

Heber Public Utility District Report to the Board of Directors

MEETING DATE: June 16, 2016

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution Number 2016-09 to Adopt the Modified Five Year Capital Improvement Budget.

ISSUE:

Shall the Heber Public Utility Board of Directors adopt Resolution Number 2016-09 to adopt the five-year Capital Improvement Budget?

GENERAL MANAGER RECOMMENDATION:

Adopt Resolution Number 2016-09 to adopt the Modified Five-Year Capital Improvement Budget as Presented.

FISCAL IMPACT:

The proposed HPUD Five-Year Capital Improvement Budget totals \$24,213,408.

Full Funded Projects in FY 2016-17 Include: Water \$7,501,753

Partially Funded Projects in FY 2016-17 Include: Parks \$ 100,000

DISCUSSION:

The District's Capital Improvement Budget reflects the current and future needs of the District. Staff has developed projects with estimated cost in anticipation of new regulations, population growth projections, and other demands on our District. The projects listed include for FY 2016-17 include:

- The Water Fund has a total of \$12,011,925 in Capital Projects which includes the \$9,553,000 water treatment plant improvement project currently under construction. The FY 2016-17 Project Schedule has \$7,501,753 budgeted to complete the project.
- The Wastewater Fund Project Schedule continues to fund the manhole improvement project. Phase 2 will be moving forward with construction the schedule has a budget of \$102,710 in FY 2016-17. Phase 1 was completed in prior year.
- The Parks Department has several projects programs and indicated which projects have capital reserves programmed. The HPUD is waiting an announcement from the County Board of Supervisors to see if we were awarded Community Benefit Program funds to construct athletic field lights at Tito Huerta Park.

See Attached Spreadsheets for more details.

CONCLUSION:

On June 16, 2016 the Board will review the first draft of the Five-Year Capital Improvement Plan. It is recommended that the Board review the CIP budget and finding no changes, adopt Resolution 2016-09 to adopt the Five Year Capital Improvement Budget.

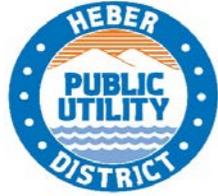
ALTERNATIVES:

- 1) Do not adopt the Five-Year Capital Improvement Budget, and provide direction to staff to modify. There is no requirement that HPUD adopt the CIP budget by a specific time, but it is advisable so that projects may move forward.
- 2) Direct staff to present the CIP at the next scheduled meeting to allow the Board time to review prior to adopting.

Respectfully Submitted,

Laura Fischer
General Manager

Attachment: CIP 5 year budget



Five Year Capital Improvement Project List

Presented to HPUD Board of Directors on June 16, 2016

Justification	CAPITAL IMPROVEMENT PROJECTS	Total Estimated Cost	Previous Fiscal Years Costs	Project Schedule 2015-16	Project Schedule 2016-17	Project Schedule 2017-18	Project Schedule 2018-19	Project Schedule 2019-20	Project Schedule 2020-21	LONG TERM 6-10 YRS	Project Totals
Compliance	Water System Improvement Projects	12,011,825									
Plant Exp/TTHM Water Distribution Lines	Water Plant Expansion/TTHM		464,643	1,998,247	7,501,753	0					9,964,643
	Water Dist Lines Engineering & Design		0		0	0	214,900	239,900	1,361,256	231,126	2,047,182
	TOTAL		464,643	1,998,247	7,501,753	0	214,900	239,900	1,361,256	231,126	12,011,825
Recycle Wastewater	Wastewater System Improvement Projects	8,847,601									
Wastewater Collection Improvements	Tertiary Wastewater treatment Project						25,000	645,560	7,922,772		8,593,332
	Manholes Rehabilitation Project 1st phase (3) 2nd Phase (10)		45,000		102,710	92,710					195,419
	Replace Suction Lines			0	58,850	0	0	0	0	0	58,850
	TOTAL		45,000	102,710	92,710	25,000	645,560	7,922,772			8,847,601
Public Need	Parks Department Improvements	1,053,982									
Sports Lights Recreation Park Improvements Play Equip Basin & Park	Tito Huerta Park- Sports Lights				199,000	0				0	199,000
	Tito Huerta Basketball Court				0	80,000	0				80,000
	Jiggs Johnson Park -Restrooms, Security lights & benches				225,000	75,000				0	300,000
	Children's Park				0	142,000				0	142,000
	Correll Estates - Basin and Park Development		22,660	0	0	135,322	175,000			0	332,982
	TOTAL		22,660	0	424,000	432,322	175,000				1,053,982
New Offices	General All Fund Improvement	2,300,000									
	New HPUD Offices		0	0	0	0	2,300,000			0	2,300,000
	TOTAL		0	0	0	0	2,300,000	0	0	0	2,300,000
	TOTAL CAPITAL IMPROVEMENT PROJECTS	24,213,408	532,303	1,998,247	8,028,463	525,031.5	2,714,900	885,460	9,284,028	231,126	24,213,408



HPUD Five Year Capital Improvement Project List

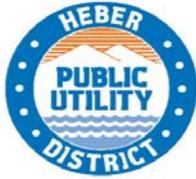
Presented to HPUD Board of Directors on June 16, 2016
 Adopted June 18, 2015. Presented for review and up-date on June 16, 2016

