

# Heber Public Utility District

## REPORT TO BOARD OF DIRECTORS

**MEETING DATE:** January 16, 2020

**FROM:** Laura Fischer, General Manager

**SUBJECT:** Authorize the General Manager to Execute the Grant Award Contract with Imperial Irrigation District to Accept Local Entity Grant Funds

**ISSUE:**

Shall the Board of Directors authorize the General Manager to execute the grant award contract with the Imperial Irrigation District accepting Local Entity Grant Funds?

**GENERAL MANAGER'S RECOMMENDATION:**

It is recommended that the Board of Directors authorize the General Manager to execute the grant award contract with Imperial Irrigation District Accepting Local Entity Grant Funds.

**FISCAL IMPACT:**

Local Entity Grant Funds \$80,000 to be used for CIP project –

In December 2017 the HPUD Board accepted IID Local Entity funds in the amount of \$75,000 to construct the Recreation Facility at Littlefield and Bloomfield. The IID paid the HPUD half of these funds (\$37,500) that have been used for planning, design, engineering and bidding the project. The Recreation Center construction documents are approved and we have received a bid of \$535,000 to construct.

The additional IID Local Entity funds can be used toward this project. The modified project budget (after bids were received) including the upfront soft cost, construction and a 5% contingency totals \$586,050. The project budget and funding sources are included in the tables below.

<b>Recreation Center Budget</b>	
Design Eng	35,000
Construct	535,000
Contingency	16,050
<b>TOTAL</b>	<b>586,050</b>
<b>Recreation Center Funding Source</b>	
IID Local Entity	75,000
IID Local Entity	80,000
HPUD Trash Fund	80,000
HPUD Parks Fund	351,050
<b>TOTAL</b>	<b>586,050</b>

**BACKGROUND:**

In February 2017, the HPUD Board approved a grant application to the Imperial Irrigation District Local Entity Fund for a \$283,700 grant in their community based organization category. The HPUD applied for these funds with the cooperation and partnership of the Heber Community Foundation.

In November 2019 the IID Local Entity sent to the HPUD a letter stating that in order to continue to be eligible for Local Entity grant funds we must submit the following:

- 1) Letter from HPUD stating:
  - a. Continued interest in the \$80,000 Local Entity Grant funding award (or, declining the funding)
  - b. Revised description of the activities or projects for which the funding will be used
  - c. Proposed funding milestones and schedule

**DISCUSSION:**

At this time, the Board must decide if they want to accept the IID Local Entity grant and request that the funds be used for construction of the recreation facility. This alternative will meet the original service objective and further our goal towards construction of the Recreation Center. Additionally, it will allow HPUD to commit to the construction of the project in our Capital Improvement Project List in FY 2020-21 budget.

**CONCLUSION:**

Staff recommends that the Board accept the grant award from Imperial Irrigation District Local Entity and apply these funds toward the construction of the Heber Recreation Center Project.

**ALTERNATIVES:**

- 1) Do not accept the Award Contract with the IID Local Entity Funds, and direct staff to submit a letter stating that the HPUD declines the funding.
- 2) Accept the funding from the IID Local Entity, but provide alternative direction to staff as to the project the IID Local Entity funds should be used to construct.
- 3) Provide alternative direction to staff regarding the IID Local Entity funds.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Grant Award Contract Draft

