

## Tank Committee Meeting

**Teleconference:** 9am to 1030am on 6/10/2020

**Attendees:** John LaTourrette (Chair), Dave Hartwell (Consultant), Dan Bastian(Staff Engineer), Mike Colbert(USDA/Lender)

### Agenda:

1. Preliminary Engineering Report (PER) for JPUD Tank Improvement and Liquid Chlorine Project
2. Rural Community Assistance Corporation([www.RCAC.org](http://www.RCAC.org))
  - A. Infrastructure Feasibility Loan Application for Preliminary Engineering Report and Environmental Report (\$50,000)
  - B. Application for Infrastructure Predevelopment Loan (\$500,000)
3. USDA requirements, guidance, status and timeline projections to proceed with an estimated completion date

## Timeline

### 7.2 Project Schedule

**Table 9. Projected Milestones**

Milestone	Estimated Completion Dates
USDA RD Approval of PER	July 2020
Project Funding Obtained	September 2020
Begin Design	October 2020
Environmental Clearances Obtained	June 2020
Final Design Complete	February 2021
USDA RD Approval of Final Design	April 2021
Advertisement to Bid / Contract Award	May 2021
Final Construction Complete	October 2021

## Project

Table 10. Total Project Cost Estimate (Option 3)

Item	Subtotal	Total
State Park Agreement	\$0	
Easement Acquisition / Right of Way	\$20,000	
Bond Counsel	\$0	
Legal Counsel	\$5,000	
Interest / Refinancing Expense	\$10,000	
Administration	\$15,000	
<b>Sub-Total Administrative Costs:</b>		\$50,000
<b>Environmental Services</b>		
CEQA Environmental Document		
NEPA Environmental Document	\$5,000	
Environmental Mitigation Contract Services (Tech Studies)	\$0	
<b>Sub-Total Environmental Costs:</b>		\$5,000
<b>Engineering Services</b>		
<i>Basic Services</i>		
- Preliminary Engineering Report (PER)	\$25,000	
- Preliminary and Final Design Phase Services	\$65,000	
- Bidding / Contract Award Phase Services	\$21,500	
- Construction and Post-Construction Phase Services	\$12,000	
- Resident Project Representative Services	\$15,000	
<i>Additional Services</i>		
- Permitting	\$1,000	
- Regulatory Compliance Reports	\$2,000	

Item	Subtotal	Total
<b>Contingency (15% of construction cost estimate)</b>		80,250
<b>Sub-Total =</b>		\$615,250
<b>Escalation (2% per year for 1 year) =</b>		\$12,305
<b>TOTAL PROJECT COST ESTIMATE</b>		<b>\$842,055</b>

Note: Project cost estimates are based on the understanding that American Iron & Steel requirements will apply to the project.

## Bridge Loans

Rural Community Assistance Corporation([www.RCAC.org](http://www.RCAC.org))

A. Infrastructure Feasibility Loan Application for Preliminary Engineering Report and Environmental Report (\$50,000)

### 1.JPUD Status

a. Cash on Hand:

4/3/2020      **\$85,540**

b. Reimbursable Warrants (paid to date)

8/22/2017 6/1/2020 (Estimate)

Amount: \$45,665

c. Pending Bills

- Graeagle Land & Water  
\$20,000 due now(estimate)
- \$5K (Bastian estimate)

## **2.RCAC Loan Request**

a. Infrastructure Feasibility Loan (PER and Environmental) (\$50,000) with RCAC

Purpose: Recoup money spent on and the environmental reports and the PER (Reimbursable Warrants above)

- The Infrastructure Feasibility Loan is an unsecured promissory note used to reimburse the JPUD for money already spent on. Reimbursable Warrants.
- Cost: 1% Origination fee, 5% interest, 2 year term.. Must use or activate loan within 6 mos of approval date
- Goal: When J PUD's USDA Long term financing loan is approved the goal is to roll the Infrastructure Feasibility Loan into the USDA long term financing loan. The USDA will have a lower interest rate and longer term (1.8% to 2% 39 years vs 5% 2 years).

b. Infrastructure Predevelopment Loan (\$500,000) with RCAC

- Cost: 1% Origination fee 5% interest, 2 year term.. Must use or activate loan within 6 months of approval date. It was stated by USDA in our call that points (estimate \$5,500) can be rolled into the long term loan. They are not reimbursable)
- When our USDA Long term financing loan is approved the goal is to roll the Infrastructure Predevelopment Loan into the USDA long term financing loan. The USDA loan will have a lower interest rate and longer term

c. USDA Loan (Long term financing with Grant)

- Loan Approval: A Letter of Conditions will be issued by USDA when our PER is completed and filed on RD Apply. California State Parks confirmation of right away; and our environmental reports will be/are completed, noticed and filed (NEPA &CEQA).

- Cost: When a contract to build has been approved by USDA, JPUD's first payment will be one year from the date the loan closes. Loan period will be 39 years, loan rate 1.8% to 2% with the

## Planning

- A. 2021 Anticipate: Loans Greater than \$750K will Require a Federal Funds Single Act Audit. This would be in lieu of our regular audit. Estimated cost \$5K+