

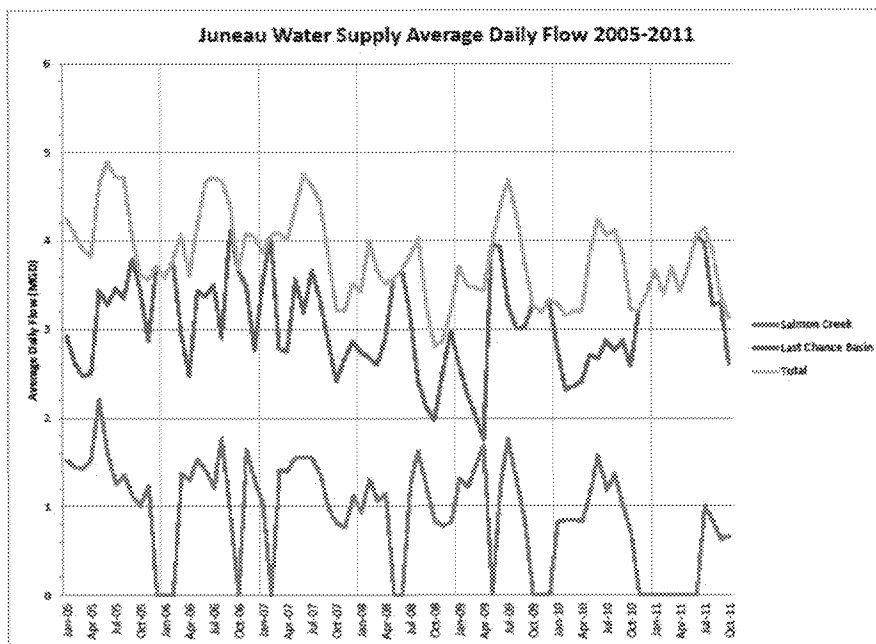
DATE: 11/11/13

TO: Randy Wanamaker, Chair
Public Works and Facilities Committee

FROM: Rorie Watt, P.E., Director [Signature]

SUBJECT: Last Chance Basin Transfer & Appropriation

Wellfield production in the Last Chance Basin has been declining to the point that the Water Utility was unable to meet peak drinking water demand this summer. Peak demand occurs in the summer months and is largely driven by the desire of cruise ships to fill up with drinking water while in our port. Generally, Utility peak production and use is as high as 5 million gallons per day (MGD) and non-summer use is typically about 3-4 MGD. Cruise ship use can be about 1 MGD. The below graph from the "AJ Mine Related Water Study" illustrates that usage.



This past summer the Utility was unable to supply cruise ships with a stable or predictable water supply. Last month, staff from Engineering, Public Works and Manager's office met with cruise ship representatives to discuss the issue. Well field rehabilitation is a priority of the

Utility and Assembly as is evidenced by our DEC Grant application and designation of it as a priority project by the Assembly. It is a priority of the cruise ship industry to improve the water supply as soon as is feasible.

Depending on the decisions made, a well field rehabilitation project could cost on the order of three million dollars. It is in both the Utility and cruise ship industry's interests to better define and estimate a well field rehabilitation project. At our meeting, there was support from the industry representatives to use Passenger Fees towards that end.

Recommendation:

Forward to the Assembly a request to transfer \$150,000 of Marine Passenger Fees from the Waterfront Seawalk and appropriate \$150,000 of Utility Reserves to a Last Chance Basin Rehabilitation project.