

Nancy Koon (adpce.ad)

From: Doug Ford <DFord@pmico.com>
Sent: Friday, September 16, 2022 9:44 AM
To: Bryan Leamons (adpce.ad)
Cc: rickferguson777@gmail.com
Subject: Paradise Valley revised cost estimate docs
Attachments: Revised Assembly & Commission Est. 9-1-22.pdf; NDSTW O & M expenses.pdf; Paradise Valley Capital Expenditures & Schedule.pdf

Bryan:

Sorry for the delay, I have been trying to run down some final cost for putting this plant back together. Attached is a revised cost estimate for the plant and equipment and the cost of putting it back together. Attached is the NDSTW Operation and Maintenance expenses that includes the corrected permit fee. Attached is the revised Paradise Valley Capital Expenditures Schedule that lines up with the revised O & M expenses.

Please let me know if this is acceptable and we will sign and stamp the documents. Please call me if you have any questions.

Respectfully,

William Doug Ford, P.E.
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**PARADISE VALLEY WWTP
ASSEMBLY AND COMMISSIONING**

Paradise Valley WWTP is already owned by Pulaski County Property Owners Multipurpose Improvement District No. 2021-2.

The structure of the WWTP is in good condition but will require assembly and some new components. Below is an estimate of the assembly cost and necessary components for commissioning and operation.

1. Book Value			
Value of new treatment plant			\$525,000
Annual Depreciation=\$17,500/yr			
Accumulated depreciation = 16 yrsx\$17,500/yr			<u>\$280,000</u>
Book Value		SUBTOTAL:	\$245,000
2. Assembly:			
Welding Structure - labor and materials			\$15,800
Electrical - labor and materials			\$14,500
Piping - labor and materials			<u>\$15,000</u>
		SUBTOTAL:	\$45,300
3. Operation Component Replacement/Add			
Blower	1 @	\$8,500.00 =	\$8,500
Sand for filters	1 @	\$1,400.00 =	\$1,400
Aerators	8 @	\$300.00 =	\$2,400
Flow Equalization Pumps	2 @	\$1,800.00 =	\$3,600
Electric Panel Components	1 @	\$1,200.00 =	<u>\$1,200</u>
		SUBTOTAL:	\$17,100
3. Standby Generator:			\$40,800
		TOTAL:	<u><u>\$348,200</u></u>

Nonmunicipal Domestic Sewage Treatment Works Trust Fund Certification Form

Permittee (Legal) Name: Pulaski County Property Owners Multipurpose Improvement District 2021-02
 Facility Name: Paradise Valley Subdivision
 Permit No. AR0053210

Section A – Information Requiring Engineering Certification

Part I – Operating and Maintenance Expenses

	Units/Year	Unit Cost	Annual Cost	5-Year Cost¹
Operating Expenses				
Operating Labor ²	12	\$1,400	\$16,800	\$89,040
Electricity ³	12	400	4,800	25,440
Supplies & Chemicals	12	1,400	16,800	89,040
Analytical Testing	12	250	3,000	15,900
Generator Fuel	12	20	240	1,272
Other	12	50	600	3,180
Maintenance Expenses				
Maintenance Labor ²	12	500	6,000	31,800
Parts & Supplies	12	200	2,400	12,720
Other	12	50	600	3,180
Administrative Expenses				
Administrative Labor ²	12	200	2,400	12,720
Customer Fee Collection	12	750	9,000	47,700
Insurance & Bonding	12	300	3,600	19,080
Consulting and Legal Fees	12	100	1,200	6,360
Interest Expenses	N/A	N/A	N/A	N/A
Property Taxes	1	400	400	2,120
Permit Fees	1	1,980	1,980	10,494
Other Miscellaneous Expenses	12	50	600	3,180
TOTAL			\$70,420	\$373,226

¹ Assuming no inflation data are available, assume an inflation rate of 3% in years two through five and multiply the annual cost by 5.3 to estimate the five-year cost.

² Labor costs must include fringe benefits and payroll taxes.

³ For existing facilities, include historical data if they are representative of future operations. For new facilities, show the electricity consumption calculations in kilowatt hours (kWh).

Part II – Capital Expenditures

- The wastewater treatment plant (WWTP) must be examined by a Professional Engineer registered in the State of Arkansas to determine all necessary capital expenditures, system upgrades, or significant repairs which may be needed within the following five (5) years. ***A list of all of these items must be attached to this document.***
- A milestone schedule for completion of the capital expenditures, system upgrades, or significant repairs ***must be attached to this document.***

Paradise Valley WWTP Capital Expenditures and Schedule

Paradise Valley will replace most of the operation equipment during the assembly and commissioning of the plant. Paradise Valley does not expect to need replacement of equipment but has listed below capital expenses that may arise.

Paradise Valley WWTP anticipates that the items listed below can be expected to be replaced within the next five years.

	Unit Cost		Total Cost	Tentative Schedule
Clearwell backwash pumps	\$3,500	x 2	\$7,000	3–4 years
Electric panels—rehab	\$2,000		\$2,000	2–3 years
Aerators	\$300	X8	\$2,400	1 year
Blower	\$8,500		\$8,500	3–4 years

Table 1 below provides a projected cost of major expenses and a projected schedule.

Table 1
Paradise Valley WWTP
Permit #AR0053210
Projected Expenses 2022–2026

Expense	2022	2023	2024	2025	2026
Clearwell Pumps			\$3,500		\$3,500
Electric Panel Rehab	\$500	\$500	\$500	\$500	
Aerators	\$1,200	\$600	\$600		
Blowers			\$8,500		
SUBTOTAL:	\$1,700	\$1,100	\$13,100	\$500	\$3,500
Annual O&M Expenses	\$70,420	\$72,533	\$74,709	\$76,950	\$79,258
TOTAL:	\$72,120	\$73,633	\$87,809	\$77,450	\$82,758

Paradise Valley Financial Plan

The Paradise Valley has a Special Improvement District (SID) that will collect fees for the operation and maintenance of the WWTP. Table 2 below indicates the financial plan for collection of revenue from the subdivision. Pulaski County Multipurpose Improvement District No. 2021-02

(Permittee) will subsidize the difference between the expenses and revenue until enough lots can be sold to exceed the expenses.

Table 2
Paradise Valley WWTP
Permit #AR0053210

Projected Revenues 2022–2026

Revenue	2022	2023	2024	2025	2026
Paradise Valley SID	\$35,040	\$63,480	\$92,640	\$121,440	\$150,240

Paradise Valley Connection Summary

Paradise Valley has 73 lots platted in Phase I of the development and plans to add 60 lots per year for the next four years. Paradise Valley plans to sell all 73 lots in year 2022 and from market levels see no problem with selling 60 lots per year for the following four years. After selling 300 to 316 lots, Paradise Valley plans to add an additional WWTP for the development.

Potable Water Source

Maumelle Water Corporation has agreed to provide water service to Paradise Valley Subdivision, see attached letter.

Local Jurisdiction Approval

The Paradise Valley WWTP site is located on a separate parcel of land (approximately 30 acres) in Pulaski County. There is no zoning on this parcel of land and Pulaski County indicated the only County permits needed are a road bore permit for crossing Roland Cutoff Road and a floodplain development permit. Joe White, Joe White and Associates, is making application for both permits.