

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF ADOPTING THE 2020-2025)
SIX-YEAR SEWER CONSTRUCTION CAPITAL)
IMPROVEMENT PROGRAM)

RESOLUTION

WHEREAS, pursuant to the provisions of the Revised Code of Washington (RCW), Section 36.32.120(6), the Board of County Commissioners of Spokane County (hereinafter the "Board") has the care of County property and the management of County funds and business; and

WHEREAS, pursuant to the provisions of RCW Chapters 36.70 and 36.94, the Board has adopted a Comprehensive Wastewater Management Plan as an element of the County's Generalized Comprehensive Plan; and

WHEREAS, pursuant to the provisions of RCW Chapter 36.94 and the Comprehensive Wastewater Management Plan, Spokane County has the power to construct, operate and maintain a system of sewerage within the Spokane County area; and

WHEREAS, consistent with the provisions and priorities of the adopted Comprehensive Wastewater Management Plan, Environmental Services Department has prepared the attached "2020-2025 Six-Year Sewer Construction Capital Improvement Program" (hereinafter the "CIP"); and

WHEREAS, notice of public hearing was given as required by RCW 36.36.120(7) and 65.16.160; and

WHEREAS, pursuant to the provisions of RCW Section 36.94.080, the Board held a public hearing on October 22, 2019 following the 2:00 p.m. Consent Agenda, in the Assembly Room of the Board to consider "Adopting the 2020-2025 Six-Year Sewer Construction Capital Improvement Program"; and

WHEREAS, after considering all public testimony submitted at the public hearing, the Board concludes that it is in the best interest of the public and the orderly management, regulation and control of the County's sewer system to adopt the attached "2020-2025 Six-Year Sewer Construction Capital Improvement Program".

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Spokane County, Washington, that the Board does hereby adopt the attached "2020-2025 Six-Year Sewer Construction Capital Improvement Program".

BE IT FURTHER RESOLVED that the Environmental Services Department is authorized to proceed with the engineering, right-of-way and property acquisition, and preparation of plans/specifications for construction/bidding of the improvements.

BE IT FURTHER RESOLVED that a State Environmental Protection Act checklist will be prepared for each sewer project, as applicable.

No. _____

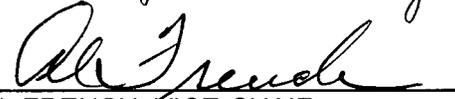
ADOPTED by the Board of County Commissioners of Spokane County, Washington, this 22nd day of October 2019.



BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON



MARY L. KUNEY, CHAIR



AL FRENCH, VICE-CHAIR

ATTEST:



Ginna Vasquez, Clerk of the Board



JOSH KERNS, COMMISSIONER



**SIX-YEAR
SEWER CONSTRUCTION
CAPITAL IMPROVEMENT
PROGRAM**

2020 Through 2025

October 2019

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SPOKANE COUNTY

SIX-YEAR SEWER CONSTRUCTION CAPITAL IMPROVEMENT PROGRAM

2020 Through 2025

Prepared by
Spokane County Environmental Services
October 2019

Adopted by
Board of County Commissioners
of Spokane County
Resolution No. _____

**SIX-YEAR
SEWER CONSTRUCTION
CAPITAL IMPROVEMENT PROGRAM
2020 Through 2025**

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Section 1 – Purpose

The purpose of the Six-Year Sewer Construction Capital Improvement Program (the “CIP”) is to delineate the County’s sewer improvement priorities and associated expenditures and financing for 2020 through 2025. Adoption of the “CIP” by the Board of County Commissioners provides authorization to the Environmental Services Director to proceed with the engineering, right-of-way and property acquisition, and preparation of plans/specifications for construction of the capital improvements.

Section 2 – Wastewater Collection System Improvements

The County’s wastewater collection system has grown dramatically over the last several decades. The County now owns and operates over 675 miles of sewer lines and 33 pump stations. Expansion of the system has been accomplished in accordance with the County’s Comprehensive Wastewater Management Plan (CWMP), which was most recently updated in 2014.

The CIP is an integral component of the CWMP and is typically updated each year to address the forthcoming 6-year period. In the past, the majority of the projects included in the CIP were the projects comprising the Septic Tank Elimination Program (STEP). The final STEP projects were completed in 2012. The completion of this extensive program was a significant milestone, given that the program was initiated in 1985 and took 27 years to complete. With the completion of the STEP, the Environmental Services Department is now focusing on the following improvements to the wastewater collection system:

- 1) Augmenting hydraulic capacity within the sewer system as flows increase.
- 2) Extending sewer service into non-sewered portions of the Urban Growth Area.
- 3) Reconstruction or rehabilitation of aging elements within the system.
- 4) Improvements to reduce the vulnerability of critical facilities.

