Division of Financial Assistance

Availability of Capital and Operations and Maintenance Cost

Lucio Orellana
Senior Water Resource Control Engineer, Specialist
Office of Sustainable Water Solutions

Outline

- Overview
- Eligible Projects/Applicants
- Types of Funding
- Cost Estimates - Planning Projects
- Cost Estimates - Construction Projects
- Emergency Drinking Water/Drinking Water for Schools
- O&M -What We Do/Don't Have
- Factors That Could Affect Costs
- Questions

Overview

- The Division of Financial Assistance (DFA) administers the State Water Resources Control Board's (State Water Board) financial assistance programs, including loan and grant funding for water system improvements
- The Office of Sustainable Water Solutions (OSWS) provides technical assistance and other support for small, disadvantaged communities

Eligible Projects

- Planning, design and construction of drinking water infrastructure projects including:
  - Treatment systems
  - Distribution systems
  - Interconnections
  - Consolidations
  - Water sources
  - Water meters
  - Water storage tanks

Eligible Applicants

- Publicly owned Community Water Systems (CWS)
  - Counties, cities, and districts
- Privately owned CWSs
  - Mutual water companies
- Non-Profit Non-Community Water Systems
  - Public school districts

Eligible Costs – Planning Projects

- Planning Projects
  - Feasibility studies and project reports
  - Engineering and design documents
  - Environmental documents
  - Drilling of test wells
  - Pilot studies
  - Technical, Managerial, and Financial (TMF) assessments and supporting documents
  - Consolidation agreements

Eligible Costs – Construction Projects

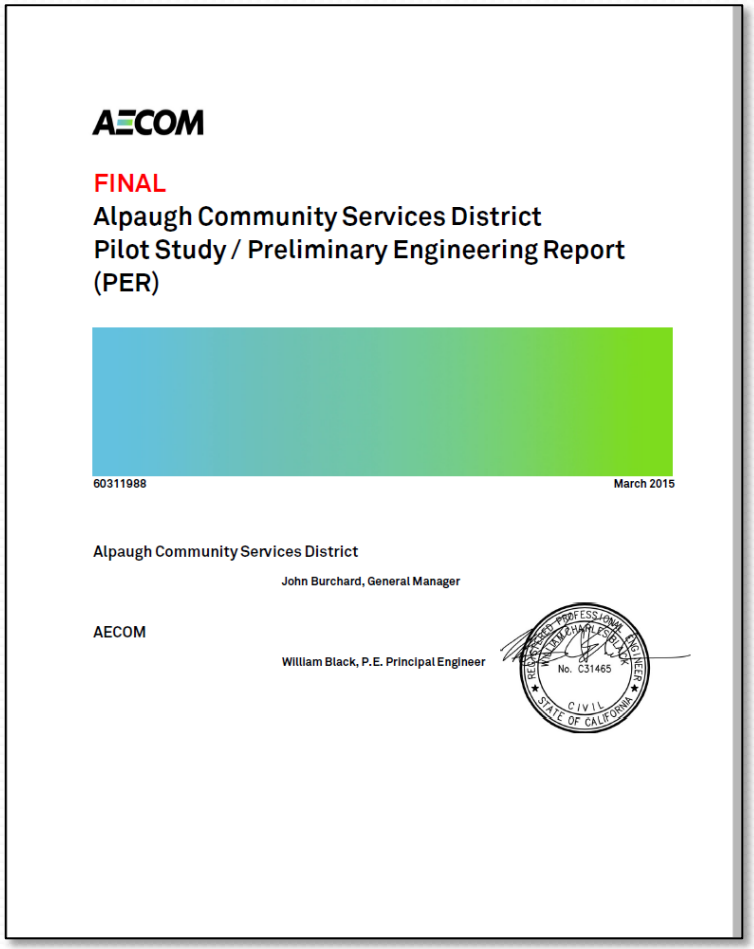
- Construction Projects
  - Purchase and installation of treatment facilities
  - Drilling and equipping of production wells
  - Consolidation project components
  - Replacement of pipelines and water mains
  - Purchase and installation of water supply meters
  - Pump stations
  - Interties
  - Storage Tanks
  - Consolidation project costs (connection fees, sources to meet demand)

