

~ State Revolving Fund (SRF) Projects Update

Meeting Date: 3/12/2024 Prepared by Rae Bell Arbogast GM

1. Ram Spring Improvement Project (RSIP) Project ID 4600012-008C

This is a continuation of Planning Project ID 4600012-0008P started in 2015 and completed 12/31/2020.

Funding Agreement dated 10/12/2023 ~ Estimated completion date: 2/28/2026 ~

Budget: Up to \$1.5 Million

Primary objective: To reconfigure the Ram Spring Pumphouse and facilities to accommodate and protect the driven pipes that were installed in May of 2017 as part of the planning project.

Other objectives: To build a 12' x16' building at the Ram Spring that can be used as a "sample lab" and to store district tools and records. To upgrade all residential water meters under a special program for that purpose. To update the stand-by generator and pumps that are over 30 years old.

Progress since last board meeting:

- The first disbursement request check has arrived and will be deposited on March 12th.
- A lot of work has been done on the Bridge Loan application. ACWD was assigned a new loan rep as the other one had too much on his plate. They requested a lot more information that was provided on March 6th. There is a resolution on agenda under "new business" this month. The attorney has written a draft letter that still needs to be reviewed by RCAC.
- We have a new project manager with Coleman Engineering, his name is Scott Woodland and he previously was an engineer with the State Division of Drinking Water.

2. Water Tank Repair Project:

This project is to repair the water tank that was put in service in November of 2018 and was still under warranty when it failed. This project has two main parts: 1. The warranty repair work, to be completed by the original contractor Thompson Tank (not funded by SRF) 2. The Technical Assistance Request awarded to Coleman Engineering to oversee the repair work. (Funded by SRF)

Status: The regular monthly meeting got changed from the first to the second Wednesday of the month, putting it one day after ACWD's monthly board meeting. The next meeting will be on March 13th. We have been assured that Thompson Tank and BRCO Constructors will be participating.

Timeline Tank put in service Dec. 2018. 1-year warranty inspection done in Jan. 2020 found problem with rusting bolts in floor, bolts repaired in June of 2020. Tank started leaking and failure discovered: 10/30/2021 Tank drained and inspected mid-November 2021. First TA request submitted to State Dec. 2021 and approved in Jan. of 2022 with RCAC as the TA provider. TA report provided in Dec of 2022 was inconclusive. Warranty claim letter prepared by ACWD attorney Marsh Burch and submitted to BRCO contractors 3/17/2023. Second TA request approved May 13, 2023 with Coleman Engineering as the TA provider. Repair work expected to commence in late April 2024 to avoid winter weather.

3. Cathodic Protection Project This project is to add cathodic protection to the water tank that was not included in the original design (other than the coating which was supposed to provide protection). A grant for up to \$110,000 has been applied for under an “Urgent Needs” program also funded by the State Revolving Fund (SRF) and approval has been granted (see notes below).

- There was a misunderstanding about the timing of this funding agreement. We were under the impression that as an “Urgent Needs” project it would be 6 to 8 weeks for project approval (and we even have an email from SRF that says so) but we found out in late February that it will be 6 to 9 MONTHS before the agreement is approved (the previous email was an error). ACWD has already gotten preliminary approval for this project. What that means is that ACWD can spend the money and complete the project before the agreement is executed. I explained to the SRF representative that ACWD does not have the \$ to front this project. As a result, we will need another Bridge Loan and we are amending the budget for this project to include and Loan Fees and interest. It was not clear to me initially that ACWD would be responsible for administering this project but I have been informed that we cannot include money in the budget for ACWD staff time because it is considered a “sunk cost” by the State. There is an item on the agenda under “new business” for another bridge loan application. ACWD would not take the loan or start the project until the new budget with the loan fees and interest added is approved by the State.

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