This section of the CIP provides detail regarding the capital improvements planned for the County’s wastewater collection system for the years 2020 through 2025. Projects include sewer trunk extensions into areas that currently have no sewer service and segments of sewer mains that will be constructed in conjunction with road projects. Also, included are two project areas designed to eliminate septic tanks near the Spokane River as well as projects that are planned to increase the pumping capacity of certain existing pump stations.

Table 2-1 identifies the various projects planned during the six-year period. The estimated cost is presented, as well as the phase(s) of the project to be undertaken in each year (i.e. design and/or construction). The table is divided into three sections based on the funding source that will be used for each project. The funding sources are as follows:

Sewer Construction Fund (Fund 403): This fund is used to pay for sewer system extensions and new trunk sewers that are not designated as General Facilities. Fund 403 revenues include the construction cost component of special connection charges collected pursuant to Spokane County Code (SCC) Chapter 8.03.8280 and sewer trunk charges collected pursuant to SCC Chapter 8.03.8290, as well as interest accrued on the Fund balance.

General Facilities Fund (Fund 438): This fund is used to pay for new General Facilities and capacity upgrades to existing General Facilities. The General Facilities include water reclamation plants, interceptor sewers, and regional wastewater pumping stations. There are eighteen operating pump stations within the County's system that are currently designated as General Facilities. There are three interceptor systems: the Spokane Valley Interceptor, the North Valley Interceptor, and the North Spokane Interceptor. Fund 438 revenue comes from General Facilities Charges (GFCs) which are collected for new sewer connections, expansions or increases in use pursuant to SCC Chapter 8.03.8320, and interest accrued on Fund balance.

Sewer Operations Fund (Fund 401): This fund is used to pay for the ongoing operation and maintenance of the sewer system, including restorative work to replace aging elements of the system and upgrades to improve or maintain system reliability. Costs of operating the water reclamation facilities, including biosolids management, are also paid from this fund. Fund 401 revenues come mainly from monthly sewer service fees paid by the utility's customers. Annually, a designated portion of the revenue from monthly sewer service fees is earmarked for the "Replacement Reserve Fund" in Fund 401 to provide for the future rehabilitation or replacement of existing sewers and equipment.

Table 2-1 includes a subtotal by year for each of the funding sources (see Subtotals 1, 2, and 3), as well as a total estimated cost by year for all projects.

The last two pages of Section 2 are sewer project maps. The first is a map showing the sewer project areas in the Spokane Valley. The second is a similar map for the sewer project areas in North Spokane. Project Locator Numbers are shown on these maps corresponding to the Project Locator Numbers provided in Table 2-1.

SPOKANE COUNTY ENVIRONMENTAL SERVICES

CAPITAL IMPROVEMENT PROGRAM 2020-2025

TABLE 2-1, WASTEWATER COLLECTION SYSTEM IMPROVEMENTS

PROJECT LOCATOR NUMBER	PROJECT NAME	FUNDING SOURCE	EXPENDITURES IN 1000'S OF DOLLARS BY YEAR					TOTAL	
			2020	2021	2022	2023	2024		2025
1	*Mead-Mt. Spokane Ext. Pkg 1	Sewer Construction Fund Reserves (403)	\$1,500 Des & Const						\$1,500
2	*Peone Pines Connection	Sewer Construction Fund Reserves (403)	\$560 Des & Const						\$560
3	Barker Rd Sewer Extension Ph 2	Sewer Construction Fund Reserves (403)	\$30 DES	\$300					\$330
4	***Barker Rd Homes Sewer Project	Sewer Construction Fund Reserves (403)	\$3,360 Des & Const						\$3,360
5	***Donwood Sewer Project	Sewer Construction Fund Reserves (403)				\$1,100 Des & Const			\$1,100
SUBTOTAL 1		Sewer Construction Fund Reserves (403)	\$5,450	\$300	\$0	\$1,100	\$0	\$0	\$6,850

***Note:** The Mead-Mt Spokane Area, which includes Project 1 and 2, is considered a Limited Area of More Intense Rural Development (LAMIRD). The Growth Management Act established this designation to recognize and contain areas of existing urban development in rural areas. In the rural element of a comprehensive plan, counties "may allow for limited areas of more intensive rural development, including necessary public facilities and services to serve the limited areas." (RCW 36.70A.070(5)(d)).