Technical Assistance

- Technical Assistance
  - Funding application assistance
  - Legal assistance
  - Income surveys
  - Technical, Managerial, and Financial (TMF) Assessments
  - Rate studies
  - Board or operator training

Cost Estimates - Planning Projects

- Preliminary Engineering Report (PER)/Feasibility Studies
  - Includes alternatives analysis with estimated capital and O&M costs to address water quality issues or system deficiencies



AECOM

FINAL

Alpaugh Community Services District
Pilot Study / Preliminary Engineering Report (PER)

60311988 March 2015

Alpaugh Community Services District

John Burchard, General Manager

AECOM

William Black, P.E. Principal Engineer

REGISTERED PROFESSIONAL ENGINEER No. C31465 CIVIL STATE OF CALIFORNIA

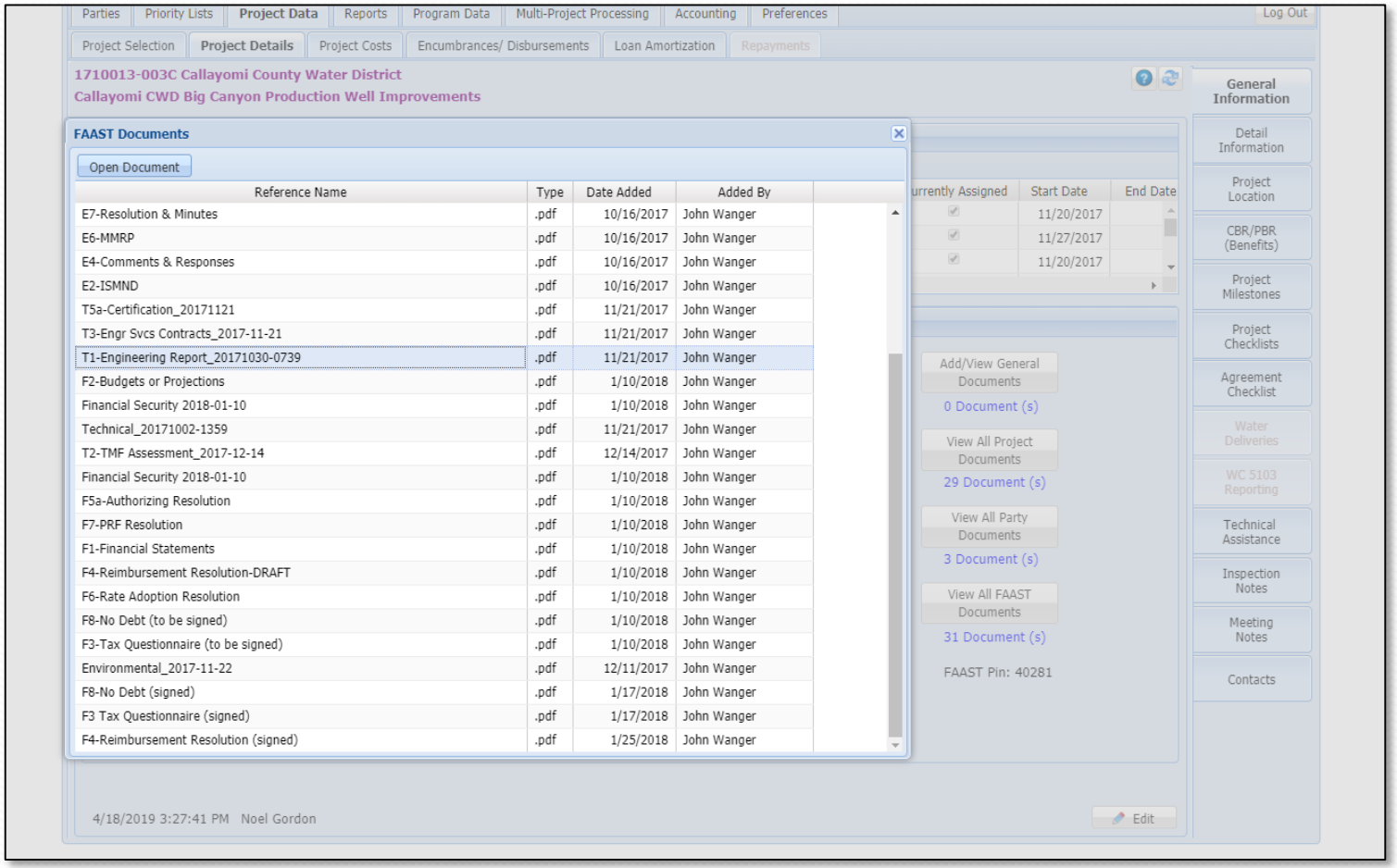
Cost Estimates – Planning Projects

- Final Engineering Report
  - Final design of selected construction project with detailed opinion of probable capital and O&M costs

BIG CANYON ROAD WELL IMPROVEMENTS
Engineer's Estimate of Probable Cost
August 1, 2017

Item No.	Item Description	Estimated Quantity	Unit of Measure	Unit Cost	Item Total
Offsite Pipeline and Access Road					
1	Traffic Control and Construction Area Signs	1	L.S.	$50,000.00	$50,000
2	Trench Bracing and Shoring	1	L.S.	$5,000.00	$5,000
3	8" PVC Raw Water Line	2,111	L.F.	$120.00	$253,320
4	8" DIP Raw Water Line	316	L.F.	$400.00	$126,400
5	8" Raw Water Gate Valve	4	Each	$1,925.00	$7,700
6	10" Raw Water Gate Valve	1	Each	$2,100.00	$2,100
7	2-inch Air Release Valve	1	Each	$3,000.00	$3,000
8	8" x 10" Cut-In Tee	1	Each	$6,000.00	$6,000
