

**State Revolving Fund (SRF) Projects Update:**  
**For ACWD BOD Meeting Date: 8/11/20** Prepared by Rae Bell

**Planning Project**

Budget Up to \$500,000 final bill submitted June 8<sup>th</sup> brings the total amount billed to exactly \$500,000.

The environmental reports: Kip is working with the State to get it to the point that we can send them to the “clearing house” where a bunch of other departments examine it. We have been getting the “run around” on this, we keep getting passed from dept. to dept. from division to division. We do have a person who says they can help us but so far all follow up emails remain unanswered (one or two emails a month for over 3 months now). The state warned us about this back in 2015 when they talked us into trying the vertical test wells....remember.....

*Final completion date for Planning Project 12/1/2020.* Even though the final invoice has been submitted there is still more work to do: mainly finishing up the environmental reports and bid packet. The State SRF division has assured us that Kip and I can bank our time and bill it to the future construction project. It will be probably 2 years or more before the money becomes available based on our previous experience with this.

**Tank Project total amount funded up to \$920,000 amount billed through final bill \$911,592.00**

We are waiting for the final payment which should be \$14,593. This is all money owed to Kip. (the State denied a few of his older invoices based on the budget category being over-drawn and they told us that we could re-bill it all on the last invoice)

I asked the Contractor if they can help pay some of the extra costs associated with the tank repair in May. I told them that ACWD has approx. \$1,000 in expenses related to the tank repair job (labor, pumping and chlorine) and since it was under warranty we should not have to eat that. They said that they would do something but we need to follow-up.

**Ram Spring Improvement Project (future construction project)**

There are five application packets that must be completed to apply for funding: General, Legal, Financial, Technical and Environmental.

The General application packet with all attachments was submitted on April 25<sup>th</sup>

The Financial application packet with all attachments was submitted on May 5<sup>th</sup>.

The State is requiring a new TMF analysis for the construction project application package. TMF stands for Technical, Managerial and Financial Analysis. The State pays an outside firm (RCAC) to do this. We had one done in 2015 for the planning project application and we were able to use it for the water tank application as well, but they require a TMF that is less than five years old. They also want us to do another rate analysis for the same reason.

Previously we were told that we would not have to do another rate analysis until after the projects were done. Nobody expected it would take more than 5 years for that to happen. They have assured me that having an analysis done does not mean we will be asked to change the rates. (and even if we are asked to do it, it doesn't mean we will) I explained that our current rates are right at the federal definition of “affordable” based on the income survey that was completed in 2016 and that affordability is a huge concern. I am hoping to make this work to the district's advantage to see what assistance might be available to help the district cover long-term equipment replacement costs (depreciation) and/or if we can find some utility bill assistance for individuals.

The technical assistance that we are receiving would cost over \$5,000 if we were to pay for it ourselves. It is time-consuming providing everything they need but in the long-run I hope this helps us out. Kip is helping with the O&M (operations and maintenance) cost projections for the system that they are asking for.

I am happy to say that we have improved operations in several areas since the last TMF. I had a conference call with two SRF reps and two RCAC reps on August 3<sup>rd</sup> to start on a “work plan” for the TMF analysis. I was able to list over a half-dozen areas where we have made improvements since 2015.

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