

Heber Public Utility District Report to the Board of Directors

MEETING DATE: February 15, 2018

FROM: Laura Fischer, General Manager

SUBJECT: Information Only Regarding Five Year Capital Improvement Project List.

CIP PROJECT UPDATE FOR FY 2017-18:

The District's Capital Improvement Budget reflects the current and future needs of the District. Staff developed projects with estimated cost in anticipation of new regulations, population growth projections, and other demands on our District. The Five Year Capital Improvement Program of Projects was adopted via Resolution 2017-8. The projects listed for FY 2017-18 include:

WATER FUND:

- Water Treatment Plant Improvement Project. The Water Fund had a total of \$670,209 in Capital Projects programed for 2017018, which includes the final expenditures for the water treatment plant improvement project.

Status:

The construction has been completed, and HPUD has reimbursement requests in the amount of \$539,505/72 that have not been processed by the State. After the final reimbursement request has been received we anticipate receiving the full \$9,850,000 in funding from the State. This includes \$5 MM in grant funds and \$4,850,000 in loans. We expect to receive the final reimbursement for this project prior to the close of FY 2017-18.

WASTEWATER FUND:

- Manhole Repair/Replacement Project. We have a total of \$97,710 programmed in FY 2017-18 for manhole repairs. Staff is preparing a project for the Board to consider that combines the manhole repairs and the lift station improvement projects. We want to bid these two projects together to save staff time and money.

Status:

In FY 2015-16 we expended \$53,000 and in FY 2016-17 we expended \$103,396. These expenditures were approved by the HPUD Board. Staff expects this project to move forward prior to the end of the Fiscal Year.

- Lift Station Improvements (6th Street and Parkyns). Staff is preparing a project for the Board to consider that combines the manhole repairs and the lift station improvement projects. We want to bid these two projects together to save staff time and money.

Status:

Should the Board approve, we will bid this project along with the rehabilitation of

some manholes. We should have these projects ready to award the construction in May 2018.

- Influent Pump Station at Wastewater Treatment Plant. This project was added in the amount of \$115,393 to the Capital Improvement Project List as the need became known.

Status:

The repairs to the Influent Pump Station at the WWTP was completed on time and within budget. The total amount expended for the project was \$112,864.55. This included the change order to replace the base plates under the pumps, which approved by the Board of Directors.

PARKS AND RECREATION FUND:

- Athletic Field Lights at Tito Huerta Park. The CIP Program of Projects included \$239,000 for the construction of athletic field lights at Tito Huerta Park. This included the change order to include LED lights, which was approved by the HPUD Board.

Status:

This project has been completed and the ribbon cutting ceremony was held in January. The soccer field was scarified, leveled and seeded. The soccer field will be open on February 12th for soccer play.

The project was completed on time and within budget. We had a total of \$239,000 programed for this project; \$100,000 from the Solid Waste (Trash) Fund; \$10,000 grant awarded from the County of Imperial Community Benefit Program Funds; and \$119,000 from the HPUD Parks and Recreation Fund. We received the grant from the Community Benefit Funds. We expended a total of \$237,750.01, which is just slightly under budget.

- Jiggs Johnson Park Improvements. The CIP Program of Project included \$125,000 in funds for the improvements to Jiggs Johnson Park.

Status:

We have not started on this project.

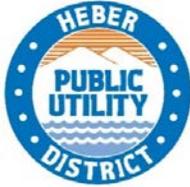
GENERAL ALL FUNDS:

- Water and Sewer Master Plan. The CIP Program of Project included \$150,000 for a water and sewer master plan.

Status:

We are waiting to receive award from the State Department of Drinking Water Disadvantaged Community Funds and an agreement to be signed by the Imperial Regional Water Management Board to begin this project. We anticipate the award and agreement to be executed in February 2018.

We have expended 68% of the CIP budget for Fiscal Year 2017-18 and are moving forward with two wastewater projects and with a planning study before the end of the Fiscal Year. The Table below shows the CIP Project and Status of projects.



CAPITAL IMPROVEMENT PROJECTS FY 2017-18

CAPITAL IMPROVEMENT PROJECTS		Project Schedule 2017-18
Water System Improvement Projects		
Water Plant Expansion/TTHM - COMPLETED		670,209
TOTAL		670,209
Project is completed. Staff expects to receive full reimbursement from State Water Board by the end of FY 2017-18. Grant \$5MM Loan \$4,850,000.		670,209
Wastewater System Improvement Projects		
Manholes Rehabilitation Project		97,710
Lift Station Upgrades 6th Street		100,000
Influent Pump Station Repairs at WWTP - COMPLETED		115,393
TOTAL		313,102
Manholes and Lift Station Projects. Should the Board approve, we will bid this project along with the rehabilitation of two lift stations. We should have these projects ready to award the construction in May 2018.		0
Influent Pump Station Repairs at WWTP. This project is completed and within budget		112,865
Parks Department Improvements		
Tito Huerta Park- Sports Lights - COMPLETED		239,000
Jiggs Johnson Park -Restrooms, Security lights & benches		125,000
TOTAL		364,000
Athletic Field Lights at Tito Park. This project was completed on time and within budget.		237,750
Jiggs Johnson Park. This project has not been started.		0
General All Fund Improvement		
Water and Sewer Master Plan		150,000
TOTAL		150,000
Water and Sewer Master Plan. Project pending Funding award from State and Agreement approval from Regional Water Management. Expected completion in FY 2018-19		0
TOTAL BUDGET		1,497,311
EXPENDED - PROJECTS COMPLETED FY 17-18		1,020,824
PENDING PROJECTS FY 17-18		472,710

DISCUSSION TOPICS – Parks and Recreation Projects and Funding Options

PARKS AND RECREATION FUND CURRENT PROJECTS & FUNDING:

The Current Capital Improvement Program of Projects includes the following Parks Projects.



