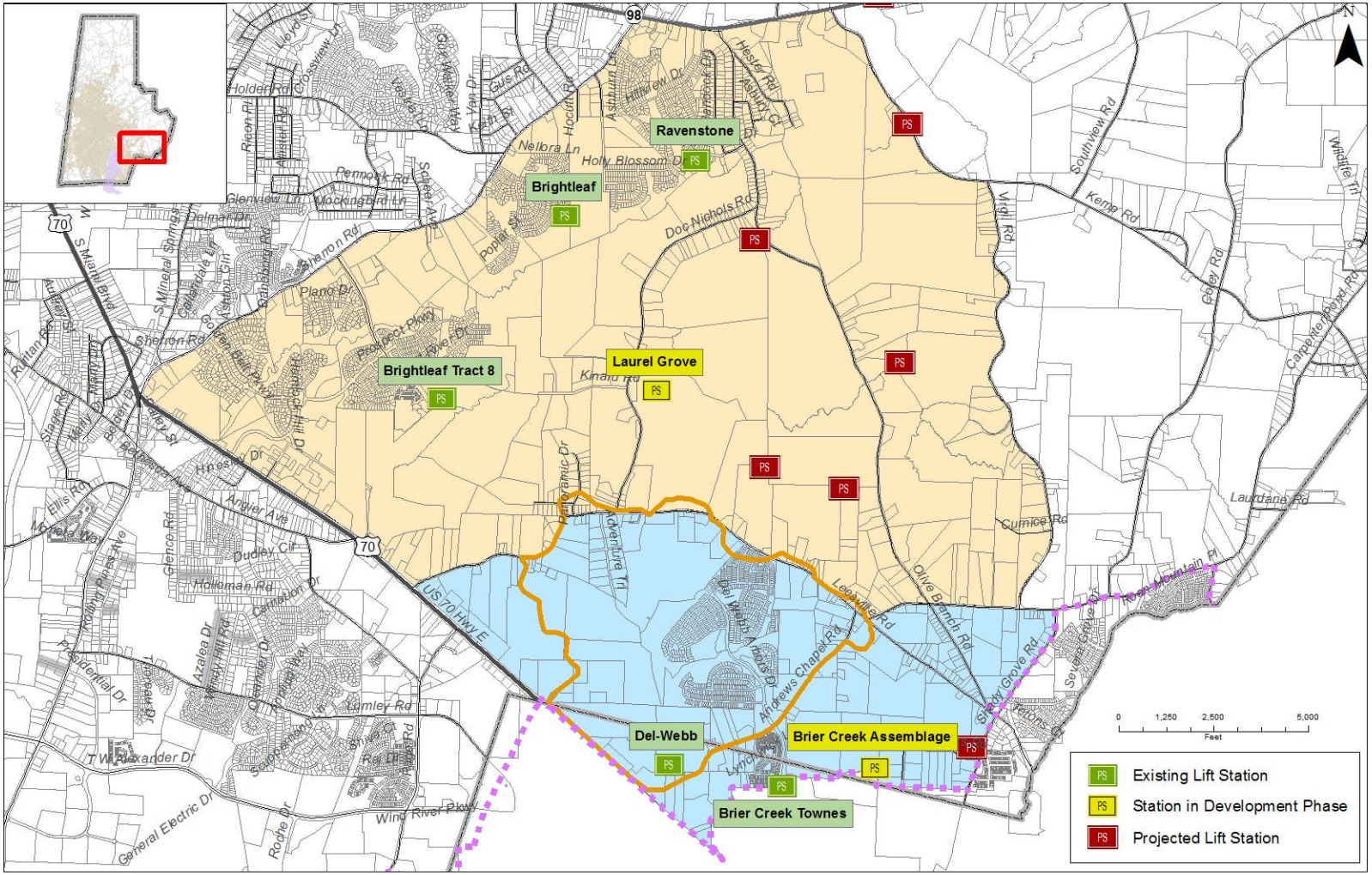


DURHAM

1869

CITY OF MEDICINE

Sewer Service – 2025 (no SRLS)

