

TUOLUMNE CITY SANITARY DISTRICT

TCS
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TUOLUMNE, CA 95379

SPECIAL MEETING STAFF REPORT DECEMBER 6, 2023

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Agenda Item No. 6

To: Board of Directors
From: Dave Andres, General Manager
Subject: Proposed SRF Applications
Date: November 29, 2023

Background: District Staff is completing the first phase of funding under the State Revolving Fund (SRF) program. The District received \$8,000,000 in funding beginning in 2017 fiscal year that provided both *Planning Grants* and *Construction Grants* for the Wastewater Treatment Plant (WWTP) and the Wastewater Collection System (WWCS). The WWTP project is coming up on its one-year anniversary as the warranty period is about to expire, while construction of the WWCS project was completed by the end of November. While all of the construction work has been completed the District still needs to be reimbursed for outstanding costs from the state and submit final reports required under the grant. The District has received up to an additional \$2,211,010 in Phase 2 funding for the WWTP project. Staff would like to discuss with your Board potential grant applications for potential future projects.

Discussion: The District is currently eligible for 100% grant funding under the State Revolving Fund (SRF) Program administered by the State Water Quality Control Board (SWQCB). This program offers two types of grants: planning grants and construction grants. The District is not limited on the amount of planning grant funding due to a change in regulations that previously limited the amount to \$500,000. Planning grants are utilized when the project or projects need to be designed and undergo an environmental assessment prior to being finalized. Construction grants are used when the environmental and permitting is complete and the plans are at least 70% designed and the project is close to bidding.

District staff has met and outlined potential projects for future funding. Staff has separated the projects into four primary categories based on whether the project is in the collection system or at the treatment plant and whether the project is slated for a construction grant or a planning grant. In addition, the District has been notified that it is eligible for approximately \$2.2 million in "special funding" at the WWTP. A summary of the proposed projects is provided in Table 1 below.

Table 1. Proposed Estimated Project Funding

PROJECT TYPE	GRANT SOURCE	ESTIMATED AMOUNT	PRELIMINARY PROJECT SUMMARY
WWTP <i>Special Funding</i>	SRF CONSTRUCTION GRANT – PHASE II (Special Funding)	\$2,211,010	<ul style="list-style-type: none"> ❖ Reimbursement for prior costs - \$324,500 (complete) ❖ Site Improvements (paving; effluent line relocation) - \$1,294,260 ❖ SCADA Upgrades - \$592,250
WWTP	SRF CONSTRUCTION GRANT – Phase III	\$4,500,000	<ul style="list-style-type: none"> ❖ Environmental Update (if necessary) ❖ Final Design & Bidding ❖ Tailwater/Runoff Control & Monitoring Project at Reservoir ❖ Reservoir Controls Building/Storage Area/Repair Wier ❖ Chemical Feed Station and other compliance equipment / facilities at Reservoir; ❖ Storage Lagoon Liners ❖ Install de-nitrification system (Wave Ox) ❖ Miscellaneous WWTP Site Improvements, paving & Hydrant Replacements
WWTP	SRF PLANNING GRANT	\$650,000	<ul style="list-style-type: none"> ❖ Environmental ❖ <i>Apple Colony Lift Station</i> Upgrades and potential relocation analysis / design ❖ Utility location / Easements / Facility Surveys ❖ WWTP Facilities Master Plan encompassing all potential future WWTP projects (e.g. Dewatering Facility, Widen Entrance Bridge, Headworks/Grit Removal Upgrades; Clarifier Modifications; Overflow Pond Modifications; etc.)
WWCS	SRF CONSTRUCTION GRANT – PHASE 2 Carter Basin <div style="text-align: right;">Total:</div>	\$750,000 \$5,500,000 \$4,500,000 <u>\$10,750,000</u>	<ul style="list-style-type: none"> ❖ Bidding ❖ Phase 2A – Construct Incomplete Phase 1 <i>Additive Alternate (Cedar / Madrone area)</i> - \$750,000 ❖ Construct Carter Basin Phase 2B - \$5,500,000 ❖ Construct Carter Basin Phase 2C - \$4,500,000
WWCS	SRF PLANNING GRANT	\$650,000	<ul style="list-style-type: none"> ❖ Environmental (if necessary) ❖ Utility Location Services ❖ Easements / Facilities / Lateral Surveys ❖ Design / Bid Documents Willow Basin Collection System;

As indicated in a previous staff report from our September 6, 2023 Board Meeting, staff is bringing this information back to your Board for concurrence on submitting these grant

applications in the next 30 to 45 days. The applications as outlined in the staff report are 100% State funded, the worst that can happen is that the State will not fund all of our requests. However, it is more likely that the State would reduce our funding requests as opposed to not funding them at all.

Fiscal Impact: The District is currently eligible for 100% State grant funding under the SRF program. Total proposed funding for the WWTP Phase III and WWCS Phase II construction projects is estimated to exceed \$15,000,000.

Attachment(s): Summary of proposed *SRF Planning & Construction Grants for 2024*;
Proposed contracts for professional services: Black Water Consulting Engineers for a cost not to exceed \$205,686; and Forsgren Associates, Inc. *Master Service Agreement, Task Order 24-01* for estimated fee of \$50,000 (on-call services), *Task Order 24-02* for estimated fee of \$70,000 over two-years (planning support), *Task Order No. 19-02, Amendment 03* for an additional cost not to exceed \$35,000 (WWCS construction management), *Task Order No. 23-02* for a cost not to exceed \$65,000 (support for SCADA upgrade project).

Recommendation: Approve the construction and planning projects outlined in Table 1 of the staff report, approve, and authorize the General Manager to sign the attached agreements for services with Black Water Consulting Engineers and Forsgren Associates, Inc.

Recommended Motion:

- 1.) I move to approve the proposed SRF Grant applications as identified in the staff report as follows: Wastewater Treatment Plant and Wastewater Collection System Planning Grants at \$650,000 each, a Wastewater Treatment Plant construction grant for \$4,500,000 and a Wastewater Collection System construction grant for \$10,750,000.
- 2.) I move to approve the attached contracts and Task Orders for professional services with Black Water Consulting Engineers and Forsgren Associates, Inc. as identified in the staff report and authorize the General Manager to sign.

BOARD ACTION:

<input type="checkbox"/> Resolution No _____	Moved by: _____	Second by: _____
_____ AYES	_____ NOES	_____ ABSTAINED
_____ ABSENT	<input type="checkbox"/> No Action Taken	