

DATE: January 28, 2010

TO: WCA Governing Board

FROM: Belinda V. Faustinos, Executive Officer

SUBJECT: Item 17: Consideration of resolution to authorizing an application to the State of California Department of Public Health for a grant for the Azusa Springs Water System.

RECOMMENDATION: The WCA apply to the State of California Department of Public Health for a grant for Planning Funds for the Azusa Springs Water System located at El Encanto in the amount of \$90,000.

BACKGROUND: In February of 2006 the Watershed Conservation Authority acquired the El Encanto property for the purposes of expansion and improvement of the open space and recreational opportunities for the conservation, restoration and environmental enhancement of the San Gabriel and Lower Los Angeles Rivers Watershed area. These plans are consistent with the goals of flood protection, water supply, groundwater recharge and water conservation, the purposes of the WCA. The property lies within the River Wilderness Park. On the developed portion of the property there is a residential duplex, a garage with an apartment on the second story, and a refurbished commercial building utilized for offices. There is also the Azusa Springs Water System with a surface well that services the developed portions of the property with potable water.

The Azusa Springs Water System is defined as a Community Water System by the County of Los Angeles Department of Health Services. Currently the WCA utilizes the services of the ECS Company to perform the duties of running and oversight of the water system. The contract Rangers assist in this process by testing the water for Chlorine and Turbidity on a daily basis.

The WCA utilizes a certified Water System Operator, ECS, who keeps the system operating within the standards set by the regulatory agencies. The system is an aged system that has great need of refurbishment with much of it needing replacement. Over the last 5 years the WCA has assessed the system, written the TMF and had a feasibility study completed by Don Howard Engineers for connecting to Azusa Light and Water, the closest municipal water system. The staff has worked closely with Los Angeles County Public Health Department and the California Rural Water Association on identifying a source of potential funding for refurbishment of the water system, the need for drilling a new well and connection to Azusa Light and Water. In these endeavors staff had placed the Azusa Springs Water System on several lists for funding opportunities. Over the last several months the California Department of Public Health has released applications for moving forward with grants and loans for water systems.

The LA County Public Health Department staff and the California Rural Water Association staff have helped the WCA to put together an application for planning funds to complete the planning tasks so that the WCA is ready to apply for

implementation funding. The tasks for these funds would be: Preliminary Engineering and Survey of the Project Site, Environmental Documentation, and Intermediate Engineering for both alternatives, Final Plans and Specification and Preparation of Application for Construction Funds.

While the application for planning funds from the Safe Drinking Water State Revolving Fund (SDWSRF) is structured for a loan, the funding can be a full grant, a loan or a combination of both. The WCA would not be obligated to a loan should this project be approved, there would be an opportunity to explain the need for a grant only. In the past this program has funded project with grants as well as loans.

FISCAL: The WCA is applying for a grant to the Department of Public Health from the Drinking Water State Revolving Fund (SDWSRF) in the amount of \$90,000.

California Department of Public Health
Safe Drinking Water State Revolving Fund

**APPLICATION FOR TIER 2 – PLANNING FUNDS
2009**

Notice to All Applicants

When submitting the application, the following documents must be postmarked:

No later than January 11, 2010, to be considered for Planning funding:

- 1 hardcopy of Financial Information (Enclosure 0D) to Address “A”
- 2 hardcopies of Financial Information (Enclosure 0D) to Address “B”

No later than February 4, 2010:

- 1 hardcopy of the Planning Funds Application (Enclosure 1A) and 1 hardcopy of the Applicant Planning Report (Enclosure 3p) to Address “A”
- 2 hardcopies of the Planning Funds Application (Enclosure 1A) and 2 hardcopies of the Applicant Planning Report (Enclosure 3p) to Address “B”

Note that all of the required application documents must be signed originals, postmarked or hand delivered to the appropriate address no later than the due date; electronic copies will not be accepted.

