

UTILITY INFRASTRUCTURE OVERVIEW

5 YEAR CAPITAL IMPROVEMENT PLAN

Sewer \$6,855,000

- Two transmission projects for sewer = \$2,000,000 ea.
- New lift station at Fels and Mobile St. = approx. \$250,000
- Mapping upgrades = \$50,000 to \$75,000
- Study for the Grand Hotel = \$25,000 to \$30,000
- Three future force main projects and at least one major pump station project = approx. \$2,500,000

Water \$6,230,000

- Add a production facility and connecting transmission mains = \$4,000,000.
- System modeling and connect the balance of our production facilities with SCADA to balance system pressures and production min = \$250,000
- Potential transmission mains = ~\$1,000,000.
- Complete Fairhope Avenue water tank at \$980,000.

Gas \$5,000,000

- Replace 16 miles of cast iron main = \$4,000,000.
- Work on exposed transmission mains min = \$1,000,000

Electric \$11,500,000

Agreed in 2017 to go with an option which addresses an overall upgrade (recommended from a 2016 study)

- Substation upgrade project = \$9,000,000
- Relocate the Fairhope Substation = \$1,000,000
- Upgrade to the 46,000-volt transmission line = \$1,000,000
- We have a pole maintenance contract in the works that we anticipate will cost as much as \$500,000 by the time we get all the poles replaced that are identified as in poor condition.

All total, the probable spending needs over the next 5 years will be approximately \$31MM (including facility remodel).