9	Temporary Blow-Off	1	Each	$2,000.00	$2,000
10	2" PVC Sch 40 Fiber Optic Conduit	2,135	L.F.	$40.00	$85,400
11	2" Galv. Steel Sch 80 Fiber Optic Conduit	361	L.F.	$100.00	$36,100
12	Fiber Optic Communication Pull Box	10	Each	$300.00	$3,000
13	Earthwork - Driveway Excavation	206	C.Y.	$40.00	$8,240
14	Asphalt Concrete (Access Road)	100	Tons	$115.00	$11,500
15	Aggregate Base Class 2	158	C.Y.	$48.00	$7,584
16	Access Road Gate	1	L.S.	$6,500.00	$6,500
17	Mobilization (offsite piping and access road)	1	L.S.	$30,370.00	$30,370
Onsite Pump Station and Building					
18	Mobilization	1	LS	$39,000.00	$39,000
19	Project Records & Submittals	1	LS	$7,500.00	$7,500
20	Project Closeout	1	LS	$7,500.00	$7,500
21	Demolition, Clearing, Grubbing & Stripping	1	LS	$8,500.00	$8,500
22	Earthwork	1	LS	$84,450.00	$84,450
23	Paving	1	LS	$36,500.00	$36,500
24	Chain Link Fencing	1	LS	$23,850.00	$23,850
25	Concrete	1	LS	$23,350.00	$23,350
26	Painting	1	LS	$17,600.00	$17,600
27	Building	1	LS	$57,300.00	$57,300
28	Signs & Safety Equipment	1	LS	$4,750.00	$4,750
29	Pipe (Station, Distribution and Drainage)	1	LS	$44,250.00	$44,250
30	Valves & Related Appurtenances	1	LS	$27,500.00	$27,500
31	Submersible Pump Components	1	LS	$67,800.00	$67,800
32	Chemical Treatment System	1	LS	$11,900.00	$11,900
33	Disinfection of Well, Pump and Piping	1	LS	$2,000.00	$2,000
34	Ventilation	1	LS	$9,700.00	$9,700
35	Performance Testing and Facility Startup	1	LS	$1,500.00	$1,500
36	Electrical	1	LS	$217,250.00	$217,250
37	Electrical Controls (PLC/SCADA)	1	LS	$95,000.00	$95,000
			Subtotal		$1,431,414
			10% Contingency		$143,140
			Total Construction Cost		**$1,574,554**