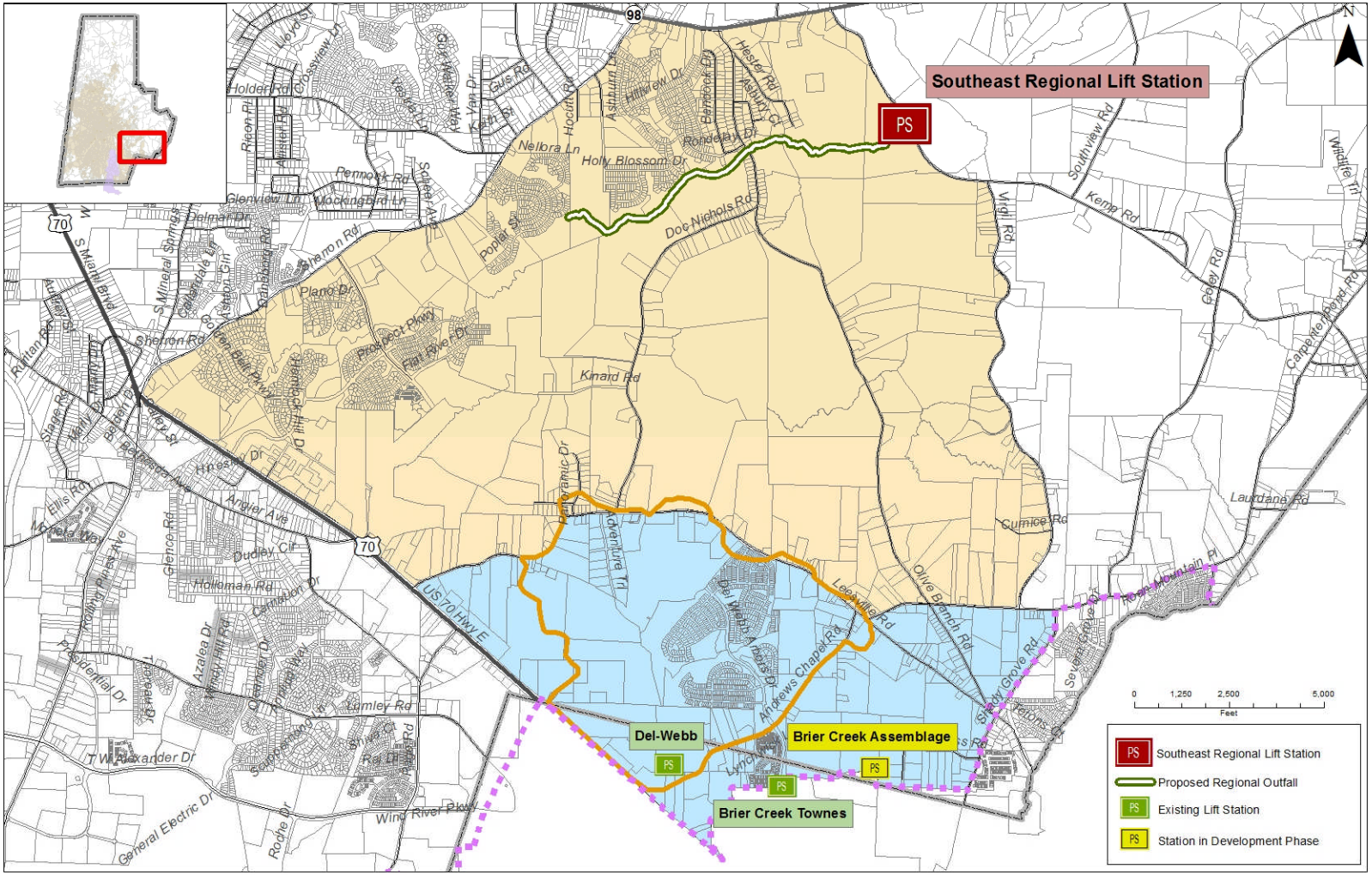


DURHAM

1869

CITY OF MEDICINE

Sewer Service – 2025 (w/ SRLS)