****Note:** Project 3 is anticipated to be constructed in conjunction with a City of Spokane Valley (CSV) road surfacing project. The cost of the sewer portion of the project will be funded by Spokane County and the cost of the road surfacing portion of the project will be funded by CSV. An agreement between the two entities will be executed in late 2019.

*****Note:** Projects 4 and 5 are planned to be designed and constructed as a continuation of the Septic Tank Elimination Program. It is anticipated that Project 4 will be funded through a cooperative effort agreed upon between the County and CSV. It is further anticipated that CSV will contribute \$1.6 Million towards design and construction of Project 4. An agreement between the two entities is expected to be executed in late 2019. A similar approach may be used for project 5.

SPOKANE COUNTY ENVIRONMENTAL SERVICES

CAPITAL IMPROVEMENT PROGRAM 2020-2025

TABLE 2-1, WASTEWATER COLLECTION SYSTEM IMPROVEMENTS

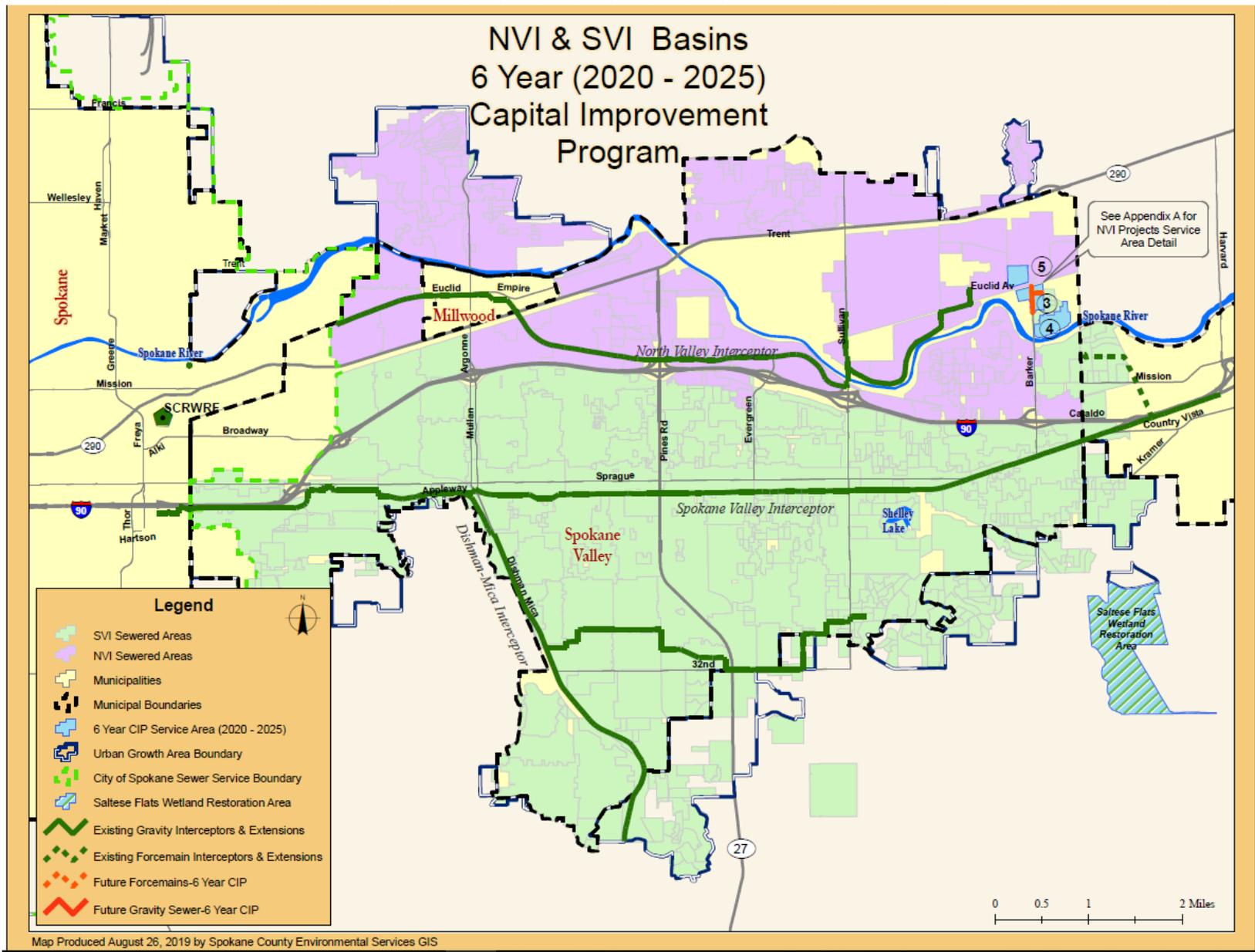
PROJECT LOCATOR NUMBER	PROJECT NAME	FUNDING SOURCE	EXPENDITURES IN 1000'S OF DOLLARS BY YEAR						
			2020	2021	2022	2023	2024	2025	Total
6	Highway 2 Trunk Extension to Market St	General Facilities Fund (438)				\$2,210			\$2,210
						Des & Cons			
7	Marion Haye PS Parallel Force Main, Phase 2 (PS to City of	General Facilities Fund (438)			\$2,600				\$2,600
					Des & Cons				
8	Interceptor Capacity Upgrade through N City of Spokane	General Facilities Fund (438)		\$865					\$865
				Des & Cons					
	SUBTOTAL 2	General Facilities Fund (438)	\$0	\$865	\$2,600	\$2,210	\$0	\$0	\$5,675