Address “A”

California Department of Public Health
Drinking Water Field Operations Branch
Central District Office
1449 W. Temple Street
Room 202
Los Angeles, CA 90026

(Mailing Label Attached)

Address “B”

Safe Drinking Water State Revolving Fund Program
Division of Drinking Water and Environmental Management
California Department of Public Health
1616 Capitol Avenue, MS 7418
PO Box 997377
Sacramento, CA 95899-7377

(Mailing Label Attached)

Only COMPLETED APPLICATIONS submitted by **February 4, 2010**, will be considered for funding.

Safe Drinking Water State Revolving Fund Application for Short Term Planning Funds

Pre-Application Number: **1909644-001**

Part A. General Information

1. Name of Applicant Water System: **Azusa Springs Water System**
2. Water System ID Number: **1909644**
3. Street Address: **100 N. Old San Gabriel Canyon Road, Azusa, CA 91702**
4. County: **Los Angeles County**
5. Mailing Address: **100 N. Old San Gabriel Canyon Road, Azusa, CA 91702**
6. Authorized Representative: **Belinda Faustinos, Executive Officer, 616-825-1019**
(Name, Title and Telephone Number)
7. Principal Contact Person: **Belinda Faustinos, Executive Officer, 616-825-1019**
(Name, Title and Telephone Number)
8. Project Engineer: **To be determined**
(Name and Address)
9. Estimated Amount of Loan Funds Requested: **\$ 90,000**

Part B. Managerial Information

1. Classification of Water System

- Community
- Non-transient non-community
- Transient non-community
- Irrigation district (not currently classified as a public water system)

2. Indicate the Ownership of the Water System **(Please See Tab B)**

PUBLIC OWNERSHIP

PRIVATE OWNERSHIP

(attach copy of fictitious name statement)

- | | |
|--|--|
| <input type="checkbox"/> Municipality | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> County agency | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Special district | <input checked="" type="checkbox"/> Incorporated mutual |
| <input checked="" type="checkbox"/> State agency | <input type="checkbox"/> Non-profit organization
(ID No. _____) |
| | <input type="checkbox"/> Other:
_____ |

3. *(Public Owned Systems Only)* Attach a written opinion from your attorney answering the following questions as they pertain to this application **(Please See Tab C)**

- a. Does the agency have the legal authority to enter into a long-term contract with the State of California, such as the Drinking Water State Revolving Fund loan program? (the legal opinion should state the maximum length of a loan the agency can enter into).
- b. Is the agency required to hold an election before entering into this type of a loan contract with the State of California?
- c. Does the agency have the legal authority to levy assessments and charges sufficient to repay a loan under the Drinking Water Revolving Fund loan program?

4. Is there any litigation pending relative to the operation of the water system or the proposed project? **(Please See Tab D)**

- Yes (If **yes**, attach a description of the litigation and the potential costs).
- No

5. Describe the nature of the water rights applicable to your water source. (See Application Guidelines.) **(Please See Tab E)**

Part C. Technical Information

1. Briefly describe the problem to be addressed by this planning study:

The purpose of the planning study is to investigate the feasibility of replacing the aged and failing water system. The existing water system currently serves a 3-unit apartment building and an office building. The system is served by a single production well that is considered to be under the influence of surface water. The system is required to provide treatment for the existing GWUI well, drill a replacement well, or secure a connection with another public water system. The planning study will consider those alternatives.

2. Describe the existing service area served by the water system and provide a map of the existing service area and the location of the water system facilities.