Cost Estimate - Availability

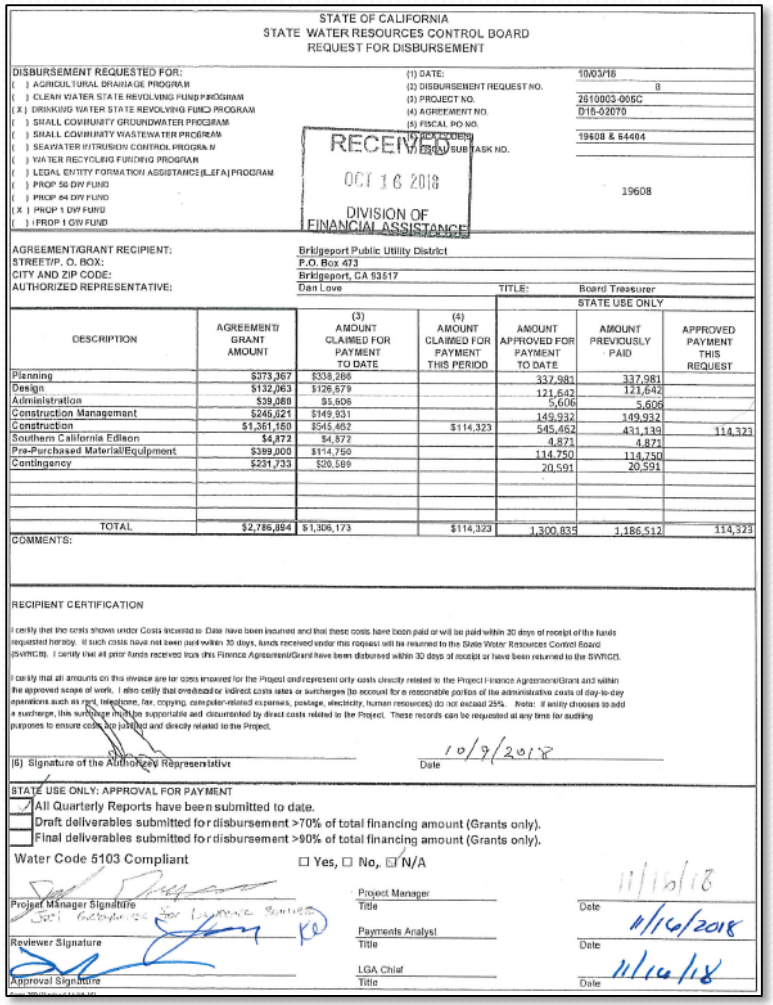


Planning Project Estimates

Applicant	County	Service Connections	Population	Type of Treatment	Estimated Capital Costs
Plumas Eureka CSD	Plumas	55	1,525	Arsenic	$2M
Allensworth CSD	Tulare	148	400	Arsenic	$3.3M
Alpaugh CSD	Tulare	390	1,026	Arsenic	$1.9M
Pleasant Valley Joint SD	San Luis Obispo	1	100	Arsenic	$908,000
Washington Elementary School	Monterey	1	250	Arsenic	$225,000
Greenfield County WD	Kern	2,906	9,500	Arsenic	$555,000

