



ADD-CHANGE FORM

New Project or Budget Change? **Assigned Project #**

Requested by: **Date:**
Project Manager / Area Manager

Project Name:

Company: Utilities Inc of Florida

Business Unit: Oakland Shores

Project Owner:

BU Type:

Project Manager:

Budget Owner / RVP: 03

Start Date: Q3 2016

Region: 04

Estimated End Date: Q1 2017

State:

Project Type:

Will project replace/retire any assets:

Previously Requested:

This Request:	\$1,571,701
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Still to be Requested:

Total Project Budget:	\$1,571,701
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Description:

Remove and replace the following tiems that are located within the Seminole County right-of-way:

- A. 13,200 LF of 4" asbestos cement water main
- B. 3,700 LF of 6" asbestos cement water main
- C. 20 each 4" gate valves
- D. 8 each 6" gate valves
- E. 2 each 2" blow offs
- F. 226 water services
- G. 110 driveway sections
- H. 400 LF of sidewalk

Production of a right-of-way survey, an as-built survey, right-of-way permitting and asset tables that are in conformance with GIS nomenclature and format are included.
CEI services will be utilized to support righth-of-way permitting, production of as-built drawings, field inspections during construction and contract bidding services.

Timeline Considerations:

This project is one of six water main replacement projects in Seminole County and one in Orange County that are similar in scope and timing. Engineering services are completed and all permits excluding Seminole and Orange County right-of-way have been obtained. The quantity of mains and service lines being replaced requires a timely issuance of a Notice of Award, Notice to Proceed, and contract execution to allow adequate time to complete the project prior to 12/31/2017.

Inter-dependant Project Project Number: Project Name (If applicable)

Have engineering evaluations been performed? Engineering project number (If applicable)



JUSTIFICATION / ALTERNATIVES

Justification and Benefits:

The Oakland Shores water system serves 226 connections and was originally built in 1961 and is thus 55 years old. The system is comprised of Asbestos Concrete (AC) and galvanized iron pipe with few valves to isolate sections of the system when water main breaks occur. Existing valves are mainly double disc gate valves that don't fully seat and bronze body wheel handle gate valves that are damaged and difficult to operate. AC pipe failures occur with increasing frequency for a variety of reasons including fatigue, loss of hoop strength due to high water table, gasket failures, ground settling, and excess deflection of pipe joints. Over time organic growth has occurred with the distribution system contributing to water quality complaints and elevated TTHM/HAA5 levels, particularly within the areas that have galvanized pipe material. Underground utility locate requests are typically addressed by potholing, probing or the use of GPR of which the first two methods elevate the risk of a potential break.

Seminole County requires the Utility to remove all existing water mains located within the right-of-way except mains under County roads that can be grouted in place. AC pipe must be removed and disposed of by a certified asbestos abatement contractor in a Class I landfill.

By replacing the distribution system components, water quality complaints will be reduced by virtue of enhanced ability to maintain the facilities. Water main breaks will be reduced. With gate valves at the appropriate location and configuration, staff will be able to isolate portions of the distribution system when necessary, which will limit the number of customers affected when outages occur. With the installation of detector wire on all water mains as well as geospatially locating all new facilities, the locating process will be streamlined, proficient and accurate. Also, unidirectional flushing procedures can be scheduled that will improve system maintenance and poses the potential for reduced TTHM/HAA5 levels. This project includes an as-built survey with an asset table that can be used to upload into the ESRI platform to provide GPS coordinates for asset maintenance.

Risk Evaluation

As the system ages, failures will be more frequent and corresponding expenses will rise. Water quality complaints will become more frequent and negatively affect the quality of service provided to the customers. Naturally occurring organics in the groundwater, when combined with chlorine, will elevate TTHM/HAA5 levels above MCLs. By replacing the water mains, gate valves and service connections reliability will be greatly improved, water quality will be improved and TTHM/HAA5 levels should be reduced.

Alternatives Considered:

Maintaining the status quo is not an option for reasons identified in the Risk Evaluation above.

The project could be parsed up in phases but that would result in ongoing expensive repair and maintenance costs caused by pipe failures, emergency response, property damage, and restoration.

Technical Review Summary:

Project reviewed by CPRT on 8/25/2016. No comments or revisions.



Financial and Regulatory Implications

Capital Plan

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Proposed Project Spend	1,571,681				
Project Spend in Current Plan	800,000				
Variance	(771,681)	-	-	-	-
CIAC Collected					
Net Rate Base	1,571,681	1,571,681	1,571,681	1,571,681	1,571,681

(if applicable)

O&M Cost Impact B/(W)

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Financial Justification

This project is a pro-forma included in the 2016 UIF consolidated rate case to be filed in 3Q16.

Estimated Revenue Impact per Customer:

Number of Customers Impacted:

Served	Rate Payers
(70)	(69.90)
2,684	2,684

Utility Financial Impact

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
O&M Impact on EBITDA B/(W)		-	-	-	-
Depreciation Impact on EBIT B/(W)	(39,292)	(78,584)	(78,584)	(78,584)	(78,584)
Under-recovery on capital B/(W)	(28,732)	(109,035)	(103,142)	(97,248)	(91,354)
Net EBIT Impact B/(W)	(68,024)	(187,619)	(181,726)	(175,832)	(169,938)

Timing and Supporting Information on Rate Recovery

This project is a pro-forma included in the 2016 UIF consolidated rate case to be filed in 3Q16.

Regulatory Plan Implications

Assumptions



BID INFORMATION AND BUDGET BREAKDOWN

Have three bids been received?

If not, why? List and provide amounts below

Bid	Company	Amount	Selected
1	Traverse Group	\$1,552,553	Yes
2	Central Florida Tapping	\$1,825,970	No
3	ECO-2000	\$1,650,071	No

Component:	Amount
Value Bid Elements	1,552,553.00
Engineering	
Direct Purchase of Parts / Materials	
Landscaping / Site Restoration	
Other Components (specify):	
Cap Time	
CPH Engineers (CEI, As Built, ROW Permits)	19,148.00

should match selected bid(s) above

Total Project Budget 1,571,701.00 should match Total Budget on General Information

Object Account(s) to which project will be closed:

<input type="text" value="1125"/>	Trans & Distr Mains
<input type="text" value="1130"/>	Service Lines
<input type="text"/>	select from dropdown list
<input type="text"/>	select from dropdown list
<input type="text"/>	select from dropdown list

[Go to Reference List](#)

General Comments:



Approvals

EAM Prime Review

Review Completed by Date:
Does project align with utility plan and meet technical requirements? Yes No

Comments

This project aligns with the utility plan and meets UI technical requirements.

Technical Peer Review

Review Sponsored by Date Held
Approval to proceed Yes No

Comments (note if feedback received in review incorporated)

FP&A Review

Review Completed by Date:
Does Project comply with current Utility Rate and Regulatory Plan? Yes No

Comments

Approvals

Applicable?

Regional Manager:	<input type="text" value="Bryan K. Gongre"/>	Date: <input type="text" value="8/25/2016"/>	<input checked="" type="checkbox"/>
VP Operations:	<input type="text" value="Patrick C. Flynn"/>	Date: <input type="text" value="8/30/2016"/>	<input checked="" type="checkbox"/>
President:	<input type="text" value="John P. Hoy"/>	Date: <input type="text" value="9/2/2016"/>	<input checked="" type="checkbox"/>

Approval or Re-Direction Comments