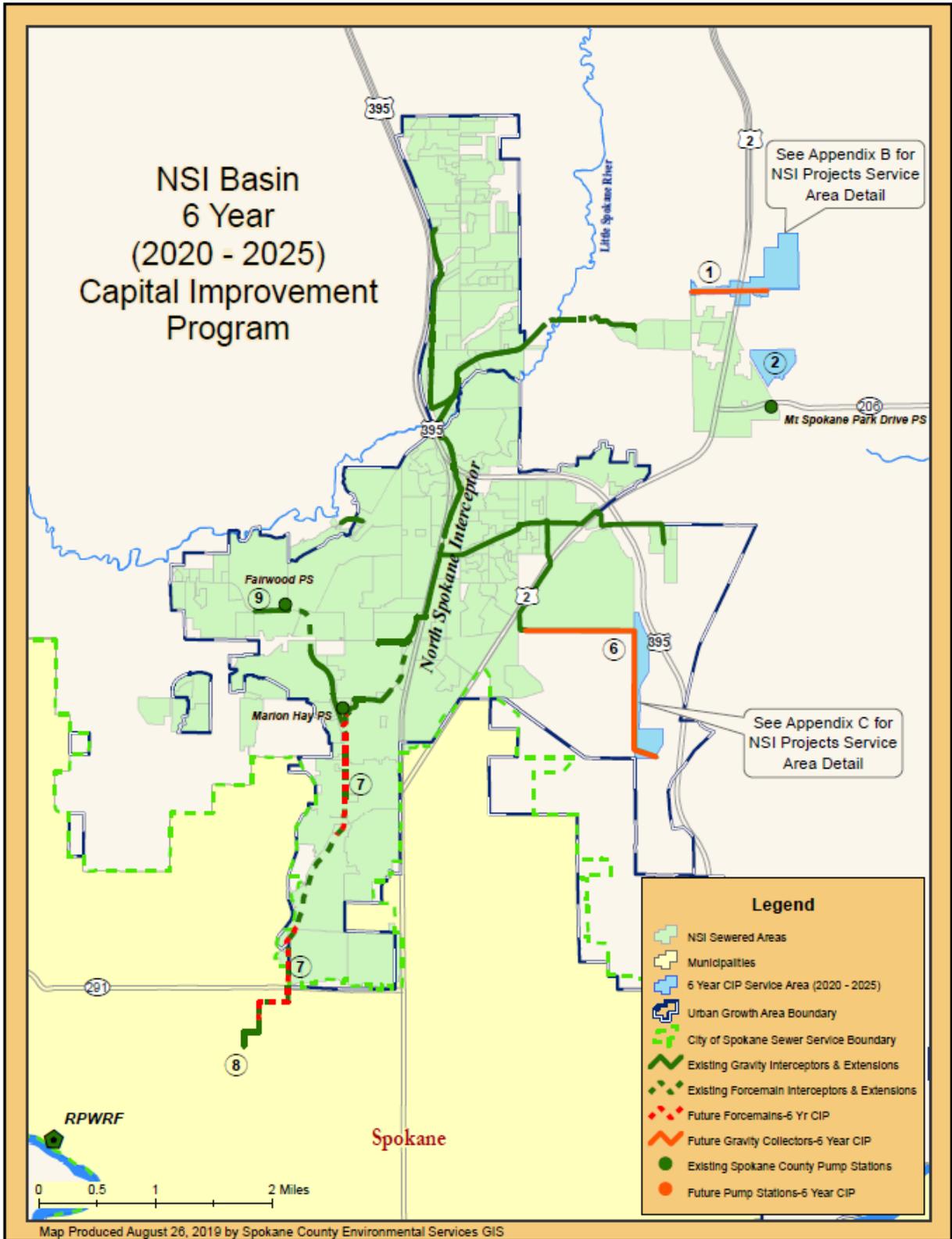
SPOKANE COUNTY ENVIRONMENTAL SERVICES

CAPITAL IMPROVEMENT PROGRAM 2020-2025

TABLE 2-1, WASTEWATER COLLECTION SYSTEM IMPROVEMENTS

PROJECT LOCATOR NUMBER	PROJECT NAME	FUNDING SOURCE	EXPENDITURES IN 1000'S OF DOLLARS BY YEAR						
			2020	2021	2022	2023	2024	2025	TOTAL
9	Fairwood Pump Station Overflow Storage Facility	Sewer Operations Repr/Replc Fund (401)						\$200	\$200
								Des & Const	
N/A	Sewer Line Restoration Program	Sewer Operations Repr/Replc Fund (401)	\$100	\$100	\$250	\$400	\$400	\$400	\$1,650
			Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	
N/A	Pump Station Upgrades Electrical	Sewer Operations Repr/Replc Fund (401)	\$300	\$300	\$400	\$400	\$400	\$400	\$2,200
			Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	
N/A	Pump Station Reliability	Sewer Operations Repr/Replc Fund (401)	\$35	\$35	\$35	\$35	\$35	\$35	\$210
			Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	Des & Const	
	SUBTOTAL 3	Sewer Operations Repr/Replc Fund	\$435	\$435	\$685	\$835	\$835	\$1,035	\$4,260
	TOTALS-WASTEWATER COLLECTION SYSTEM		\$5,885	\$1,590	\$3,285	\$4,145	\$835	\$1,035	\$1,665





Section 3 – Riverside Park Water Reclamation Facility (RPWRF) Upgrades

Spokane County currently owns 10 million gallons per day (mgd) of treatment capacity at the City of Spokane's RPWRF. Significant upgrades are ongoing at the RPWRF in order to meet more stringent discharge requirements imposed by regulation. Spokane County participates in the cost of these upgrades on a "prorated share" basis.

Table 3-1 provides a summary of the County's share of the estimated upgrade costs for the RPWRF for the years 2020 through 2025.

