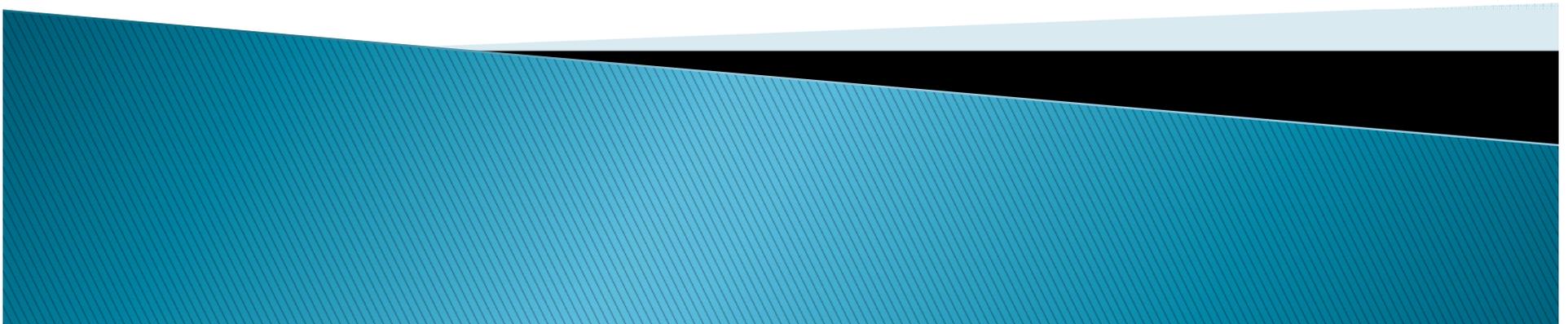


SAW Grant Program

Stormwater, Asset Management, and Wastewater



What Generated the Need for the SAW Grant / Loan Program?

New NPDES
Permit
Requirement
by the MDEQ

- Asset Management Program
 - Staffing
 - Mapping Collection Systems
 - Inventory and Assessment of Fixed Assets
 - Budget and Rate Sufficiency
 - Annual Reporting

SAW Program Funding Source

In 2012 Public Acts 511, 560, and 562 were passed by Michigan Legislators to create the new grant and loan program, authorizing \$450M of the “Great Lakes Water Quality Bond” to be deposited into the Strategic Water Quality Initiatives Fund for the SAW Programs.

The Saw Grant Program has a \$2M maximum grant per applicant, 10% match for the first million dollars, and 25% match for the second million dollars.

Saw Grant Process

673 applications totaling \$541M were received December 2, 2013.

In March 2014, a lottery drawing of all approved applications was conducted to determine sequence of grant awards.

- (The City of Brighton was selected on the 253rd draw)

Saw Grant Process

1st Round – FY14

SAW Grants/ Loans
\$101,397,855

2nd Round – FY15

SAW Grants/ Loans
\$91,048,501

3rd Round – FY16

SAW Grants/ Loans
\$97,000,000

Grant Award for the City of Brighton

DEQ Approved Project Costs	
1. Wastewater Asset Management Plan Cost	\$414,100
2. Stormwater Asset Management Plan Cost	\$169,100
Eligible Cost Subtotal	\$583,200
Less 10% Local Match	-\$58,320
SAW Grant Amount	\$524,880



New NPDES Permit

- The City of Brighton's new NPDES permit for the our Wastewater Treatment Facility on Hamburg Road was issued on August 1, 2014, which included the new Asset Management Program (AMP) requirements



