

EXECUTIVE SUMMARY

INTRODUCTION

This update to Marion's Long Term Control Plan (LTCP) was prepared by Camp Dresser & McKee and is an update to the original LTCP dated December 2002. This document is intended to be an all inclusive report to supersede the original 2002 report; however, several chapter, appendices, and exhibits are copies of the original. Because this document is a compilation of both the original and revised, there may be some unintended inconsistencies. In these instances, the updated documents govern. Specifically, the new portions of this 2009 report include:

- Chapters 2, 4, 5, 6, 7, and 8
- Appendix C – Maximization of Flow at the WWTP (*Revised*)
- Appendix E – Correspondence
- Appendix F – Public Participation (*only participation since January 2006*)
- Appendix G – Financial Capability
- Appendix H - Rainfall Analysis

NEED FOR THE LONG TERM CONTROL PLAN

1. The City was required to enter into an Agreed Judgment with IDEM and the State Attorney General in order to comply with Long Term Control Plan requirements as a result of the US EPA Clean Water Act.
2. There are two driving criteria are intended to be met:
 - Achieve Water Quality Standards
 - Implementation does not cause substantial and widespread economic impact to the community
3. IDEM and EPA Guidelines define a process to determine the amount to work to take place that will achieve the highest level of water quality and not cause undue financial impact.

PROJECT SCHEDULE

The following schedule is outlined in the Agreed Judgment with the Attorney General of Indiana:

| <u>Activity Description</u> | <u>Mile Stone Dates</u> |
|---|-------------------------|
| Verify and Update Characterization and Monitoring | May 2, 2008 |
| Draft Financial Capability and Analysis | July 2, 2008 |
| Alternative Analysis Evaluation (Ch. 4) | January 31, 2009 |
| Financial Capability Analysis (Ch. 7) | March 2, 2009 |
| Post Construction Monitoring Plan | July 1, 2009 |

ES-1

Marion Municipal Utilities
September 30, 2009

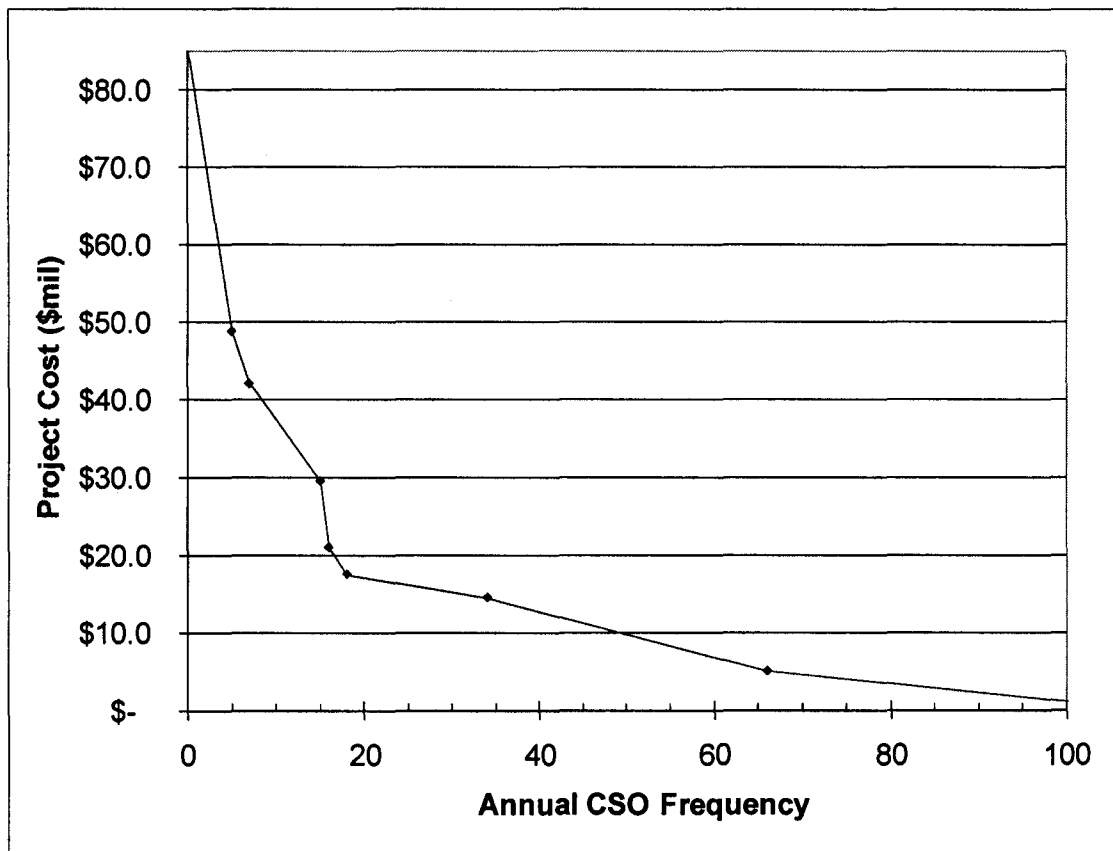
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OVERALL SELECTED PLAN

The selected plan is Phase I and includes the following projects with a total estimated cost of \$17.5 million.

| <u>Phase No.</u> | <u>Project</u> | <u>CSOs Impacted</u> | <u>Description</u> |
|------------------|----------------|----------------------|---------------------------------|
| I | A | 006, 007 | Boots/Nebraska Sewer Separation |
| I | B | 002 | WWTP Improvement Phase 1 |
| I | C | 009 | Southeast Marion Drainage Area |