Five Year Capital Improvement Project List

Adopted via Resolution 2017-8 on September 21, 2017

CAPITAL IMPROVEMENT PROJECTS	Total Estimated Cost	Project Schedule 2017-18	Project Schedule 2018-19	LONG TERM 6-10 YRS	Project Totals
Parks Department Improvements	1,684,500				
Tito Huerta Park- Sports Lights - COMPLETED		239,000		0	239,000
Tito Huerta Basketball Court		0	0	80,000	80,000
Jiggs Johnson Park -Restrooms, Security lights & benches		125,000	100,000	0	225,000
Children's Park - New Play Equip. Splash Pad, Restrooms, Benches and Shade		0	0	500,000	500,000
Correll Estates - Basin and Park Development		0	0	375,000	375,000
Recreation Facility at Littlefield & Bloomfield		0	265,500		265,500
TOTAL		364,000	365,500		1,684,500

As you can see from a snapshot of the Reserve Resolution for Parks Fund there are \$125,000 funds programed for Jiggs Johnson Park this Fiscal year and included in the CIP program of projects. The unassigned fund balance in the Parks Department is \$136,946.

Proposed Reserve Funds Established via Resolution Number 2017-09	
PROJECTED UNASSIGNED CASH RESERVES BROUGHT FORWARD AS OF JUNE 30, 2017	Parks & Rec 754,212
Non-Spendable Fund Balance	
Committed Fund Balance	
Correll Park (Future Project)	80,000
Tito Park Lights - Match Community Grant	
Tito Park Lights - In Addition to County \$10K	129,000
Jiggs Johnson Restroom and Lights	125,000
Children's Park - New Playground Equip, Splash pad, other Parks improvements according to CIP	
Assigned or Designated Fund Balance	
Operating and Maintenance Reserve Funds 90 days Operating and Maintenance Costs for Water and Sewer. 180 days for Parks.	283,266
TOTAL RESERVES FOR FY 2017-18	617,266
PROJECTED UN-ASSIGNED BALANCE:	136,946

PROJECTS FOR DISCUSSION

Recreation Room – Heber Meadows Corner of Littlefield/Bloomfield

The Heber Public Utility District received an award of \$75,000 from the Imperial Irrigation District Local Entity Funds to construct a recreation room at property owned by HPUD on the corner of Bloomfield and Littlefield, which is directly across the street from Jiggs Johnson Park. The Local Entity paid upfront 50% of the grant which we can use for design, engineering and bidding. This project was included in the CIP, but not the reserve resolution, which sets aside project funds.

Staff has been working with our Engineers to determine the best method to construct a recreation room to keep the cost down but provide a room that will service the community and meet our needs. The Local Entity Funds need to be expended within one year. The budget for this project is in the Table below.

COMMUNITY BUILDING at Littlefield/Bloomfield			
	Project Estimated Cost	HPUD Match	Local Entity Funds
Building Total Cost \$265,500			
Bidding	3,000		3,000
Design & Engineer (15%)	31,500		31,500
Construction	210,000	169,500	40,500
Construction Management (10%)	21,000	21,000	
TOTAL	265,500	190,500	75,000

Jiggs Johnson Park Improvements

This project is included in the FY 2017-18 CIP Program of Projects and has funds reserved in the amount of \$125,000 in FY 2017-18. The Board has had some discussion on the type of project needed at Jiggs Johnson. The Board has heard from some residents that they feel the park is unsafe and needs lights. Staff had explored the idea of installing solar lights in the park as an alternative to installing electric lights with ongoing energy costs.

Solar lights are a good option as we won't have to trench in our park. The designs are nice for the area and will provide ample lighting. We estimate that the total cost for solar lights would be approximately \$60,000. I have received a quote from one company and will provide it at the meeting.

Children's Park

As you know the park is getting a new fence this Fiscal Year. The fence project was initiated by staff after a car was driven through the fence. Improvements to Children's park are included in the CIP, but not for several years. They include a splash pad and playground equipment. The Board may want to consider installing new playground equipment sooner if funding becomes available.

POSSIBLE GRANT OPPORTUNITIES:***County of Imperial Community Benefit Funds***

This week, the County Board of Supervisors authorized \$1million of funds to be made available for community benefits. They previously approved funding guidelines and have opened the application process until March 15th. Staff has prepared a report for action on the February 15, 2018 HPUD Board agenda. The HPUD Board will need to determine which projects they would like to include in the Community Benefit grant application.

Local Entity Funds

There are remaining Local Entity Funds available and the IID Board will vote on disposition of funds at their discretion. Members of our Board should contact our representative, Mr. Bruce Kuhn to request additional funding for the recreation room project. He can be reached at bkuhn@iid.com or 760-427-7012.

Park Grant Funds

In the next fiscal year there may be funds available through the Land Water Conservation Fund. This grant could be used for the development of the 19 acre park land. Also there could be funding available through the Recreational Trail program which requires a 12% match. The match can include property ownership. Both of these funding opportunities are available in the spring of 2019.

The 19 acres of undeveloped property located east of the wastewater treatment plant on the corner of Correll Road and Rockwood could be developed into a park. We applied to the State Parks Department for funding to install soccer fields, but we didn't not receive funding. This grant program has been reworked through Assemblyman Garcia's sponsored Bill SB5, which allocates a per capita allocation for local parks and \$200 Million for grants to local communities with a minimum grant of \$200,000 to a city or District. This bill will be in the November 2018 ballot. The HPUD should be prepared to apply for the maximum funding allowed in FY 2019-20.

Respectfully Submitted,

Laura Fischer
General Manager