

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **FEBRUARY 26, 2013**

From:  **JAMES DURFEE / BILL ZIMMERMAN**

Subject: **SEWER MAINTENANCE DISTRICT 3 REGIONAL SEWER PROJECT: CLEAN WATER STATE REVOLVING FUND FINANCIAL ASSISTANCE APPLICATION**

ACTION REQUESTED / RECOMMENDATION:

1. Adopt a Resolution authorizing the Director of Facility Services, or his authorized designee, to apply for Clean Water State Revolving Fund financial assistance; and to take all other associated actions, at no net County cost, for the Sewer Maintenance District 3 Regional Sewer Project located in the Horseshoe Bar Area of Loomis:

BACKGROUND: On November 20, 2012, your Board approved the Plans and Specifications and authorized staff to solicit bids for the Sewer Maintenance District (SMD) 3 Regional Sewer Project (Project). The improvements include constructing a pump station at the SMD 3 Wastewater Treatment Plant (Plant 3) and installing approximately 13,100 linear feet of 10-inch pipeline to SMD 2 and decommission Plant 3. Completion of the Project will allow the County to convey wastewater from SMD 3 to the existing SMD 2 collection system and on to the City of Roseville's Dry Creek Wastewater Treatment Plant for treatment. Our regulatory permits issued by the Regional Water Quality Control Board require construction to begin by April 30, 2013 and finish by December 31, 2014.

The total estimated Project cost is \$13.8 million, which includes \$4.8 million for construction, and approximately \$5.0 million in connection fees to SMD 2 (\$0.9 million) and the City of Roseville (\$4.1 million). Project funding includes \$3.9 million in US Army Corp of Engineers grant funding and a previously approved \$900,000 County General Fund contribution. The remaining \$9.0 million is currently unfunded.

Per your Board's direction, staff is evaluating options for funding and financing the unfunded Project costs, and will present a funding plan for your Board's approval concurrent with a request to award the construction contract. Options under evaluation include long term financing through the Clean Water State Revolving Fund (SRF) and the Placer County Treasury. Preliminary indications are that the SRF financing provides a slightly lower interest rate, but that costs incurred prior to completion of the financing (approximately 6-9 months) are not eligible for reimbursement. It appears that using a combination of SRF and Treasury financing would provide an option that could be funded without increasing the existing user fees in SMD 3 and allow construction to proceed in accordance with our permit requirements. In order to proceed, staff recommends your Board adopt the attached Resolution.

ENVIRONMENTAL CLEARANCE: On November 20, 2012, your Board certified the Environmental Impact Report and Mitigation Monitoring and Reporting Plan for the Project. The Notice of Determination was filed for the Project on November 27, 2012.

FISCAL IMPACT: Staff estimates that the costs, including staff and consultant costs, to pursue the CWSRF financial assistance agreement will not exceed \$90,000. Sufficient funds are available in the SMD 3 Regional Sewer Capital Project budget to cover this expenditure. Approval of this request will have no net County cost.

JD:BZ:HK
ATTACHMENT: RESOLUTION
CC: COUNTY EXECUTIVE OFFICE
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Before the Board of Supervisors County of Placer, State of California

In the matter of: A RESOLUTION AUTHORIZING THE
DIRECTOR OF FACILITY SERVICES, OR HIS
AUTHORIZED DESIGNEE, TO APPLY FOR CLEAN
WATER STATE REVOLVING FUND FINANCIAL
ASSISTANCE FOR THE SEWER MAINTENANCE
DISTRICT 3 REGIONAL SEWER PROJECT LOCATED IN
THE HORSESHOE BAR AREA OF LOOMIS

Resol. _____

The following RESOLUTION was duly passed by the Board of Supervisors of the
County of Placer at a regular meeting held _____, by the following vote
on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, Sewer Maintenance District 3 has a need to acquire funding to pay for construction of a pump station, a pipeline, and wastewater treatment plant decommissioning in order to comply with waste discharge requirements; and

WHEREAS, State Water Resources Control Board administers the Clean Water State Revolving Fund program on behalf of the people of the State of California and has money available for eligible wastewater projects; and

WHEREAS, State Water Resources Control Board requires that, in order to apply for Clean Water State Revolving Fund financial assistance, the governing Board of the sewer maintenance district must designate an authorized representative to negotiate and execute a financial assistance agreement.

NOW BE IT RESOLVED by the Board of Supervisors, County of Placer, State of California, that the Director of Facility Services, or his authorized designee, is authorized and directed to sign and file, for and on behalf of Sewer Maintenance District 3, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design and construction of the Sewer Maintenance District 3 Regional Sewer Project located in the Horseshoe Bar Area of Loomis; and

BE IT FURTHER RESOLVED that the Board of Supervisors hereby agrees and further does authorize the Director of Facility Services, or his designee, to certify that the County has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the State Water Resources Control Board; and

BE IT FURTHER RESOLVED the Director of Facility Services, or his authorized designee, is authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto upon review and approval by Risk Management and County Counsel, and certify financing agreement disbursements on behalf of Sewer Maintenance District 3.