The County's monthly sewer service fees include a Wastewater Treatment Plant Charge (in accordance with SCC Chapter 8.03). These charges are deposited into the County's Wastewater Treatment Plant Fund (WTPF). In turn, a portion of these funds are used to pay the County's share of the RPWRF upgrade costs, either through direct lump sum payment, or through payment of the debt service for bonds sold.

Bonds were sold in 2007 (\$8.29 million) to pay for the County's share of the upgrades at RPWRF completed in 2007. Payments for upgrades completed from 2008 forward have been paid directly from the WTPF fund balance. Payments for upgrades completed by the City through 2018 (and corresponding invoices received by the County through early 2019) were paid directly from the available fund balance.

Additional bonds may be sold in the future, if needed. However, in the interest of avoiding the issuance of additional debt, it is anticipated that \$8 million of the unreserved balance in the Operations Fund (Fund 401) will be reassigned to pay a portion of the 2019 capital costs (paid in early 2020). Additionally, an interim loan of \$16 million will be made from Fund 401 Replacement Reserves to Fund E01 to pay for the 2020 and 2021 upgrade costs, with an appropriate repayment schedule. The County's capital share payments to the City of Spokane are typically made in the year following the actual expenses incurred by the City; hence the transfer and/or loan amounts and timing will need to be confirmed and coordinated with the City as the RPWRF upgrades move forward.

The budget amounts listed in Table 3-1 are the best available estimates at the time of adoption of this CIP. The City of Spokane regularly adjusts the specific timing of many of the project improvements proposed at RPWRF. Accordingly, the capital improvement project budget estimates in this section will be updated periodically as revised values become available.

