



King County

Department of Natural Resources and Parks
Wastewater Treatment Division

Wastewater Treatment Division Long-Term Capital Forecasting Methodology Recommendation

Regional Water Quality Committee (RWQC)

March 6, 2024

Background

- RWQC developed two Motions related to forecasting long-term capital costs and long-term financial and sewer rate forecasting
- Both motions directed the Wastewater Treatment Division (WTD) to work with our advisory committee, the Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) and engage an experienced and independent consultant
- WTD engaged Consor and Raftelis, who performed a peer review, evaluated options, and briefed MWPAAC as the study progressed
- The recommendations in response to Council Motion 16410, to research and identify long-term capital cost forecast methodologies, presented at the MWPAAC subcommittee meeting on February 1, 2024
- MWPAAC recommendation letter presented for action at the February 28, 2024 general meeting
- This presentation outlines the recommendations for Council Motion 16410

Peer Agency Review Methodology Results

Years 11-20

- Asset renewal/replacement needs can be defined by age, condition, and impacts of failure
- Capacity projects defined per planning studies
- Consent Decree projects per on long-term control plan
- Potential regulations can be included depending on available studies
- Cost estimates, when available, typically order of magnitude and subject to large changes

Years 20 +

- Asset renewal/replacement needs can be defined for long periods
- Capacity and Regulatory projects can be defined through available planning horizon
- Costs forecasted as large placeholder allowances

Next Steps: Motion 16449 - Long-term Financial and Sewer Rate Forecasting

Requests WTD to develop and maintain a long-term financial and sewer rate forecast and seek comment from MWPAAC and other stakeholders.

Work to date

- Development of the long-term capital cost forecast methodology is a key first step in developing the long-term sewer rate forecast
- Consultant is reviewing WTD's existing financial forecast and sewer rate model

Next steps

- Engage MWPAAC and other stakeholders at key milestones in the development of the long-term forecast
- Build out long-term financial forecasting capabilities and associated documentation

Important Dates for RWQC

- July 2024 – WTD to present progress update
- April 2025 – WTD to present progress update
- July 2025 – WTD to present long-term forecasts to RWQC



**Contact
Information**

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