(Please See Tab F)

3. Current population served by the water system: **Approximately 25 persons**

4. Current number of active service connections: **4 Active Service Connections**

Part D. Financial Information

1. Average current monthly residential water bill: **\$80/mo. from rental fees**
2. Average projected increase to the monthly residential water bill as a result of this funding request.
Not applicable / see Tab H
3. Average projected monthly residential water bill: **See Tab H**
4. Attach the water systems' water rate structure covering each of the last three years (including commercial and industrial users.) **(Please See Tab H)**
5. Provide a budget for the funding requested for the planning study. If contractors will be used briefly describe the process used to select the contractor and the estimated cost of each contract. **(Please See Tab I)**
6. Identify and describe the dedicated revenue source to be used for loan repayment

The source of funds for loan repayment will be the general revenue of the WCA

7. Attach a 5-year revenue/expenditure projection for the water system **(Please See Tab J)**
8. Provide the following information for all existing long-term indebtedness **(See Tab K)**
 - a. Type of indebtedness
 - b. Name and address of creditor
 - c. Term and purpose of loan
 - d. Date of the loan
 - e. Original principal
 - f. Remaining balance
 - g. Annual repayment amount

Part E. Federal Cross-Cutting Requirements

Federal “Cross-Cutting Requirements” are those provisions in federal law which “apply by their own terms” to projects and activities receiving federal financial assistance. In order to enter into a Safe Drinking Water State Revolving Fund loan agreement with the Department of Health Services each water system is required to certify that they are in compliance with each of the following federal regulatory requirements.

While some of these apply to any project utilizing federal funds, many of these will not be applicable to a short term planning study. If, however, the water system plans to seek construction funding from the SDWSRF these requirements should be reviewed to determine which, if any, will apply to the proposed construction.

Environmental Authorities

1. Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
2. Clean Air Act, Pub. L. 84-159, as amended
3. Coastal Barrier Resources Act, Pub. L. 97-348, as amended
4. Coastal Zone Management Act, Pub. L. 92-583, as amended
5. Endangered Species Act, Pub. L. 93-205, as amended
6. Environmental Justice, Executive Order 12898
7. Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
8. Protection of Wetlands, Executive Order 11990
9. Farmland Protection Policy Act, Pub. L. 97-98
10. Fish and Wildlife Protection Coordination Act, Pub.L. 85-624, as amended
11. National Historic Preservation Act of 1966. Pub. L. 89-665, as amended
12. Safe Drinking Water Act, Pub. L. 93-523, as amended
13. Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities

1. Demonstration Cities and Metropolitan Development Act of 1966 PL 89-754, as amended
2. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738 Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants and Loans
3. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
4. Debarment and Suspension, Executive Order 12549

Social Policy Authorities

1. Age Discrimination Act of 1975, Pub. L. 94-135
2. Title VI of the Civil Rights Act of 1964, Pub. L. 88-352
3. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-5200 (the Clean Water Act)
4. Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
5. Equal Employment Opportunity, Executive Order 11246
6. Women’s Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
7. Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

CERTIFICATION

I certify that Azusa Springs Water System
Name of Water System or Municipality

has, or will comply with the above list of federal laws and authorities.

Signature of Authorized
Representative or Designee

Date

PART F. ATTACHMENTS TO APPLICATION

Following is a list of documents, reports and other information which is necessary to process this application. Not all the information list below is required for all water systems. Please review the funding application and application guidelines carefully. If you are not sure if the requested information applies to your water system please contact your district engineer. Incomplete applications will not be process until all required information has been provided to the district.

To assist us in timely reviewing your application, please make sure your water system name and the pre-application number are on every attachment. Please label the attachment with the number of the application section which requests the information (i.e. "Part A. No 6").

Attachments:

- | | | |
|----|----------------------|--|
| a) | <u>Part A, No. 6</u> | A resolution or resolutions from the water system's governing body providing the following (as applicable): |
| | | <ul style="list-style-type: none"> • Resolution designating the authorized representative and authorizing that individual to apply for a DWSRF loan (all systems) • Resolution or ordinance dedicating repayment source
<i>(not required at time of application will be required prior to execution of loan agreement)</i> |
| b) | <u>Part B, No. 3</u> | Attorney opinion <i>(Public Owned Systems Only)</i> |
| c) | <u>Part B, No. 4</u> | Description of pending litigation, and the potential costs |
| d) | <u>Part B, No. 5</u> | Water rights documentation |
| e) | <u>Part C, No 2</u> | Map of service area and location of water system facilities. |
| f) | <u>Part D, No .5</u> | Water system rate structure for last three years include a description of the calculation for the average household water rate |
| g) | <u>Part D, No.6</u> | Project Budget Sheet |
| h) | <u>Part D, No. 7</u> | Five year revenue and expenditure projection for the water system |
| i) | <u>Part D, No. 8</u> | Description of all long term indebtedness |
| j) | <u>Part E.</u> | Certification of compliance with federal cross-cutting requirements |

