

8 Project Financing

After consultation with internal committee members, external stakeholders, and the Technical Committee, the Finance Committee has weighed and compared several scenarios and options for possible expenses and financing methods. These methods correspond with specific levels of service improvement that are designed to benefit the Bloomingdale/LeDroit Park area and to improve DC Water's water and wastewater service system.

While there are many additional regulatory, code and outreach components of the recommendations, most have not been identified as having a fiscal impact upon any agency. This section lists the specific activities and costs that have been recommended by the Technical Committee and identifies the proposed fiscal responsibility and approach.

Some costs identified as the fiscal responsibility of the District of Columbia government have been recognized and will be included within the Mayor's Fiscal Year 2014 operating or capital budget submission. However, where funding is not currently identified, actual implementation of recommendations will be dependent upon funding and budget approvals and limitations.

These approaches are believed to reflect the most expeditious, cost-effective, and equitable solutions to address flooding in the Bloomingdale/LeDroit Park area, while ensuring the District Government and DC Water remain poised to pursue further medium and long term mitigation efforts that comprehensively address water, stormwater and wastewater services for the District and region.

8.1 Financing Strategy for Short Term Remedial Measures

Resources to help homeowners with the procurement and installation of equipment and surface improvements to prevent flooding would support the following short term programs recommended in this report:

- Backwater Valve Program
- DDOE Rain Barrels
- Green Infrastructure

The following table identifies the costs and fiscally responsible party (or parties) associated with each remedial measure.

Table 8-1: Financing Strategy for Short Term Remedial Measures

Item	Funding Allocation	Fiscal Responsibility
Backwater Valve Program <ul style="list-style-type: none"> • Homes impacted in summer 2012 • Expanded program to larger area and for future incidents 	\$300k TBD	DC Water District (pending final scope, availability and authorization of funding)
DDOE Rain Barrels (within impacted area)	\$250,000	DC Water
Green Infrastructure	\$1.1 M	DC Water

8.2 Financing Resources for Medium Term Remedial Measures

Resources to help District Government agencies and DC Water with the design, procurement, and construction of large-scale remediation projects would support the following medium term programs recommended in this report:

- McMillan Temporary Stormwater Storage
- First Street Tunnel
- Expanded DDOE Rain Barrel Program
- Green Infrastructure
- Removable Barrier Program

The following table identifies the costs and fiscally responsible party (or parties) associated with each remedial measure.

Table 8-2: Financing Strategy for Medium Term Remedial Measures

Item	Funding Allocation	Fiscal Responsibility
McMillan Temporary Stormwater Storage*	\$12M	See Note
First Street Tunnel	\$104M	DC Water
• Included within DC Clean Rivers Project		
• Additional effort to support Task Force*	\$28M	See Note
Expanded DDOE Rain Barrel Program	\$300,000	FY14 District Operating Budget - DDOE
Green Infrastructure	\$10M	FY14 District Capital Budget - DDOT
Removable barrier program that offers residents a \$3,000 rebate on installation	\$375,000	District (pending availability and authorization of funding)

*Note: The \$40 million in additional funding required for the McMillan Stormwater Storage and an enhanced tunnel at First Street are beyond the existing program levels under the DC Water Long Term Control Plan. Several possible approaches for funding this expanded effort have been considered, and the following approaches should be further explored:

- 1) Debt issuance by DC Water, with debt service payments made through transfers from the District's annual operating budget in the amount needed to pay the additional infrastructure financing
- 2) Debt issuance by DC Water with increased rates from District ratepayers for the term of the project financing.

8.3 Financing Resources for Long Term Remedial Measures

The Northeast Boundary Tunnel project, which is a part of the DC Clean Rivers Project, is the long-term solution described in this report. The estimated cost for completing the tunnel is between \$500 and \$600 million, not including the First Street Tunnel which is being constructed as a separate project as described in this report. No additional funding is needed or requested.

Table 8-3: Fiscal Responsibility for Long Term Remedial Measures

Item	Funding Allocation	Fiscal Responsibility
Advance construction of the Northeast Boundary Tunnel	\$500-600 M	DC Water

8.4 Financing Resources for Non-Engineering Remedial Measures

Resources to help District Government agencies and DC Water implement operations, maintenance and public outreach improvements would support the following programs recommended in this report:

- Sandbag Distribution
- Catch Basin Cleaning
- Variable Message Boards

The following table identifies the costs and fiscally responsible party (or parties) associated with each recommended remedial measure.

Table 8-4: Fiscal Responsibility for Non-Engineering Remedial Measures

Item	Funding Allocation	Fiscal Responsibility
Distribution of sandbags to residents for advance preparation	\$55,000	FY14 District Operating Budget – DPW
Increase catch basin cleaning frequency in Bloomingdale/LeDroit Park to quarterly	\$20,000 Per yr	DC Water
Installation and operation of variable message boards on Rhode Island Ave NW	\$100,000	FY14 District Operating Budget - DDOT

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