TABLE 3-1
SPOKANE COUNTY
RIVERSIDE PARK WATER RECLAMATION FACILITY (RPWRF) UPGRADES

(Cost Estimate & Funding in Thousands of Dollars)

Year	2020	2021	2022	2023	2024	2025	Total
Upgrade Costs at RPWRF for Water Quality	\$8,100	\$5,400	\$0	\$0	\$0	\$0	\$13,500
Generalized Financing Plan	2020	2021	2022	2023	2024	2025	
Payments for Upgrades from WTPF/GFC Revenues	\$0	\$0	\$0	\$0	\$0	\$0	
Transfer/Loan Amounts (from Fund 401)	\$8,100	\$5,400	\$0	\$0	\$0	\$0	

Notes:

- The 2020-2025 upgrade cost estimates were based upon budgets provided by the City of Spokane, Wastewater Management in their draft "2020-2025" Citywide Capital Improvement Program" report, supplemented with recent budget estimates from the City's Project Managers for RPWRF.
- Costs and payments are shown in year of expenditure by the City of Spokane. Payment by County to City typically occurs in the year following year of expenditure.
- The County anticipates transfers/loans from available funds in Fund 401 to pay for a portion of the upgrade costs in lieu of issuing additional debt to cover those costs.
- Funds to pay debt service for bonds sold and/or loans obtained to finance the RPWRF Upgrades will continue to come from the Wastewater Treatment Plant Fund and the General Facilities Fund.

Section 4 – Water Reclamation Facilities Improvements

In 2002, Spokane County completed and adopted a Wastewater Facilities Plan (WFP) that provided an evaluation of long-term wastewater treatment capacity needs for its sewer customers. The WFP identified alternatives for near-term (20 years) and long-term (50 years) wastewater treatment alternatives. The WFP has been updated several times, with the most recent update in June 2010 and approved by the Washington State Department of Ecology (Ecology) in December 2010.

Pursuant to the WFP, the County constructed a state-of-the-art treatment plant, known as the Spokane County Regional Water Reclamation Facility (SCRWRF). Using a Design-Build-Operate procurement platform, Design began in January 2009, Construction began in mid-2009, and Operations began in December 2011. The Design-Build phase of the SCRWRF was closed out in late 2013 and Operations will continue until 2031 under a 20-year Service Contract with Jacobs.

The SCRWRF was constructed to provide a treatment capacity of 8 million gallons per day (mgd). It is projected that this treatment capacity, combined with 10 mgd of treatment capacity the County owns at the City of Spokane's Riverside Park Water Reclamation Facility (RPWRF), will provide the needed capacity until about 2035. The SCRWRF design allows for expansion in increments of 4 mgd and will be expandable up to 24 mgd. It is anticipated the SCRWRF can be expanded to provide for many decades of future growth in the Spokane Valley.

The SCRWRF operates under a National Pollutant Discharge Elimination System (NPDES) Permit issued by Ecology. That NPDES permit provides limitations for a number of constituents in the SCRWRF effluent. Permit effluent limits for phosphorus, ammonia, and carbonaceous biochemical oxygen demand (CBOD) are the result of a Spokane River and Lake Spokane Dissolved Oxygen Total Maximum Daily Load plan (DOTMDL) developed by Ecology and approved by the US Environmental Protection Agency in May 2010.

To comply with the DOTMDL, the WFP explored potential regional uses of reclaimed water such as urban irrigation, industrial reuse, aquifer recharge, and wetlands restoration. Spokane County's Regional Water Reclamation Facility produces Class A reclaimed water.

Concurrent with the WFP, Spokane County prepared a Reclaimed Water Use Study (RWUS) in June 2009. The RWUS examined several options for use of reclaimed water from the SCRWRF in more detail. One project from the RWUS being developed as a potential site for reclaimed water use is the Saltese Flats wetlands restoration. This first phase of work prepared the Saltese Flats location, using natural surface runoff, as a prospective future site for Class A reclaimed water. Restoration of Saltese Flats was constructed in 2018 and 2019.

Spokane County is working to develop an interpretive center on a parcel adjacent to Saltese Flats owned by Central Valley School District (CVSD). The property was considered as a potential site for a future high school but in mid-2018, CVSD changed the location of the high and will build it in an alternate location. Spokane County is continuing their discussions with CVSD about partnering for the construction of the interpretive center on the CVSD property at Saltese Flats.

The SCRWRF and associated facilities were financed by revenue bonds and limited tax general obligation bonds. A grant and loan from the Public Works Trust Fund were also obtained. Debt service will continue to be drawn from the Wastewater Treatment Plant Fund and General Facilities Fund. A financial plan with a wastewater rates analysis was most recently updated in 2017 and is periodically updated by the Environmental Services Department and its financial consultant.

This section of the CIP provides detail regarding the various capital improvements planned for the County's water reclamation system for the years 2020 through 2025. The cost estimates for the facilities presented in Table 4-1 are based on the following assumptions:

Funded from General Facilities Fund 438:

- Funding for an interpretive center in partnership with CVSD. The final location of the interpretive center is yet to be determined.
- Construction of public access trailhead and exhibit on west side of Saltese Flats.