SAFE DRINKING WATER STATE REVOLVING FUND APPLICANT PLANNING PROJECT TECHNICAL REPORT Tier 2 – Planning Funds

Water System Name: Azusa Springs Water System

Project Number: 1909644-001

Principal Contact: Belinda Faustinos, Executive Officer
Name and Title

616-825-1019, bfaustinos@rmc.ca.gov
Phone Number and Email Address

THE PURPOSE OF THESE PLANNING FUNDS IS TO ACHIEVE TIER 1 CONSTRUCTION FUNDS READINESS.

A. WATER SYSTEM INFORMATION

- Type of system (Part B.1 of SRF Planning Funds Application)
 - Community
 - Non-Transient-Non-Community
 - Transient-Non-Community

- Types of water sources and current treatment:
The source of water is groundwater from an existing shallow well. The well is under the influence of surface water. The water is currently filtered using a high rate, dual stage pressure filter. Disinfection by addition of sodium hypochlorite.

- Physical address of the water system (include a map if necessary):
100 N. Old San Gabriel Canyon Road, Azusa, CA 91702

- Number of persons served (Part C.3 of SRF Planning Funds Application):
Approximately 25 persons

- Number of service connections (Part C.4 of SRF Planning Funds Application):
4 active service connections

- Permit status, including the permit number, issue date, and a list of any amendments
Permit #1909644 first issued May 29, 1979 Active permit issued by Los Angeles County

<p>CDPH USE ONLY (CHECK THE APPROPRIATE BOX AND INITIAL)</p> <p>NOTES: COPIES OF THE DOCUMENTS USED TO EVALUATE THIS REPORT MUST BE KEPT AT THE DISTRICT OFFICE FOR AUDIT</p>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%; text-align: left;">YES</th> <th style="width: 10%; text-align: left;">NO</th> <th style="text-align: left;">REVIEW ITEMS</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>The information provided has been verified.</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>Additional information and/or supporting documentation are attached.</td> </tr> </tbody> </table> <p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>	YES	NO	REVIEW ITEMS	<input type="checkbox"/>	<input type="checkbox"/>	The information provided has been verified.	<input type="checkbox"/>	<input type="checkbox"/>	Additional information and/or supporting documentation are attached.
YES	NO	REVIEW ITEMS								
<input type="checkbox"/>	<input type="checkbox"/>	The information provided has been verified.								
<input type="checkbox"/>	<input type="checkbox"/>	Additional information and/or supporting documentation are attached.								

B. DESCRIPTION OF THE PLANNING PROJECT:

- Describe the ranked problem being addressed by the Planning Project (Part C.1 of SRF Planning Application).
The existing shallow well is located 50 feet from the San Gabriel River and is under the influence of surface water. The system is required to provide treatment in accordance with the IESWTR, or drill a replacement well, or secure a connection with an adjacent water system.
- Describe possible alternative(s) to be considered to correct the ranked problem described in this section. Include the feasibility of consolidation with one or more water systems.
New source by consolidation with Azusa Water and Light Company, construction of a new water well and distribution facilities, or provide approved treatment of the water produced from the existing well.
- If a selected alternative has been determined, describe it here. The selected alternative must be the most cost effective, long-term solution that solves the identified ranked problem. If this Planning Project includes the development of final plans and specifications and environmental documents, the applicant must seek CDPH District approval before proceeding.
The selected alternative has not been determined. The preliminary engineering work to be funded by the proposed planning loan will identify the selected alternative
- In order to be ready for Tier I Construction Funds in the future, the following tasks should be included in the Planning Project, please check and describe each task:

YES	NO	Task
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Conduct feasibility studies; evaluating problem(s) & potential solutions Describe: <u>Preliminary Engineering is included in the scope of the planning project.</u> (specify status of any of the above)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Prepare Technical, Managerial, and Financial (TMF) documents and assessments Describe: <u>TMF Assessment Report to be prepared by the engineer. A previous TMF submittal will be updated.</u> (specify status of any of the above)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Conduct environmental evaluations and/or prepare California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA) documents Describe: <u>CEQA requirements are to be included in the preliminary engineering.</u> (specify status of any of the above)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Conduct engineering design; and develop final plans and specifications Describe: <u>Development of final plans and specifications is included in the scope of the planning project.</u> (specify status of any of the above)

<p>CDPH USE ONLY (CHECK THE APPROPRIATE BOX AND INITIAL)</p> <p>NOTES: COPIES OF THE DOCUMENTS USED TO EVALUATE THIS REPORT MUST BE KEPT AT THE DISTRICT OFFICE FOR AUDIT PURPOSES.</p>	<p>CURRENT PROJECT RANKING: _____</p>		
	<p>YES</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p>NO</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p>REVIEW ITEMS</p> <p>The ranked problem has been verified.</p> <p>The content of the Planning Study is appropriate for Planning Funds. If NO, explain: _____.</p> <p>No reasonable alternatives were excluded from consideration.</p> <p>Consolidation was considered as an alternative to the selected project.</p> <p>Selected alternative has been approved by the District</p> <p>Proposed tasks of the Planning Project are appropriate for Tier 1 readiness.</p> <p>Additional information and/or supporting documentation are attached.</p>
	<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>		

C. ELIGIBILITY

- Describe the reason for funding eligibility.
The project is eligible for SEWSRF Funding under the established State guidelines and by virtue of the ranking of the project with respect to the CDPH Project Priority List. All elements of the Planning Loan Application are eligible for funding.

<p>CDPH USE ONLY (CHECK THE APPROPRIATE BOX AND INITIAL)</p> <p>NOTES: DISTRICT MUST ATTACH EXPLANATION ON ANY ELIGIBILITY ISSUES OR CONCERNS, IF APPLICABLE</p> <p>COPIES OF THE DOCUMENTS USED TO EVALUATE THIS</p>	<p>YES</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>			<p>NO</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p>REVIEW ITEMS</p> <p>The water system is eligible to receive Planning Funding. If NO, explain: _____</p> <p>Additional information and/or supporting documentation are attached.</p>
		<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>			

D. FINANCIAL INFORMATION:

- Provide an itemized list and corresponding description, and estimated cost of the components (Scope of Work) to be done under Planning Project. See Attachment#1 for example. (Please use additional sheet if required).

Scope of Work	Budget (\$)
Preliminary Engineering and Survey of Project Site	35,000
Environmental Documentation	10,000
Intermediate Engineering for Selected Alternative	10,000
Final Plans and Specifications	25,000
Preparation of Application for Construction Funds	10,000
Total	\$90,000

- Estimated Amount of Planning Funds Requested **\$90,000**

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	<p><input type="checkbox"/> <input type="checkbox"/> Planning Project scope of work and budget is acceptable.</p> <p><input type="checkbox"/> <input type="checkbox"/> Estimated amount of Planning funds requested is acceptable.</p> <p><input type="checkbox"/> <input type="checkbox"/> Additional information and/or supporting documentation are attached.</p>
	<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>

E. WATER RIGHTS

- Describe the type of water rights that apply to your water system and the availability of the water source.
The system draws water from a single well located in an unadjudicated groundwater basin.
The water rights are associated with the ownership of land in the State of California.