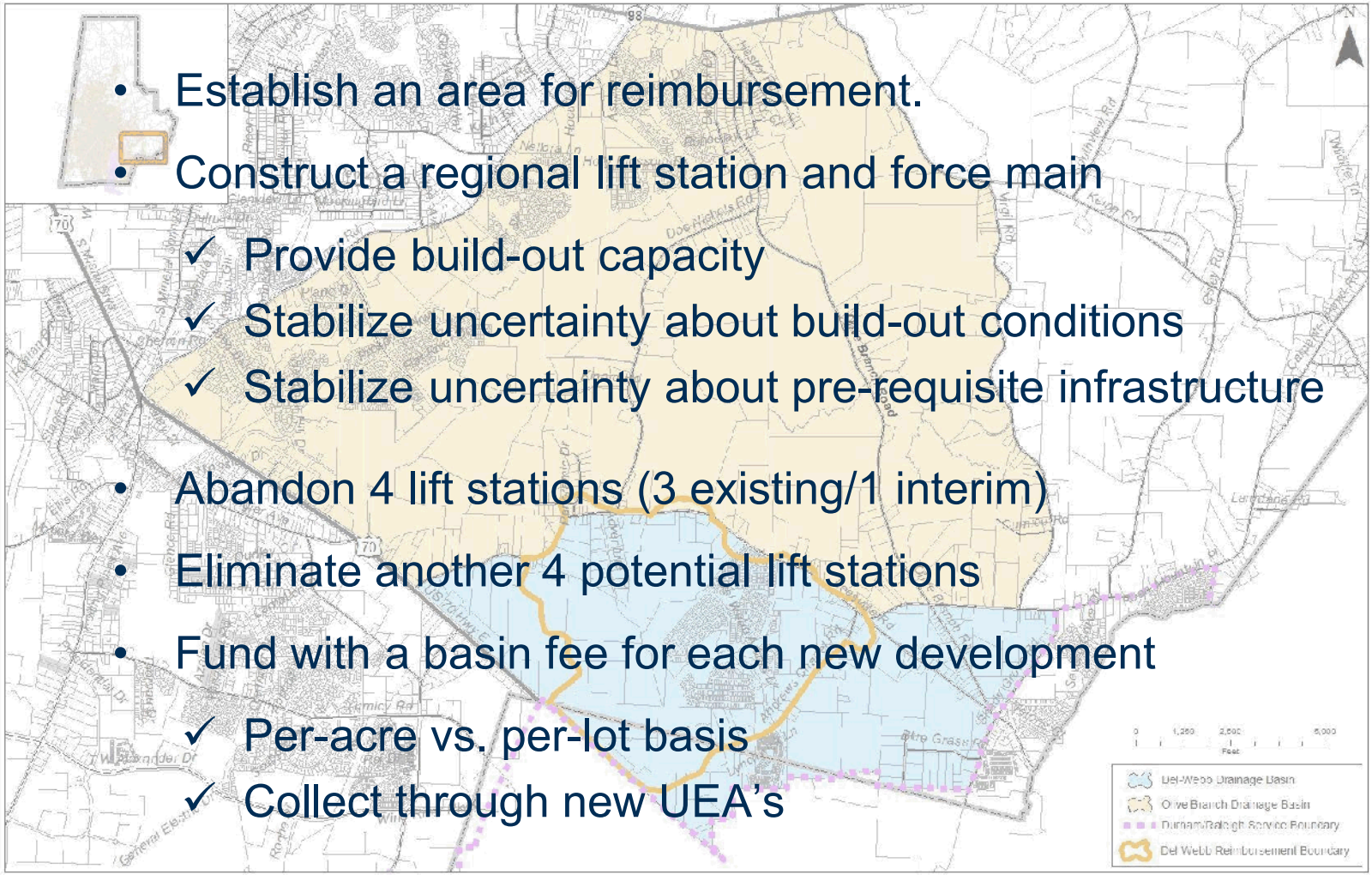


DURHAM

1869

CITY OF MEDICINE

Recommendation



- Establish an area for reimbursement.
- Construct a regional lift station and force main
  - ✓ Provide build-out capacity
  - ✓ Stabilize uncertainty about build-out conditions
  - ✓ Stabilize uncertainty about pre-requisite infrastructure
- Abandon 4 lift stations (3 existing/1 interim)
- Eliminate another 4 potential lift stations
- Fund with a basin fee for each new development
  - ✓ Per-acre vs. per-lot basis
  - ✓ Collect through new UEA's

Summary of Alternatives

Name	Description	Comment
Alternative 1	Do not construct a regional station. Address capacity as development presents itself.	• Multiple lift stations for City to maintain. • Uncertain when existing capacity will be exceeded. • May result in moratorium on development until infrastructure is in place.
Alternative 2	Assess all new development equally, including Del-Webb.	• Spreads out costs to all served by SRLS. • Double charges Del-Webb development.
Alternative 3	Assess all new development, *except* Del-Webb.	• Reimbursement rate increases for non-DW development. • Increase may be as much as 50% more than current Del-Webb rate.
Alternative 4	Assess all new development, with Del-Webb at a lower SRLS rate, so that all total rates are equal.	• All new development incurs the same *total* rate for sewer service.
Alternative 5	Assess all new development, except Del-Webb, at the rate Del-Webb is charged ($2,500/lot).	• All development pays the same rate. • City would have to subsidize the short-fall (est. $12.3 million).

DURHAM
1869
CITY OF MEDICINE

Financial Impacts

- Estimated Total Cost: $35,000,000 before interest.
- Begin design FY2016, begin construction FY2019.
- Alternatives 1 - 4 have a negligible effect on sewer rates.
- If Alternative 5 chosen, City will need to subsidize $12.3 M; minor impact on sewer rates.
- Adjust fee annually for inflation.