Reimbursement - Planning Projects

- Reimbursement requests
  - Invoices for actual costs of test wells, pilot studies, consulting rates, etc.
  - Availability: contractor, consulting invoices submitted via hard copy and filed in project folders; invoices not available electronically in project database



STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
REQUEST FOR DISBURSEMENT

DISBURSEMENT REQUESTED FOR:
( ) AGRICULTURAL DRAINAGE PROGRAM
( ) CLEAN WATER STATE REVOLVING FUND PROGRAM
(X) DRINKING WATER STATE REVOLVING FUND PROGRAM
( ) SMALL COMMUNITY GROUNDWATER PROGRAM
( ) SMALL COMMUNITY WASTEWATER PROGRAM
( ) SEAWATER INTRUSION CONTROL PROGRAM
( ) WATER RECYCLING FUNDING PROGRAM
( ) LEGAL ENTITY FORMATION ASSISTANCE (LEFA) PROGRAM
( ) PROP 50 DW FUND
( ) PROP 84 DW FUND
(X) PROP 1 DW FUND
( ) PROP 1 GW FUND

(1) DATE: 10/03/18
(2) DISBURSEMENT REQUEST NO. 8
(3) PROJECT NO. 2610003-005C
(4) AGREEMENT NO. D16-02070
(5) FISCAL PO NO.
(6) FUND CODE(S) 19608 & 84404
(7) SUB TASK NO.
19608

RECEIVED
OCT 16 2018
DIVISION OF FINANCIAL ASSISTANCE

AGREEMENT/GRANT RECIPIENT: Brikgeport Public Utility District
STREET/P. O. BOX: P.O. Box 473
CITY AND ZIP CODE: Brikgeport, CA 93517
AUTHORIZED REPRESENTATIVE: Dan Love TITLE: Board Treasurer

DESCRIPTION	AGREEMENT/ GRANT AMOUNT	(3) AMOUNT CLAIMED FOR PAYMENT TO DATE	(4) AMOUNT CLAIMED FOR PAYMENT THIS PERIOD	STATE USE ONLY: AMOUNT APPROVED FOR PAYMENT TO DATE	STATE USE ONLY: AMOUNT PREVIOUSLY PAID	STATE USE ONLY: APPROVED PAYMENT THIS REQUEST
Planning	$373,367	$338,286		337,981	337,981	
Design	$132,063	$126,579		121,642	121,642	
Administration	$39,088	$5,606		5,606	5,606	
Construction Management	$246,821	$149,931		149,932	149,932	
Construction	$1,361,160	$545,462	$114,323	545,462	431,139	114,323
Southern California Edison	$4,872	$4,872		4,871	4,871	
Pre-Purchased Material/Equipment	$399,000	$114,750		114,750	114,750	
Contingency	$231,733	$20,589		20,591	20,591	
TOTAL	$2,786,894	$1,306,173	$114,323	1,300,835	1,186,512	114,323

COMMENTS:

RECIPIENT CERTIFICATION

I certify that the costs shown under Costs Incurred to Date have been incurred and that these costs have been paid or will be paid within 30 days of receipt of the funds requested hereby. If such costs have not been paid within 30 days, funds received under this request will be returned to the State Water Resources Control Board (SWRCB). I certify that all prior funds received from this Finance Agreement/Grant have been disbursed within 30 days of receipt or have been returned to the SWRCB.

I certify that all amounts on this invoice are for costs incurred for the Project and represent only costs directly related to the Project Finance Agreement/Grant and within the approved scope of work. I also certify that overhead or indirect costs rates or surcharges (to account for a reasonable portion of the administrative costs of day-to-day operations such as rent, telephone, fax, copying, computer-related expenses, postage, electricity, human resources) do not exceed 25%. Note: If entity chooses to add a surcharge, this surcharge must be supportable and documented by direct costs related to the Project. These records can be requested at any time for auditing purposes to ensure costs are justified and directly related to the Project.