WATER DEPARTMENT

Funding Source		Water Plant Improvement Project								
State Revolving Fund Finance Agreement Signed April 2015	Water Plant Improvements - Description TTHM Compliance Project Expansion to 4 MGD High Service Pump Station Fire Flow	Previous FY Expenditures	Project Cost Estimate FY 2015	Project Schedule FY 15-16	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	Project Components									
Project will be 100% financed with SRF. \$5MD grant \$4.5MD loan. HPUD will be reimbursed for 100% of funds expended in prior FY.	Design -WTP Original cost	446,979								449,609
	Grant Application & follow ups	15,034								15,034
	Labor compliance		20,000	2,667	17,333					20,000
	Admin & Legal	34,995	15,000	15,000	0					15,000
	Design	229,850	247,215	247,215	0					247,215
	Other Planning & Design		50,000		50,000					50,000
	Construction Staking		30,000	1,154	28,846					30,000
	Construction Management		538,629	76,126	462,503					538,629
	Geotechnical & Testing		38,474	20,006	18,468					38,474
	Electrical Inspection		76,947	15,389	61,558					76,947
	Contingency		384,735	153,894	230,841					384,735
	Construction Costs		8,099,000	1,466,796	6,632,204					8,099,000
	TOTAL		726,858.18	9,500,000	1,998,247	7,501,753				
CUMMULATIVE TOTAL:			\$ 9,964,643	1,998,247	9,500,000					

WATER DISTRIBUTION

UNFUNDED		Water Distribution Lines								
Will work with Developer and/or seek outside funding.	Potable Water Distribution Lines and Pressure Reducing Valves (Cost estimate came from fire flow study)	Previous FY Expenditures	Project Cost Estimate FY 2015	Project Schedule FY 15-16	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	Project Components									
	Application & follow-ups		15,000			15,000				15,000
	Engineering Design		184,900			184,900				184,900
	Planning (CUP, ND, Env, Application)		40,000			15,000	25,000			40,000
	Bidding & Construction		30,000				30,000			30,000
	Construction, Inspection Adm & Survey & Contingency		1,777,282				184,900	1,361,256	231,126	1,777,282
			2,047,182	-	-	214,900	239,900	1,361,256	231,126	2,047,182



HPUD Five Year Capital Improvement Project List

Presented to HPUD Board of Directors on June 16, 2016

Adopted June 18, 2015. Presented for review and up-date on June 16, 2016

WASTEWATER DEPARTMENT

Funding Source		Wastewater Tertiary Water Treatment Project									
UNFUNDED		Secondary Treatment for Wastewater water to use as Parks Irrigation and sale to Ormat.	Project Total Cost	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals	
Possible Grant and/or funding the Project with Ormat Contribution.		Project Components									
		Application - costs	25,000			25,000					25,000
		0.0% Engineering and Design	586,872				586,872				586,872
		0.0% Bidding	36,680				36,680				36,680
		0.0% Engineering- Staking, Geo & Elec	22,008				22,008				22,008
		8.0% Construction Management	586,872					586,872			586,872
		Construction Costs	6,669,000					6,669,000			6,669,000
		10.0% Contingency	666,900					666,900			666,900
		18.0% TOTAL	8,593,332			25,000	645,560	7,922,772			8,593,332
		Funding Source		Wastewater Manholes Improvement Project: 1st Phase 3 Manholes COMPLETED IN FY 15-16 2nd Phase 10 Manholes in FY 16-17							
Wastewater Funds		Project Total Cost	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals		
Wastewater Funds		Project Components									
		Engineering and Design	10,000	10,000							10,000
		Bidding	10,000	5,000	5,000						10,000
		Construction Costs	156,289	78,145	78,145						156,289
		5.0% Contingency for budget purposes only	19,130	9,565	9,565						19,130
		TOTAL	195,419	102,710	92,710	0	0				195,419
Funding Source		Lift Station Improvements									
Wastewater Funds		Project Components									
		Engineering and Design									0
		Bidding	10,000		10,000						10,000
		Construction Costs	45,000		45,000						45,000
		5.0% Contingency for budget purposes only	3,850		3,850						3,850
TOTAL	58,850	0	58,850	0	0				58,850		



HPUD Five Year Capital Improvement Project List

Presented to HPUD Board of Directors on June 16, 2016

Adopted June 18, 2015. Presented for review and up-date on June 16, 2016

PARTIAL FUNDING

PARKS DEPARTMENT

Funding Source

Tito Huerta Park

HPUD Committed \$100,000 in Solid Waste Funds to match Community Benefit Program Funds to Install Athletic Field Lights at Tito Park

Soccer Field Lights in Park of Tito Park -	Project Cost	Previous Fiscal Years Costs	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	\$ 194,000								
Project Components									
15% Admin - Engineering	5,000		5,000						5,000
Environmental	0		0						0
Construction (including Project Management?)	194,000		194,000						194,000
TOTAL	199,000		199,000	0	0	0	0	0	199,000