SPOKANE COUNTY ENVIRONMENTAL SERVICES

CAPITAL IMPROVEMENT PROGRAM 2020-2025

TABLE 4-1, WATER RECLAMATION FACILITIES IMPROVEMENTS

		EXPENDITURES IN 1000'S OF DOLLARS BY YEAR						
PROJECT NAME	FUNDING SOURCE	2020	2021	2022	2023	2024	2025	Total
*Saltese Flats Interpretive Center	General Facilities Fund (438)	\$900						\$900
		Des & Cons						
Saltese Flats Trailhead & Exhibit	General Facilities Fund (438)	\$100						\$100
		Des & Cons						
TOTALS	General Facilities Fund (438)	\$1,000	\$0	\$0	\$0	\$0		

*NOTE: Design & Construction planning may be coordinated with Central Valley School District.

Appendix A - NVI Projects Service Area (Barker Road)



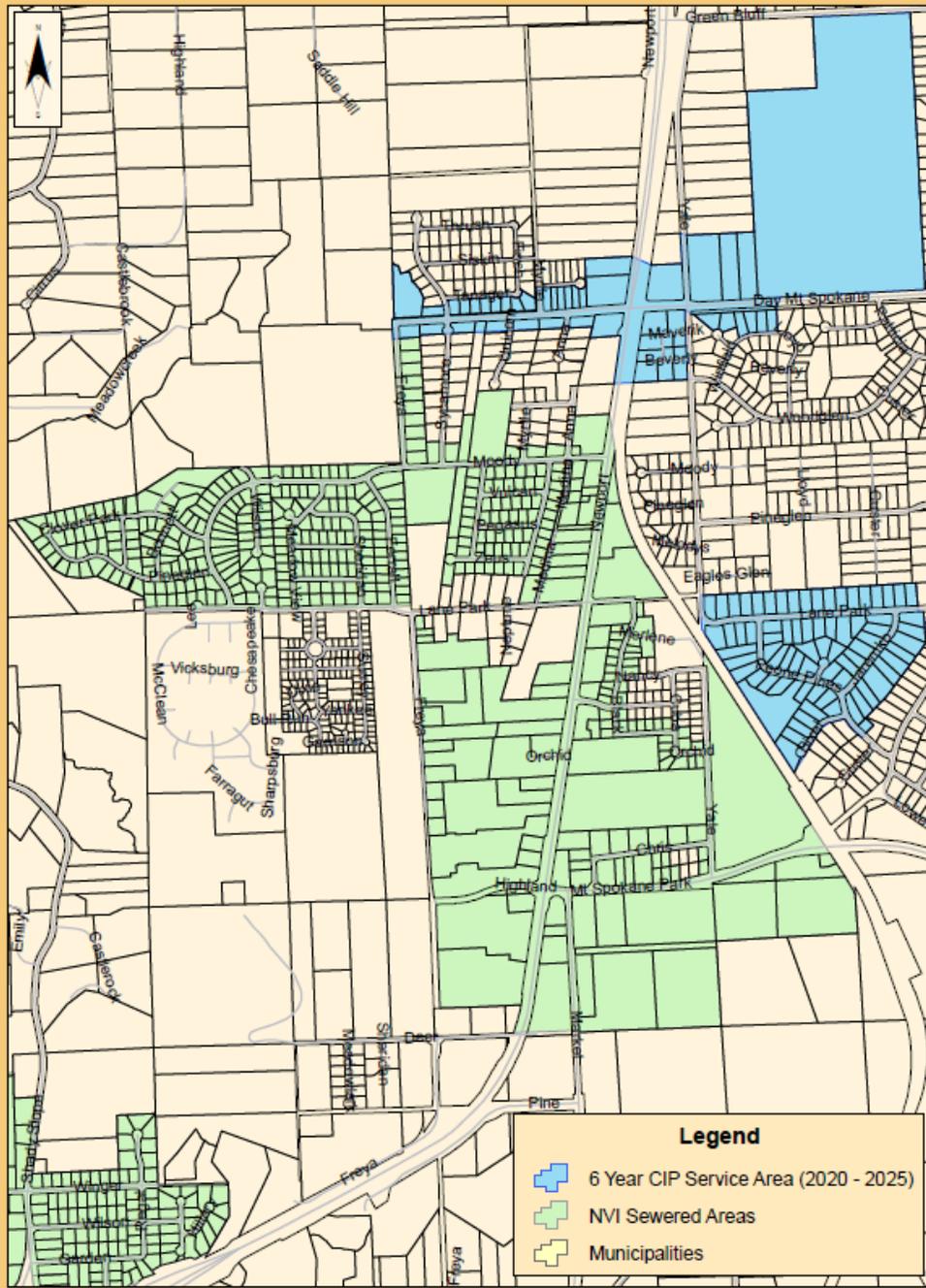
Legend

- 6 Year CIP Service Area (2020 - 2025)
- NVI Sewered Areas
- Municipalities

Spokane County Environmental Services GIS

8/26/2019

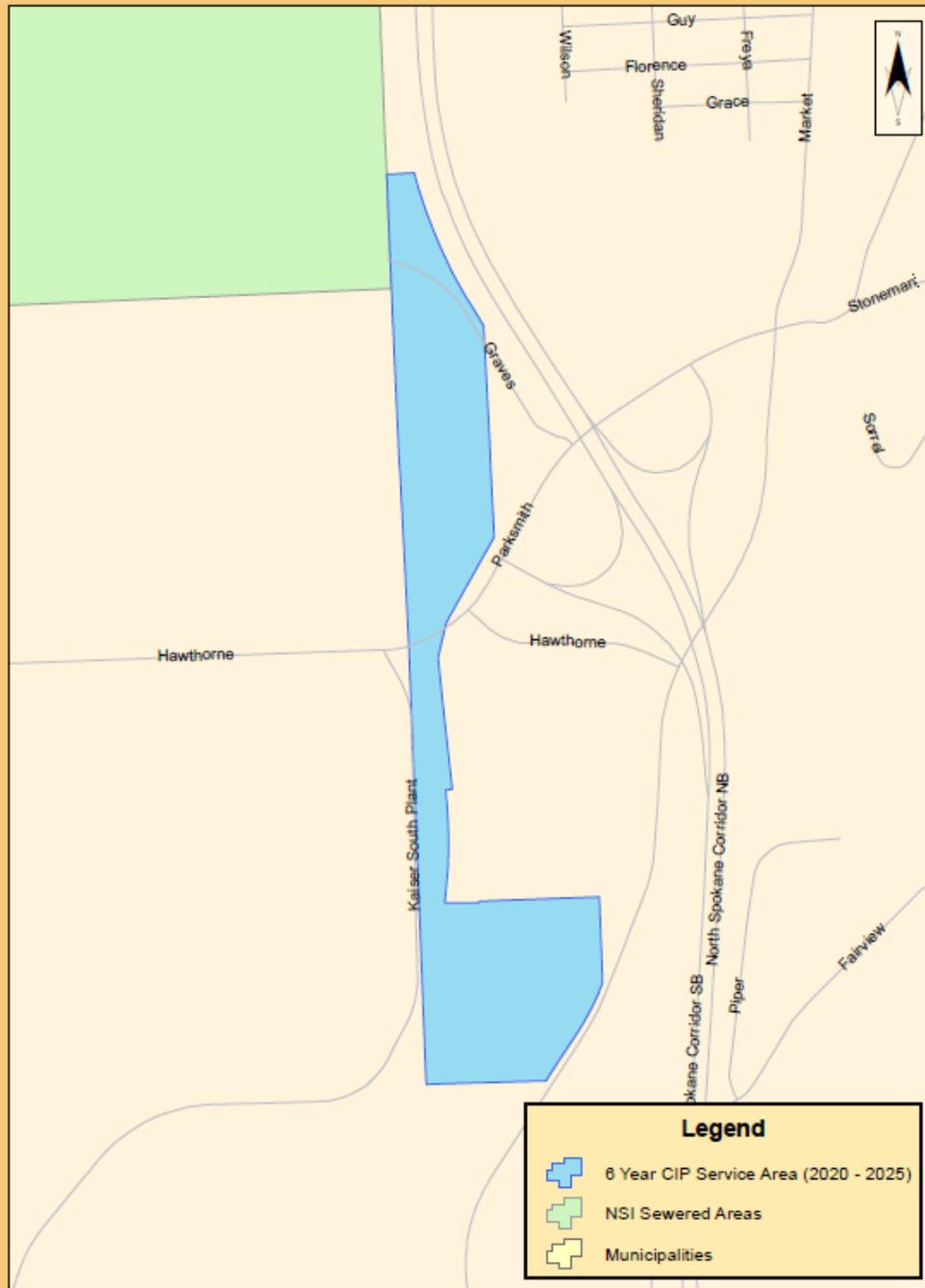
Appendix B - NSI Projects Service Area (Mead - Mt. Spokane)



Spokane County Environmental Services GIS

8/26/2019

Appendix C - NSI Projects Service Area (Highway 2 Trunk Extension)



Spokane County Environmental Services GIS

8/26/2019