(6) Signature of the Authorized Representative — Date 10/9/2018

STATE USE ONLY: APPROVAL FOR PAYMENT
- [x] All Quarterly Reports have been submitted to date.
- [ ] Draft deliverables submitted for disbursement >70% of total financing amount (Grants only).
- [ ] Final deliverables submitted for disbursement >90% of total financing amount (Grants only).

Water Code 5103 Compliant ☐ Yes, ☐ No, ☒ N/A

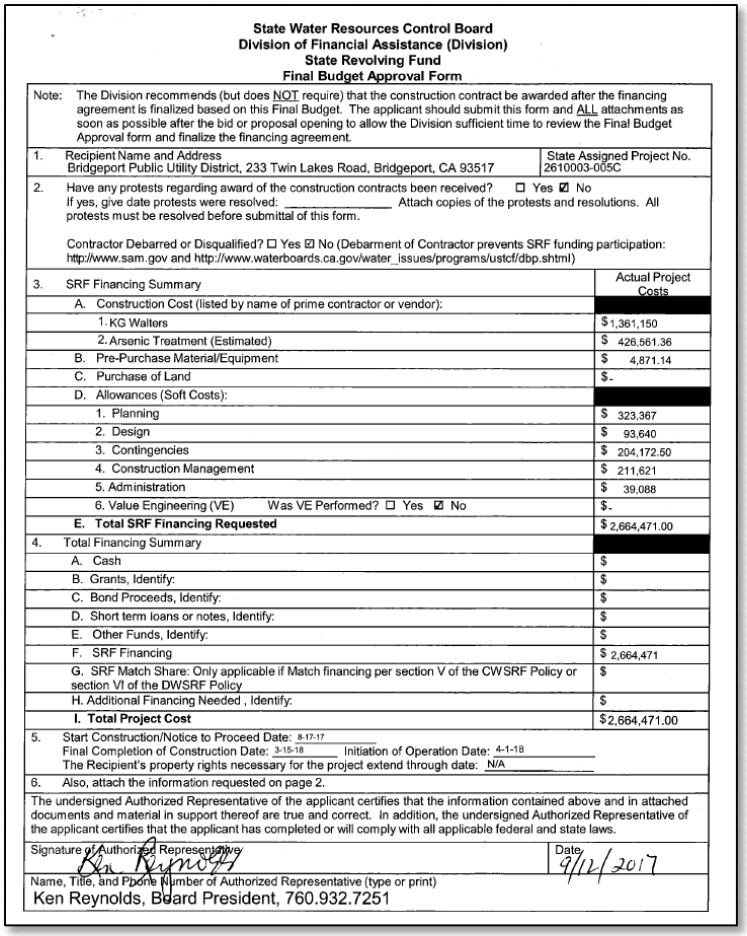
Project Manager Signature — Project Manager Title — Date 11/16/18
Reviewer Signature — Payments Analyst Title — Date 11/16/2018
Approval Signature — LGA Chief Title — Date 11/16/18

Cost Estimates - Construction Projects

- Final engineering report and plans and specs (if finalized in construction agreement)
  - Engineers detailed opinion of probable capital costs
  - Availability: pdf copies of engineering report and estimated costs uploaded to our project database

Cost Estimates - Construction Projects

- Final Budget Approval (FBA)
  - Tabulation of all bids and proposals received, cost comparison with consulting engineers' estimate, breakdown of construction and soft costs for project, change orders
  - Availability: electronic copies of FBA documents, bid packages, and supporting documentation uploaded into our project database



State Water Resources Control Board
Division of Financial Assistance (Division)
State Revolving Fund
Final Budget Approval Form

Note: The Division recommends (but does NOT require) that the construction contract be awarded after the financing agreement is finalized based on this Final Budget. The applicant should submit this form and ALL attachments as soon as possible after the bid or proposal opening to allow the Division sufficient time to review the Final Budget Approval form and finalize the financing agreement.

