

~ State Revolving Fund (SRF) Projects Update

Meeting Date: 4/9/2024 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 was deposited on March 12th and all corresponding unpaid vendor invoices were paid on 3/15/2024.
- The quarterly report for Quarter Ended 3/31/2024 was uploaded to the State website on 4/1/2024 and the second disbursement request was submitted on 4/3/2024 for \$7,980.00. (allowances sheet in packet) ACWD has paid about \$2,000 of its own money (permit and sign) which is included in the 2nd disbursement request.
- Bridge Loan Application: we finally got the legal opinion letter worked out only to discover that there was one other letter from the State that RCAC needed to issue the loan. This was the last week of March and our DFA Rep. was on vacation to return on April 1st. She did not respond to multiple emails during the week of April 1 -5. I will try calling her next week (week of 4/8).

2. Water Tank Repair Project:

This project is to repair the water tank that was put in service in November of 2018 and that 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 was held on March 13th. Attended by: Scott Woodland and Andre with Coleman Engineering, Josh Thompson of Thompson Tank and a person with BRCO Constructors (Matt?), for ACWD Rae Bell, Burns Tenney and Bruce Coons. A representative from the State Revolving Fund attended as well as ACWD's State Drinking Water Engineer Terri.

Thompson Tank reported that they had ordered all the parts that required a longer lead time and that they were waiting to hear from the vendor as to when they would ship. After the meeting was over, Josh let Coleman Engineering know that the parts are expected to arrive April 26th. Thompson tank should be onsite to begin the tank repairs on Monday April 29th as long as the shipping isn't delayed.

Tank failure 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 Technical Assistance (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 as to cause of tank failure. 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 to oversee the repair work. Repair work scheduled for 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 \$125,000 has been applied for under an “Urgent Needs” program also funded by the State Revolving Fund (SRF) and approval has been granted for the first \$110,000 (see note below).

Progress since last meeting.

- The “Standard Deviation Form” for requesting more funding was submitted to DFA on March 21st. They said that it looked OK and have submitted it to the next level for approval. ACWD requested another \$15,000 to cover loan fees and interest. As noted last month: ACWD is NOT able to bill for administration or employee time for this project. The State refers to it as a “sunk cost”.
- The resolution to apply for an additional Bridge Loan for this project is still on the agenda. Hopefully there will be enough information by the April meeting date to adopt a generic resolution to apply so that staff won’t have to wait until the May meeting to be authorized to apply. (see GM report for more information)

AS A GENERAL ASIDE: I had no idea that the Bridge Loan application for RSIP would take over 2 months to complete! Most of that time has been spent waiting for responses from various agencies and individuals with constant follow-ups required to get a response.

If ACWD applies for a second loan (which we almost have to, in order to complete the cathodic protection project) the second application should go much quicker, since the paperwork submitted for the first loan should work for the second loan. I made sure that the attorney letter was generic enough for that.

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