

VGS
 FY2022 Expense Projects & Capital Investments exceeding \$100K
 Approval & Spec Sheet
 Date: December 5th

Project Name & Owner: In Footprint Main & Service Installation - Adam Gero Project & Work Order (project task) Number(s): TBD

Submitted by & Department: Adam Gero - 3010 Construction

Project Summary & Benefit: This project represents the Installations of 6", 4" & 2" distribution mains, and 3/4" service lines in existing footprint (IFP) to support marketing 2023 turn on projections of 711.

Schedule/Timing of In-Service: October 2022 to September 2023

What type of cost? Capital Expense

Other Notes (include business case and estimated useful life of capital purchase):
 In Footprint Distribution main and services based on the projected customer growth target of 711 turn ons that equals 535 services. The main footage is estimated based on historical services to main footage ratios and adjusted for any anomalies and considering construction capacity. See "FY23 Construction Calcs" sheet in the "Updated FY22 Capex Budget 2021 1111" workbook for further explanation. The resulting main footage is 27,547 feet total in footprint. The costs per foot were completed using an analysis which resulted in estimating 2023 unit costs based on taking the most recent year's historical data (2020) and adjusting for the 2023 overhead rate and applying 3 years of inflation at 2% year over year. See 2020 Cost per Foot Final for detail.

Assessment of Alternatives
 In-footprint installation of distribution lines is required in order to bring new customers on-line. VGS evaluates alternative vendors available to perform the work by issuing a request for proposals and assessing a variety of criteria including cost efficiency, contractor performance, scheduling and other factors.

BUDGET (add lines as needed)

Vendor	Product/Service	Type Of Known & Measurable Documentation Provided	Label on Documentation Found within Backup Folder	Capital Spend	FY2022 Expenses	Total
Contractor (TBD)	6" Main Installation 2,326 feet	Averages, Trends & Construction Schedule	FY Capex Budget, sheet "FY23 Construction Calcs"	\$226,633.19		\$226,633.19
Contractor (TBD)	4" Main Installation 7,341 feet	Averages, Trends & Construction Schedule	FY Capex Budget, sheet "FY23 Construction Calcs"	\$508,087.00		\$508,087.00
Contractor (TBD)	2" Main Installation 17,881 feet	Averages, Trends & Construction Schedule	FY Capex Budget, sheet "FY23 Construction Calcs"	\$731,609.00		\$731,609.00
Total In footprint main				\$1,466,329.19		\$1,466,329.19
Contractor (TBD)	3/4" Service Installation: 46,661 feet (535 services)	Averages, Trends & Construction Schedule	FY Capex Budget, sheet "FY23 Construction Calcs"	\$2,300,624.00		\$2,300,624.00
Total In footprint services				\$2,300,624.00		\$2,300,624.00
Internal Components of Budget:						\$0.00
						\$0.00
PROJECT TOTALS				\$3,766,953	\$0	\$3,766,953
Contingency				\$0	\$0	\$0
PROJECT TOTAL, INCLUDING CONTINGENCY				\$3,766,953	\$0	\$3,766,953

Prior to Spend/Contract Commitment		
<i>All projects over \$100,000 must be presented and approved by the Project Steering Committee</i>		
Subsequent approval, if required based upon the criteria below:		
<i>If the project RE-forecast is greater than 15% or \$25,000 (unless otherwise assigned) over the original budget and/or the schedule has shifted into a new fiscal year, the project must be presented to the VP, of that area for additional approval.</i>		
<i>If the re-forecast is greater than \$250,000 the project must be presented to the VP of Finance for additional approval</i>		
Threshold if otherwise assigned	_____	
Updated Forecast Project Total:	<u>\$3,737,839</u>	Variance > \$25,000 -29,114
Schedule:	_____	Variance > 15% -1%
Vice President (as applicable)	_____	
VP, Finance (as applicable)	_____	