UNFUNDED

Resident Request for a Basketball court and up-grade the existing lights	Project Cost	Previous Fiscal Years Costs	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	\$ 80,000								
Project Components									
Construction of a Basketball court	80,000			80,000	0				80,000
TOTAL	80,000			80,000					80,000

Park and Recreation Funds - General Property Taxes

UNFUNDED

PARKS DEPARTMENT

Funding Source

Jiggs Johnson Park

Heber Meadows CFD Anticipated \$16,000 per year for Maintenance Only -

Install Restrooms Area Lighting Shade Structures and Tables/Benches	Project Cost	Previous Fiscal Years Costs	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	\$ 300,000								
Project Components									
Admin Costs - Design Engineering	30,000		30,000						30,000
Restrooms	80,000		80,000						80,000
Area Lights	175,000		100,000	75,000					175,000
Shade Structure over Tables	15,000		15,000						15,000
TOTAL	\$ 300,000		225,000	75,000					300,000

PROJECT INCLUDED IN CAPITAL RESERVES FOR FY 2016-17



HPUD Five Year Capital Improvement Project List

Presented to HPUD Board of Directors on June 16, 2016

Adopted June 18, 2015. Presented for review and up-date on June 16, 2016

CAPITAL RESERVES

PARKS DEPARTMENT

Funding Source

Children's Park

Property Taxes from TRA 006-002
Used for Maintenance of Parks

Replace 40+ year old play equipment, shade structures, benches and tables	Total Project Cost	Previous Fiscal Years Costs	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	\$ 142,000								
Project Components									
Admin Costs	12,000			12,000					12,000
Replace Play Ground Equipment	100,000			100,000					100,000
Shade Structure over Tables	30,000			30,000					30,000
TOTAL	\$ 142,000		0	142,000	0	0	0		142,000

PROJECT INCLUDED IN CAPITAL RESERVES FOR FY 2017-18

RESERVES/COUNTY PARTIALLY UNFUNDED

PARKS DEPARTMENT

Funding Source

Correll Estates - Retention Basin

Property Taxes from TRA 006-002
Used for Maintenance of Parks

Currently Dispute The Responsible Party To Construct Basin to Development Standards Set By Imperial County	Total Project Cost	Previous Fiscal Years Costs	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	Project Schedule FY 20-21	LONG TERM 6-10 YRS	Project Totals
	\$ 332,982								
Project Components									
8% Admin & Legal Costs	30,000	22,660		7,340					30,000
7% Engineering Design	16,522			16,522					16,522
Construct Basin & Banks	111,460			111,460					111,460
Park Improvements - Basketball Ct.	175,000				175,000				175,000
TOTAL	\$ 332,982	22,660	0	135,322	175,000				332,982

\$82,000 fund in Capital Reserves \$50,000 offered by County - Remaining Unfunded



HPUD Five Year Capital Improvement Project List

Presented to HPUD Board of Directors on June 18, 2015

Adopted June 18, 2015. Presented for review and up-date on June 16, 2016

UNFUNDED
Funding Source
<i>All Funds</i> <i>Water</i> <i>Sewer</i> <i>Trash</i> <i>Parks (start building a fund? Issue Bonds?)</i>

ALL FUNDS - GENERAL PROJECTS

New Office Building

New Office Building		Project Cost	Project Schedule FY 15-16	Project Schedule FY 16-17	Project Schedule FY 17-18	Project Schedule FY 18-19	Project Schedule FY 19-20	LONG TERM 6-10 YRS	Project Totals
<i>New Office Building</i> <i>Possible Location on Dogwood Rd.</i> <i>Property Owned by HPUD</i>		\$2,000,000							
Project Components									
15%	Admin - Engineering					300,000			300,000
	Construction					2,000,000			2,000,000
TOTAL		2,000,000				2,300,000			2,300,000

RESOLUTION NO. 2016-09

**A RESOLUTION OF THE HEBER PUBLIC
UTILITY DISTRICT ADOPTING A FIVE YEAR
PROGRAM OF PROJECTS FOR CAPITAL
IMPROVEMENT FOR FISCAL YEAR 2016-17**

WHEREAS, the General Manager has submitted the Five Year Capital Improvement Program of Projects for FY 2016-17 to the Board of Directors for its review and consideration, and

WHEREAS, the Five Year Program of Projects for Capital Improvement is based upon public comment and direction of the Board of Directors received at a scheduled public meetings; and

WHEREAS, in said fiscal year beginning July 1, 2016, the Five Year Program of Projects for Capital Improvement is attached to this Resolution; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the Board of Directors finds that the Fiscal Year 2016-2017 Five Year Program of Projects for Capital Improvements reflects the District's Capital needs for the current Fiscal Year and the next four years.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Five Year Capital Improvement Program of Projects as set forth.
4. That the President of the Board of Directors of the Heber Public Utility District is hereby authorized to sign said Resolution, a copy of which is on file at the District office.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 16th day of June 2016.

Tony Sandoval, Board President

ATTEST:

Raquel R. Carrillo, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, RAQUEL R. CARRILLO, Clerk of the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 16th day of June 2016.

By _____
Raquel R. Carrillo, Clerk of the Board