SWEETWATER SPRINGS WATER DISTRICT

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

FROM: Steve Mack, General Manager

Meeting Date: July 9, 2009

SUBJECT: UPDATE ON REQUEST FOR GRANT FUNDING FROM THE RUSSIAN RIVER REDEVELOPMENT OVERSIGHT COMMITTEE/SONOMA COUNTY REDEVELOPMENT AGENCY FOR CIP IV-B

RECOMMENDED ACTION: Receive a Report on the Request for Grant Funding from the Sonoma County Redevelopment Agency and the Russian River Redevelopment Oversight Committee for CIP IV-B.

FISCAL IMPACT: The grant request is for $1,144,000 which will fund approximately 50% of CIP IV-B, which is the Fiscal Year 2010 and 2011 projects of the District's approved 2010-2015 Capital Improvement Program (CIP). This level of funding from the Sonoma County Redevelopment Agency and the Russian River Redevelopment Oversight Committee for CIP IV-B would enable the District to complete the 2010-2015 CIP as scheduled.

DISCUSSION:

At the June meeting the Board approved Resolution 09-15 requesting 50% grant funding from the Sonoma County Redevelopment Agency and the Russian River Redevelopment Oversight Committee for CIP IV-B which are the projects listed in Table 1 below.

Since that meeting staff have submitted the application and resolution to the Sonoma County Redevelopment Agency (RDA). On June 24 staff met with RDA staff and received the following information requests and suggestions:

- Update the regional water rate and median household income information from the prior submittal. The water rate information is in the process of being updated. Median household income cannot be updated because of timing with the upcoming census (small communities such as ours don't get mid-census updates).

- Redo the information on cost to District ratepayers for completing the CIP without RDA assistance. That is being done. Also, include approved CIP with application.

- Complete all documentation required by RDA. A more complete list of required documentation was provided in electronic form and it will be completed.

- Make a better written case for the value of the infrastructure improvements in the application. We had a good discussion on the blight reducing value of CIP IV-B and I need to include that discussion in the relevant sections of the application.

- Separate out the costs of road pavement, since it is a clear benefit of the projects. That was not included in the earlier cost estimates provided by Brelje and Race (the policy was unclear at the time) and has been updated.

- Add the charts included in the GM report to show the impact of the projects on District operations.

We discussed the timing of a presentation to the Russian River Redevelopment Oversight Committee. Because of the need for additional information, particularly an update of the regional water rate information, we agreed that the August 20 RRROC meeting would be a good target. Staff will be working in the next couple weeks to make that happen.

Table 1. Sweetwater Springs Water District CIP IV-B		
Year	**Projects**	**Estimated Cost**
2010	**CIP IV-B, Project 1**	
	Schoolhouse Tank and Upper Schoolhouse Tank (MR) – Construct a storage tank with a capacity of approximately 65,000 gallons at the top of Bonita Terrace, install a booster station, and connect with replacement reservoir at Upper Schoolhouse site. This project fits well with CIP-PHASE IV-A, PROJECT 2 distribution system improvements in the Monte Rio Terraces.	$638,000
	Riverlands Road (GV) - Replace 1,600 lf of existing main and appurtenances in Riverlands Road, including two ties at Drake Road to create a loop.	$355,000
	Handy Andy Booster Feed Line (GV) – Replace 300 lf of existing main between Hwy 116 and the booster pump at Old Monte Rio Road.	$59,000
	2010 Total	**$1,052,000**
2011	**CIP IV-B, Project 2**	
	Alder Road, Pebble Way, & Heller Streets (MR) – On River Blvd, Alder Rd., Willow Rd., and Railroad Ave. replace existing mains and appurtenances with approximately 6,000 lf of 6-inch water main to complete loop. Abandon 4,500 lf of parallel undersized water mains and transfer water services to larger main.	$1,420,000
	2011 Total	**$1,420,000**
	Total CIP IV-B	**$2,472,000**