IMPACTS OF PROJECT COST ON CSO REDUCTION



IMPLEMENTATION APPROACH

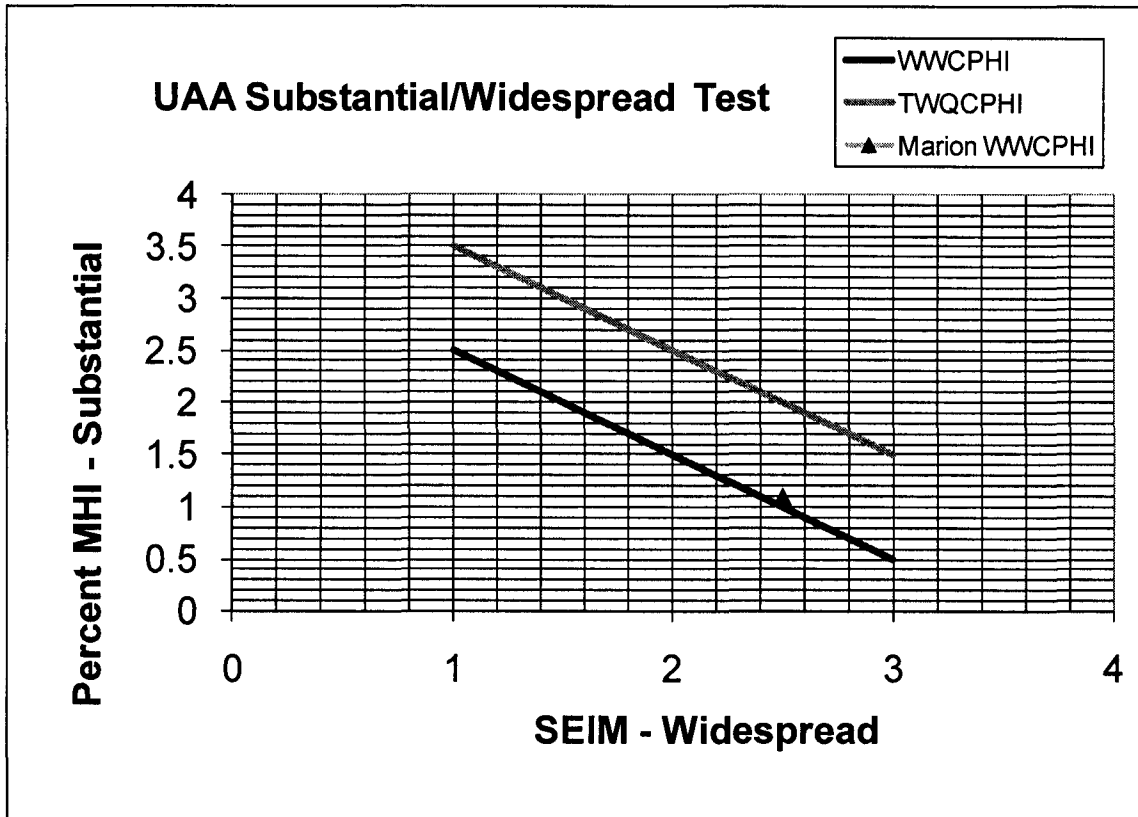
Due to the unique economic situation in the City of Marion, it is not feasible to implement all of the projects, A through G, for \$48.8 million. By following the guidelines set out by the IDEM and

US EPA, it has been demonstrated that an investment in the magnitude of \$49 million will cause a significant financial burden on the City that is substantial and widespread.

1. Methodology
 - A comprehensive affordability analysis was performed.
 - We feel that it has been demonstrated that unique circumstances limit Marion's capability to implement a LTCP to meet the WQS.
 - Due to the undue financial burden of constructing all three (3) phases, the proposed implementation schedule includes only Phase I of the selected plan.
 - Post construction monitoring will take place after construction to determine the performance of the system after implementation.
 - Phase will mitigate two (2) CSOs, 007 and 009, and consolidate much of the overflow at 002.
 - Marion Utilities will likely need to prepare a Use Attainability Analysis (UAA) in order to seek a temporary suspension of designated use in the Mississinewa River.
2. In choosing Phase I, the LTCP takes into consideration the following factors:
 - Mitigating overflows at CSOs 007 and 009
 - Financial capability (Necessary rate increase) of the community
 - Grant and loan availability (Not awarded ARRA/SRF loan and grant in 2009)
 - Previous and current sewer user fees and rate structures

FINANCIAL CAPABILITY ANALYSIS

1. The financial capability analysis includes several factors that characterize the impact that the projects will have on the community. The driving indicator is the Wastewater Cost Per Household (WW_{CPHI})
2. If the WW_{CPHI} is great than 1% and the Socio-Economic Indicators Matrix (SEIM) value is greater than 2.5, then IDEM considers there to be high economic impact. Currently, the WW_{CPHI} is calculated to be 1.06% with implementation of Phase I. Much of this impact is due to industry closings and further deterioration of public and private financial resources occurring in Marion over the past decade.
3. By implementing Phase I, Marion is at the minimum acceptable level for project implementation as shown on the chart below:



SUMMARY AND PROPOSED PLAN

1. A completed LTCP is required by the Agreed Judgment.
2. Based on the analyses, the plan that is proposed can be summarized as follows:

| <u>Condition</u> | <u>Description</u> |
|---|---|
| Implement Phase I | Sewer separation in the Boots Creek Drainage Area and improve wet weather flow capacity at the WWTF |
| Implementation Period | 20 years |
| Preliminary Estimated Cost (Phase I) | \$17,500,000 |
| Post Construction Activity | Monitoring to quantify improvements |
| Re-Evaluation | Every 5 years as required by IDEM |
| Average WWCPH | \$308/year |
| Average WWCPHI | 1.06% of MHI |
| Estimated # of overflows after construction | 18 per year |