SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-E**

FROM: Steve Mack, General Manager

Meeting Date : August 4, 2016

SUBJECT: DISCUSSION/ACTION REGARDING PROGRESS WITH A POSSIBLE LOAN/BOND WITH USDA

RECOMMENDED ACTION: Receive a presentation by the General Manager on the progress with the bond/grant from the U.S. Department of Agriculture Rural Development (USDA) to fund the 2017 CIP and provide direction to staff.

FISCAL IMPACT: none

DISCUSSION:

The District is seeking funding through USDA for the FY17 CIP which is replacement of approximately 6,800 ft of existing main and 75 services on Old River Rd at Morningside east to the eastern section of Foothill Drive and include Orchard Rd and Foothill Drive and River Rd on river side of the road.

Coastland Engineering has completed the Preliminary Engineering Report (PER) and Environmental Report which are required elements of the USDA loan/bond process and that has allowed the District to submit its application. This was done July 25 for what I hope is the last time - there were several revisions needed to make the application and the PER show the exactly same information and for that information to be correct and to have an appropriate explanation of the District's financial position (we had too much money at the end of the 2016 Fiscal Year). USDA staff are reviewing the application and the District should soon learn (end of August?) if the loan/bond has been approved and how much of the loan/bond is a grant.