<p>CDPH USE ONLY (CHECK THE APPROPRIATE BOX AND INITIAL)</p> <p>NOTES: COPIES OF THE DOCUMENTS USED TO EVALUATE THIS REPORT MUST BE KEPT AT THE DISTRICT OFFICE FOR AUDIT PURPOSES.</p>	<p>YES NO REVIEW ITEMS</p> <p><input type="checkbox"/> <input type="checkbox"/> The description of the water rights that apply for the water system and the availability of the water source are acceptable. If NO, explain: _____</p> <p><input type="checkbox"/> <input type="checkbox"/> Additional information and/or supporting documentation are attached.</p>
	<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ CAPACITY DEVELOPMENT COORDINATOR : _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>

F. FEDERAL CROSS CUTTER REQUIREMENTS

Explain plan for compliance with the following federal requirements:

- Debarment and Suspension, Executive Order 12549:
Not applicable – the System serves fewer than 1,000 connections _____
- Disadvantaged Business Enterprise regulation (Women and Minority Business Enterprises, Executive Order 11625, 12138 and 12432):
Not applicable – the System serves fewer than 1,000 connections _____

OTHER REQUIREMENTS

Explain plan for compliance with Labor Compliance Program required for all public works:

- Labor Compliance Plan(Reference: Labor Code section 1720) :
Azusa Springs Water System will engage an approved third-party consulting firm to assure provisions of the Act are met.

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	<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>

G. ATTACHMENTS TO APPLICATION

Please include the following Short Term Planning funds Application attachments. Make sure your water system name and the pre-application number are on every attachment. Please label the attachment with the number of the Short Term Planning Funds Application section which requests the information (i.e. "Part A. No. 6").

Checklist	Short Term Planning loan application section	Requirements
<input checked="" type="checkbox"/>	Part A. No. 6	A resolutions from the water system's governing body providing the following (as applicable): <ul style="list-style-type: none"> Resolution designating the authorized representative and authorizing that individual to apply for a DWSRF loan(all systems Resolution or ordinance dedicating repayment source (not required at time of application will be required prior to execution of loan agreement)
<input checked="" type="checkbox"/>	Part B. No. 4	Description for pending litigation and the potential costs.
<input checked="" type="checkbox"/>	Part B. No. 5	Water rights documentation
<input checked="" type="checkbox"/>	Part C. No. 2	Map of service area and location of water system facilities.
<input checked="" type="checkbox"/>	Part D. No. 5	Water system rate structures for last three years include a description of the calculation of the average household water rate.
<input checked="" type="checkbox"/>	Part D. No. 6	Project Budget Sheet
<input checked="" type="checkbox"/>	Part D. No. 7	5 year revenue and expenditure projection for the water system.
<input checked="" type="checkbox"/>	Part D. No. 8	Description of all long term indebtedness

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	<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p> <p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <p><input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____</p>

Report prepared by:

Authorized Representative's Signature Date

Belinda Faustinos
Authorized Representative's Name

Executive Officer
Authorized Representative's Title

STOP: The following section is for CDPH use only. The requested Planning Report information ends here.