1. Recipient Name and Address: Bridgeport Public Utility District, 233 Twin Lakes Road, Bridgeport, CA 93517 — State Assigned Project No. 2610003-005C

2. Have any protests regarding award of the construction contracts been received? ☐ Yes ☑ No
If yes, give date protests were resolved: _____ Attach copies of the protests and resolutions. All protests must be resolved before submittal of this form.

Contractor Debarred or Disqualified? ☐ Yes ☑ No (Debarment of Contractor prevents SRF funding participation: http://www.sam.gov and http://www.waterboards.ca.gov/water_issues/programs/ustcf/dbp.shtml)

3. SRF Financing Summary	Actual Project Costs
A. Construction Cost (listed by name of prime contractor or vendor):	
1. KG Walters	$1,361,150
2. Arsenic Treatment (Estimated)	$ 426,561.36
B. Pre-Purchase Material/Equipment	$ 4,871.14
C. Purchase of Land	$-
D. Allowances (Soft Costs):	
1. Planning	$ 323,367
2. Design	$ 93,640
3. Contingencies	$ 204,172.50
4. Construction Management	$ 211,621
5. Administration	$ 39,088
6. Value Engineering (VE) Was VE Performed? ☐ Yes ☑ No	$-
E. Total SRF Financing Requested	$2,664,471.00
4. Total Financing Summary	
A. Cash	$
B. Grants, Identify:	$
C. Bond Proceeds, Identify:	$
D. Short term loans or notes, Identify:	$
E. Other Funds, Identify:	$
F. SRF Financing	$ 2,664,471
G. SRF Match Share: Only applicable if Match financing per section V of the CWSRF Policy or section VI of the DWSRF Policy	$
H. Additional Financing Needed , Identify:	$
I. Total Project Cost	$2,664,471.00

5. Start Construction/Notice to Proceed Date: 8-17-17
Final Completion of Construction Date: 3-15-18 Initiation of Operation Date: 4-1-18
The Recipient's property rights necessary for the project extend through date: N/A

6. Also, attach the information requested on page 2.

The undersigned Authorized Representative of the applicant certifies that the information contained above and in attached documents and material in support thereof are true and correct. In addition, the undersigned Authorized Representative of the applicant certifies that the applicant has completed or will comply with all applicable federal and state laws.

Signature of Authorized Representative: Ken Reynolds — Date: 9/12/2017

Name, Title, and Phone Number of Authorized Representative (type or print)
Ken Reynolds, Board President, 760.932.7251

Reimbursement – Construction Projects

- Reimbursement requests
  - Invoices for actual construction costs from contractors, consulting rates
  - Availability: contractor, consulting invoices submitted via hard copy and filed; invoices not available electronically in project database

Emergency Drinking Water/Drinking Water for Schools Programs

- Interim Drinking Water (bottled and hauled water)
  - Estimates and actual costs of interim drinking water from vendors
  - Data available electronically or hard copy in project files

- Point of Use
  - Estimates and actual costs for labor, materials, monitoring, and installation
  - Data available electronically in project files

O&M - What We Do and Don't Have

- What we don't have
  - Ongoing O&M costs for grant funded projects
- What we do have
  - Limited ongoing O&M data for loan projects

Factors That Could Affect Costs

- Proximity of water system/community to nearest public water systems (PWSs) for consolidation projects
- Location and accessibility of water system/community (rural vs urban)
- Demand for specific trades (i.e. well drillers during drought)
- No or single bidder on construction projects
- Regulatory review of project (e.g. Division of the State Architect (DSA) for school water system projects)
- Compliance with federal cross cutters (DWSRF: American Iron and Steel (AIS), Davis-Bacon, and Disadvantaged Business Enterprise (DBE))

Thanks!

Nichole Morgan, Supervising Engineer, OSWS

Nichole.Morgan@waterboards.ca.gov

Lucio Orellana, Senior Engineer, OSWS

Lucio.Orellana@waterboards.ca.gov