



City of Hudson, Ohio

Staff Report With Text

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Title: Discussion: A Council Update on the Current Status and Feasibility of the Construction and Installation of a Brine Well at the Water Resources Plant Located on West Streetsboro Street.
Executive Summary: As part of our preliminary feasibility study, A.L.L. Consulting has provided cost estimates to install a brine well at the water resources plant. The newly developed costs have come in at over double the 2015 budgeted amount for this project. Staff wishes to discuss the probable reasons for the costs increase and whether City Council wishes staff to move forward with the project in light of such project increases.

Sponsors:

Indexes: Public Works - Water Resources

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
8/11/2015	1	City Council Workshop	discussed	

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Legislative History

Resolution No. 14-155, passed December 17, 2014, authorizing advertising for bids for the brine well design and construction.

Purpose & Explanation

To begin this project planning staff selected the most qualified, experienced company to conduct an updated brine well feasibility study. A.L.L. Consulting was selected and has submitted newly developed preliminary costs for the brine well project for staff review.

With the installation of a brine well at the water plant, the brine material produced will be used in place of rock salt in the water treatment process for an annual savings in rock salt costs of approximately \$100,000. Eventually the material will also be used as a supplemental ice and snow melting agent within the Service Division at an annual road salt savings of approximately 10%-20%. At the original calculations, this equated to

an approximate five-year simple payback on the project.

The brine well had been on the unfunded list since 2008, and the project had been a placeholder in subsequent budget years. Staff had increased the original budget amount, using reasonable increases for projected budgetary purposes. The project budget was estimated at \$400,000. The newly developed project estimate is \$992,000, which equates to an approximate ten-year project payback.

A.L.L. Consulting believes the increase is directly related to the following:

1. Significantly higher prices for well-drilling services.
2. New more stringent and costly regulations and permitting costs.

Timing Considerations

N/A

Fiscal Impact

X Currently budgeted with additional appropriation required.
Supplemental Appropriation Required
Appropriation Not Required.

Suggested Action

Staff believes this is still a viable project that will in the long term be beneficial to the City and result in operational costs savings in both the water and streets areas of operation. Staff recommends that the project move forward.

Submitted by,

Jane Howington, City Manager

Frank J. Comeriato Jr., Asst. City Manager

Kevin Powell, Asst. Public Works Director-Utilities/HCTV