H. FINDINGS AND RECOMMENDATIONS

<p>CDPH USE ONLY (CHECK THE APPROPRIATE BOX AND INITIAL)</p> <p>NOTES: COPIES OF THE DOCUMENTS USED TO EVALUATE THIS REPORT MUST BE KEPT AT THE DISTRICT OFFICE FOR AUDIT PURPOSES.</p>	FINDINGS				
	<input type="checkbox"/> The proposed Planning Project described in this Planning Technical Report has been determined to be eligible for funding under the SRF Planning Funding program. The total amount of funding that has been determined to be eligible for funding is \$_____.				
	<input type="checkbox"/> It has been determined that the proposed Planning Project is <table border="1" style="margin-left: 20px;"> <tr><td><input type="checkbox"/></td><td>Eligible</td></tr> <tr><td><input type="checkbox"/></td><td>Non-eligible</td></tr> </table> for Planning Funding because of the following reasons: 1. (provide a list of reasons)	<input type="checkbox"/>	Eligible	<input type="checkbox"/>	Non-eligible
	<input type="checkbox"/>	Eligible			
	<input type="checkbox"/>	Non-eligible			
<input type="checkbox"/> It has been determined that the Planning Project described in this Planning Technical Report is necessary in order for the water system to comply with drinking water standards.					
RECOMMENDATIONS					
<input type="checkbox"/> It is recommended that funding for this Planning Project be <table border="1" style="margin-left: 20px;"> <tr><td><input type="checkbox"/></td><td>Approved</td></tr> <tr><td><input type="checkbox"/></td><td>Denied</td></tr> </table> for the following reasons: 1. (provide a list of reasons)	<input type="checkbox"/>	Approved	<input type="checkbox"/>	Denied	
<input type="checkbox"/>	Approved				
<input type="checkbox"/>	Denied				
<p>CDPH-FOB STAFF ENGINEER: _____ (INITIAL)</p> <input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____					
<p>CDPH-HQ REVIEWING ENGINEER: _____ (INITIAL)</p> <input type="checkbox"/> APPROVED <input type="checkbox"/> NOT APPROVED (REASON): _____					

CDPH REPORT APPROVAL

STAFF ENGINEER:

SIGNATURE DATE

NAME

DISTRICT ENGINEER:

SIGNATURE DATE

NAME

REGIONAL ENGINEER:

SIGNATURE DATE

NAME



California Drinking Water SRF

LOAN DATA

California's Solution for Public Water System Financing

Borrower Name	Azusa Springs Water System
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Basic Loan Information:

Today's Date	Jan 18, 2010
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First Payment Due	Jun 1, 2010
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Interest Rate	2.50%
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Payment Information:

Length of Loan, Years	5
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Payments Per Year	2
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Total Payments	10
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Calculated Payment	\$9,630
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Summary Information:

Principal	\$90,000
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Interest Paid	\$6,303
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Total Paid (P & I)	\$96,303
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Customer Cost:

Number of Customers	1
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Cost Per Month	\$1,605.05
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ATTACHMENT #1 SCOPE OF PROJECT

DESCRIPTION OF THE PLANNING TASKS & ASSOCIATED BUDGET

Preliminary Engineering and Survey of the Project Site

This task includes evaluation of feasible alternatives to include; installation of approved treatment technology to treat the water from the existing shallow well, construction of a new well, and consolidation with Azusa Springs Water and Light Company. The preliminary engineering report will provide cost estimates of capital expenditure for each alternative and an evaluation of the 20-year cost of operation for each alternative. The report will include conceptual design for the selected alternative and the final document will meet all requirements for submittal as an essential element of an SDWSRF Construction Loan Application.

Budget Amount: \$35,000

Environmental Documentation

An environmental sub-consultant will be hired to guide the Company through the environmental process to insure compliance with CEQA and all other State and Federal environmental requirements. As a member of this project team, the sub-consultant will be responsible for completing the requisite environmental and permitting tasks for the project. Primary responsibilities of the environmental sub-consultant will include the following:

- Maintain an open line of communication between the engineer, Azusa Springs, CDPH and all permitting agencies throughout the environmental review process. This would be accomplished through a site visit with the project team and agency staff and a combination of frequent, informal communications via conference call and written correspondence.
- Prepare CEQA Document:
 - The sub-consultant will prepare an administrative draft IS/ND using the environmental checklist form included as Appendix G of the CEQA guidelines (or other format preferred by the CDPH). The document will be prepared in a narrative format that describes the environmental setting for the study area, summarizes the results of the technical studies (archeological survey report, biological resources assessment, etc.), identifies potential impacts resulting from the proposed project, and recommends mitigation measures (as appropriate). Each issue area covered in the environmental checklist will be evaluated at a

suitable level of detail to fully address all potential impacts of the proposed project. The IS will only analyze the preferred project alternative at a full level of detail. An administrative draft IS will be submitted to the project team for review and comment. We will also circulate the administrative draft IS to other responsible agencies, as deemed appropriate by the CDPH.