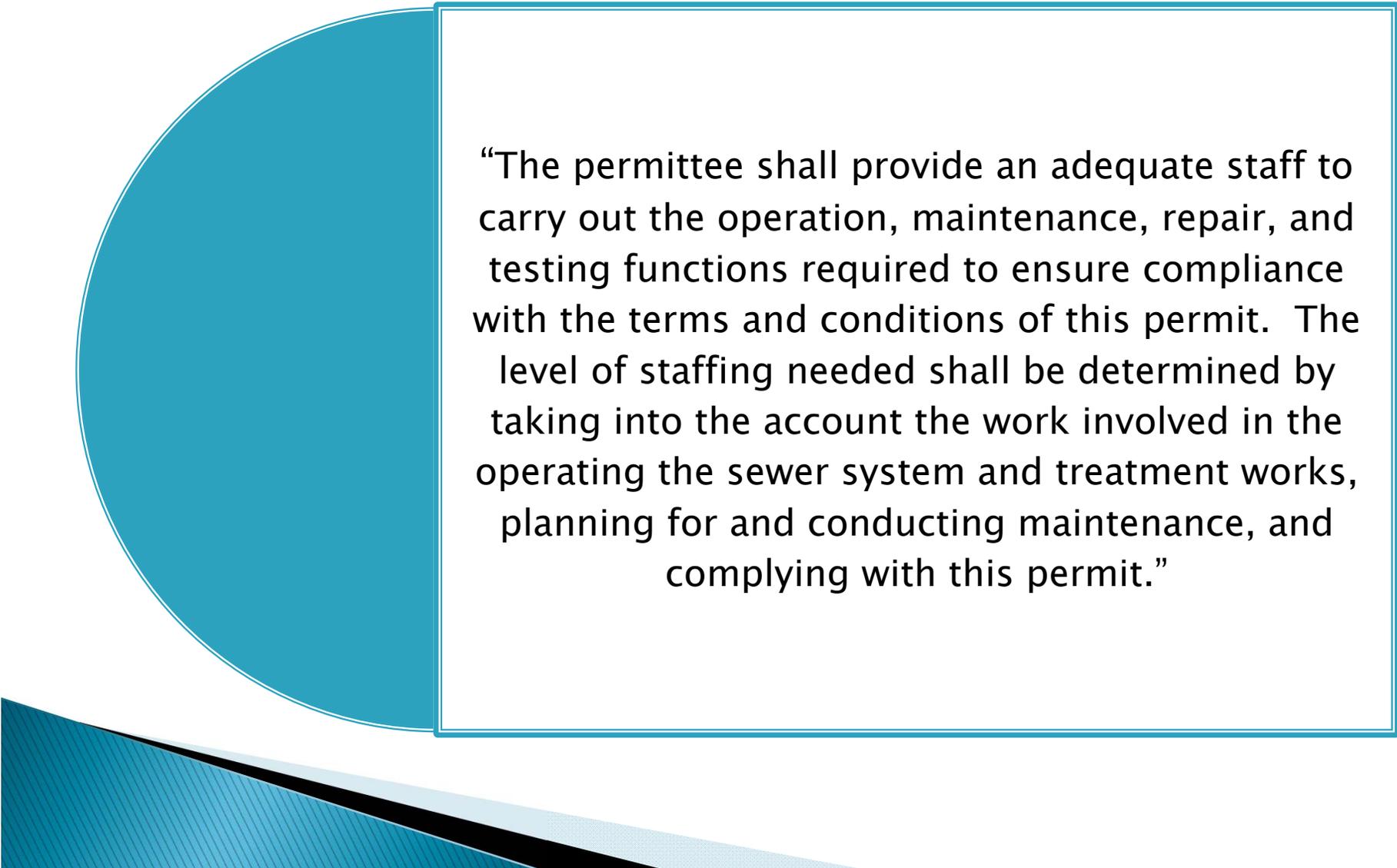
New NPDES Permit –Asset Management requirements went in affect August 1, 2014

“The permittee shall at all times properly operate and maintain all facilities (i.e. the sewer system and treatment works as in Part 41 of the NREPA), and control systems installed or used by the permittee to operate the sewer system and treatments works, and achieve and maintain compliance with the conditions of this permit (also see Part II.D.3 of this permit). The requirements of an Asset Management Program function to achieve the goals of effective performance, adequate funding, and adequate staffing and training. Asset management is a planning process for ensuring that optimum value is gained for each asset and financial resources are available to rehabilitate and replace those assets when necessary. Asset Management is centered on a framework of five (5) core elements: the state of the asset, the required sustainable level of service, the assets critical to sustain performance, the minimum life-cycle, and the best long-term funding strategy.”

