



UNDP GEF Black Sea Ecosystem Recovery Project

MYKOLAIV WATER & SEWERAGE PROJECT



Project Objectives:

- Develop the Short Term Investment Project (STIP) initiated the EC DABLAS Project Broker assignment for W&S infrastructure in Mykolaiv
- Assist the City and Utility present the proposed investment project to the public at a local public consultation hearing.
- Develop / amend the financial model incorporating the feedback from the public hearings.
- Develop the financing discussions / negotiations already initiated under EC DABLAS Project Broker between the City, the Utility, the EIB, the EC, and the Ministry of Finance (with regard to a State Guarantee for the debt financed component).



CAPITAL WORKS INVESTMENT PLAN

Item ref.	STIP Project Component Description	Cost €
1. Water Distribution Network		
1.1	District Buildings including strategic metering	1,457,500
1.2	Replacement of Valves	133,400
1.3.1.	Network Rehabilitation – Part 1	2,556,240
1.3.2.	Network Rehabilitation – Part 2	1,095,800
1.4	Water Meters for Multi-dwelling Units	87,000
1. Sub Total		5,329,940
2. Water/Wastewater Pumping Stations and Reservoirs		
2.1	Valves replacement	330,400
2.2.1	Rehabilitation of WS PS - Incl. Frequency Converters	168,000
2.2.2	Rehabilitation of WW PS - Incl. Frequency Converters	720,000
2.3.1	Control and Switch Panels rehabilitation WW_PS	45,000
2.3.2	Control and Switch Panels rehabilitation WS_PS	35,000
2.4	Flow Meter & Logger @ Reservoirs/Pumps WS_PS	420,000
2.5	Small Electrical and Mechanical Items	10,000
2. Sub Total		1,728,400
3. Water Treatment Plant Refurbishment		
3.1	Valves replacement - Small and Medium Dia.	49,200
3.2	Valves replacement - Large Dia.	312,350
3.3	Coagulation Tank Stage III	2,445,000
3.4	Flocculation and Clarifier Stage I	1,745,000
3.5	Chlorination Unit	686,000
3. Sub Total		5,237,550
4. Sewerage Network Rehabilitation		
4.1	Sewer rehabilitation	6,600,110
4.2	Replacement of Missing Manhole Covers	178,000
4.3	Ventilation of Sewers	150,000
4.4	Remote and SCADA Pumping Stations	390,000
4. Sub Total		7,318,110
5. Refurbishment of the existing WWTP		
5.1	Inlet-Screens-Grid-Building	1,836,000
5.2	2 Secondary Clarifiers	1,800,000
5.3	3 Sludge thickeners	2,695,000
5. Sub Total		6,331,000
6.	Miscellaneous Items	569,000
7.	TA for Project and PIU implementation	782,000
GRAND TOTAL		€ 27,296,000

RESULTS ACHEIVED:

- Technical Feasibility Studies – completed in December 2006, including following components:
 - STIP Justification and Adjustment
 - EIA
 - Procurement Plan, Tariffs and Financial Analysis
 - Procurement Documents
 - Options Study for the Long-term Optimization of the City’s Sewerage Network
- Public Consultations Completed with public support confirmed –February 2007
- Project Approval by City Parliament confirmed
- State Guarantee Procedure has been started in February 2007
- National Grant contribution confirmed (see Financing Plan)
- EC Grant confirmed and grant agreement signed with EC/EIB (see Financing Plan)
- Construction Works underway (€2,300,000 constructed by May 2007)

PUBLIC CONSULTATION & PUBLIC SUPPORT



INVESTMENT WORKS CONSTRUCTED BY MAY 2007

Re	STIP Project Works Components Description	Total Cost €	Works Completed Q4 2006 / Q1-Q2 2007	Completion (%)	Source of Finance
1	Water Distribution Network	5,329,940	280,000	5.3%	National Grant
2	Water/Wastewater P Station & Reservoirs	1,728,400	450,000	26.0%	National Grant
3	Water Treatment Plant Refurbishment	5,237,550	20,000	0.4%	National Grant
4	Sewerage Network Rehabilitation	7,318,110	780,000	10.7%	National Grant
5	Refurbishment of the WWTP	6,331,000	770,000	12.1%	National Grant
	STIP Total	€25,945,000	€2,300,000	8.9%	National Grant

FINANCING PLAN

Ref.	STIP Source of Finance	Amount EUR Million	Percentage by Source
1	National Grant Contribution (Local, Oblast & Central Government Grants)	€ 8,756,000	32.1%
2	EC Grant	€ 3,000,000	11.0%
3	State Guaranteed Loan (Debt)	€ 15,540,000	56.9%
4	STIP TOTAL	€ 27,296,000	100.0%

