
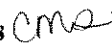


STAFF REPORT**UPDATE ON USDA GRANT/LOAN APPLICATION**

To: Mayor Samuelson and Members of the City Council

Date of Report: May 23rd, 2011

Staff Contact: Ryan Goodman, City Engineer 
Challis Stringer, Director of Public Works 

Meeting Date: June 6th, 2011

Agenda Item: Project Status Update on USDA Grant/Loan Application

Attachments: Project List

As a part of comprehensive utility planning, provisions were developed to anticipate funding and construction of needed short term capital improvements (6 year) that were identified through the planning process for the water, sewer and storm systems. Funding schemes were developed in these plans to support completion of the needs identified. The improvements generally include: loops and upsizing existing mains in the water system that will improve water quality and fire flows; low pressure sewer main extensions to serve existing unsewered neighborhoods in the City; stormwater systems to serve areas where no stormwater control exists or upgrade and install filtration where it does exist; and vehicle storage and improved composting facilities at the wastewater treatment plant.

A staff review of funding sources revealed that the USDA Rural Development Program is the best potential source of funds for this work. Staff has met twice with representatives from the USDA program to help facilitate a smooth application process. USDA has advised the City to submit two applications, one for the water/sewer projects and one for the stormwater projects as they do not like to see sewer and stormwater tied together. However they will accept one NEPA submittal for the entire project.

Funding submittal requirements include:

- NEPA environmental evaluation. The USDA program requires following this process.
- Preliminary engineering reports. For Stormwater and Water/Sewer.
- Application forms.

The staff is in the process of completing the USDA application materials, the preliminary engineering reports are approximately 90% complete. The funding request includes a combination of grants and loans. Debt is projected at 4.5% over a 30 year term.

The project scope includes installation of all water, sewer and storm improvements needed, and anticipates one coordinated contract that disrupts residents/neighborhoods only once, takes advantage of the economies of scale and achieves extension/upgrade of public services to the majority of City residents. A list of the specific elements included in the project scope is attached. Projected project cost is \$4.546 million. Grants will comprise about 1/3 of the total cost. Repayment of the resulting debt will be guaranteed by rates and connection charges in the corresponding utility.

CIP Projects Phase I	Est. Cost
1st St - DeBruyn to Exist WM, 900LF 8"	135,000
1st St - Anthes to Wharf St/Cascade, 850LF 8"	145,000
Park Ave WM - 1st to 3rd Ave, 660LF 8"	109,000
2nd St - DeBruyn to Park Ave, 700 LF 8"	105,000
Northview Pressure Zone Xfer, new main Suzanne Ct to ex. 12", 350 LF 8" main	93,000
Saratoga Rd, 600ft, pressure sewer	63,000
Brackenwood Rd, 1300ft pressure sewer	137,000
6th St - E of Anthes to Brookhaven Creek, 12"	190,000
Intersection of Anthes Ave & First St, 4 CBs	20,000
Melson Alley, 4th-6th, 12"	160,000
2nd Street to Cascade Avenue, to Ext of 3rd St, 12"	180,000
Water Quality Treatment at 4 existing outfalls	200,000
Wharf Street, 12" & water quality treatment unit	60,000
Total Phase I	1,597,000
CIP Projects Phase II	
Decker Ave WM Intertie Sandy Point Rd to Edgecliff	173,000
Sandy Point Rd WM, new WM loop, 2800ft	560,000
Covered Compost Area, Expand covered area by 2,400 ft ²	106,000
Garage for Plant Vehicles, Construct pole-type building, 1500 ft ²	85,000
Cedar Circle, 2400ft, pressure sewer	252,000
Cedar Acres Loop, 1860ft, pressure sewer	192,000
Edgecliff Dr, 3300ft, pressure sewer	439,000
Furman Ave, 1200ft, pressure sewer	126,000
Decker Ave, 1200ft, pressure sewer	126,000
Edgecliff Dr - W of Furman Ave, 12" to 18"	280,000
Furman Ave and Decker Avenue, 12"	490,000
Edgecliff Dr- E of Furman Ave to City Limits	120,000
Total Phase II	2,949,000
Total All Phases	4,546,000