Asset Management Program

- Program requirements for development and implementation:
- Staffing
- Mapping Collection Systems
- Inventory and Assessment of Fixed Assets
- Budget and Rate Sufficiency
- Annual Reporting

1. Staffing



“The permittee shall provide an adequate staff to carry out the operation, maintenance, repair, and testing functions required to ensure compliance with the terms and conditions of this permit. The level of staffing needed shall be determined by taking into the account the work involved in the operating the sewer system and treatment works, planning for and conducting maintenance, and complying with this permit.”

2. Collection System Map

The permittee shall complete a map of the collection system it owns and operates. The map shall be of sufficient detail and a scale to allow easy interpretation. The collection system information shown on the map shall be based on current conditions and shall be kept up-to-date and available for review by the Department.



Maps shall include but not be limited to the following

- All sanitary sewer lines and related manholes.
- All outfalls, including the treatment plant outfall(s).
- All pump stations and force mains.
- The wastewater treatment facility(ies), including all treatment processes.
- All surface waters (labeled).
- Other major appurtenances, such as siphons and air release valves.
- A numbering system which uniquely identifies manholes, catch basins, overflow points, regulators, and outfalls.
- The scale and N arrow.
- Pipe diameter.
- Date of installation.
- Type of material.
- Distance between manholes.
- Direction of flow.
- The manhole interior material.
- GPS coordinates.
- Rim elevations.
- Invert elevations.



3. Inventory and Assessment of Fixed Assets



Fixed Asset Inventory

- Description
- Location
- Year installed
- Present condition
- Depreciated value
- Replacement cost



Business Risk Evaluation

- Rate the probability of failure of the fixed asset on a scale of 1–5, using criteria such as maintenance history, failure history, and remaining % of useful life.
 - Rate the criticality of the asset on a scale of 1–5, based on the consequence of failure vs. the desire level of service for the facility.
 - Compute the Business Risk Factor of the asset
- 

4. Operation, Maintenance, and Replacement (OM&R) & Budget and Rate Sufficiency for Sewer System and Treatment Works

- ▶ Beginning and ending dates of fiscal year.
- ▶ Name of department, committee, board or organization that sets rates for the operation of the Sewer System and Treatment Works.
- ▶ Amount in the permittee's replacement fund in dollars for year specified in accordance with the approved schedule.
- ▶ Replacement fund of all assets with a useful life of 20 years or less.
- ▶ Expenditures for maintenance, corrective action, and capital improvement taken during the fiscal year.
- ▶ OM&R budget for fiscal year.
- ▶ Rate calculation demonstrating sufficient revenues to cover OM&R expenses or, alternatively, an implementation schedule for rates adjustments to ensure sufficient revenue to cover OM&R expenses.



5. Reporting

A written report that summarizing asset management activities completed during the previous year and planned for the upcoming year will be submitted to the MDEQ on or before August 1st of each year.

- A description of staffing levels maintained during the year.
- A description of inspections and maintenance activities conducted and corrective actions taken during the previous year.
- Expenditures for collections system maintenance , treatment works maintenance activities, corrective actions, and capital improvements during the previous year.
- A summary of assets/areas identified for inspection/action (including capital improvement) in the upcoming year based on the five core elements and Business Risk Factors.
- A maintenance budget and capital improvement budget for the upcoming year.
- An updated asset inventory.
- An updated OM&R report with updated rate schedule.

How will the SAW Grant funds be used?

- ▶ Purchase Asset Management software/hardware/training.
- ▶ Purchase GIS software/hardware/training.
- ▶ Create an asset management plan for the sanitary sewer system.
- ▶ Create an asset management plan for the stormwater collection system.
- ▶ Create an asset management plan for the WWTP.
- ▶ Complete a Business Risk Evaluation of all critical assets (wastewater & stormwater).
- ▶ Develop a GIS website to include sanitary & storm system conditions, record drawings, and lead sheets.
- ▶ Update the Capital Improvement plan to incorporate the AMPs.
- ▶ Complete a new Rate Study based on the AMPs to determine a funding plan for CIP and ongoing OM&R expenses.
- ▶ Implement a schedule for rate adjustments as necessary.