Budget Amount: \$10,000

Intermediate Engineering for the Selected Alternative

This task includes detailed engineering for the selected alternative. The scope of this work is still somewhat conceptual, however it is entirely focused on the alternative selected as a result of the preliminary engineering study. If the apparent preferred alternative (consolidation) is selected, this work will include detailed pipeline alignment and acquisition of any necessary easements and/or Rights-of-Way. If on the other hand, the selected alternative is construction of a new well, or installation of treatment components and other improvements, the intermediate engineering will include site selection and design layout.

Budget Amount: \$10,000

Final Plans and Specifications

Plans and written specifications, suitable for public works bidding, will be prepared for the recommended alternative under this task. A kick-off meeting will be held to discuss the important elements of the Project and to consider specific concerns shared by any party. The end result of this task is a 100% complete, "shovel ready" set of bid documents.

Budget Amount: \$25,000

Preparation of Application for Construction Funds

The work involved under this task anticipates the need for a completed SDWSRF (or other funding vehicle) Construction Loan Application. The consultant will prepare the complete application including an updated TMF Assessment Report for submittal to CDPH and DWR.

Budget Amount: \$10,000

Total Budget Amount for the Planning Project: \$90,000

Safe Drinking Water State Revolving Fund
Application for Short Term Planning Funds
Attachment Cover Sheet

**AZUSA SPRINGS WATER SYSTEM
WATER SYSTEM # 1909644-001**

ATTACHMENT “H”

PART D. NO. 4

**WATER SYSTEM RATE STRUCTURE FOR LAST THREE
YEARS, INCLUDE A DESCRIPTION OF THE CALCULATION
FOR THE AVERAGE HOUSEHOLD WATER RATE**

In past years, the property served by the Azusa Springs Water System (the Water Conservation Authority) included an 11 unit mobile home park. The water system is not metered and a flat rate of \$80 per month was included in the rental fee for the mobile home spaces. The mobile homes have all been removed leaving only a 3-unit apartment building and an office building served by the water system. No meaningful calculation of the average household water rate is possible.

The anticipated short-term planning loan in the amount of \$90,000 will result in an annual debt service of \$19,260. If we assume that the WCA establishes a sinking fund account to service this debt, monthly deposits of about \$1605 will be required to adequately fund the debt. Please see amortization of this loan amount on the following page.

January 28, 2010 - Item 17

RESOLUTION NO. 2010-38

RESOLUTION OF THE WATERSHED CONSERVATION
AUTHORITY AUTHORIZES AN APPLICATION TO THE STATE OF
CALIFORNIA DEPARTMENT OF PUBLIC HEALTH FOR A GRANT
FOR THE AZUSA SPRINGS WATER SYSTEM

WHEREAS, the Watershed Conservation Authority has been established as a joint powers agency between the RMC and the District to implement projects which will provide open space, habitat restoration, and watershed improvement projects in both the San Gabriel and Lower Los Angeles Rivers watershed; and

WHEREAS, the Watershed Conservation Authority (WCA) has further been established to focus on projects which will provide open space, habitat restoration, and watershed improvement projects in both the San Gabriel and Lower Los Angeles Rivers watershed; and

WHEREAS, the Watershed Conservation Authority has the authority to construct, operate, and maintain the Azusa Springs water system; and

WHEREAS, the Watershed Conservation Authority desires to enhance the provision and protection of the drinking water supplied to the consumers of the Azusa Springs water system; and

WHEREAS, the proposed action is exempt from the provisions of the California Environmental Quality Act and the National Environmental Policy Act (NEPA); NOW

Therefore be it resolved that the WCA hereby:

1. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA); and
2. ACCEPTS that the Watershed Conservation Authority that, pursuant and subject to all of the terms and provisions of the Safe Drinking Water State Revolving Fund (SDWSRF) program, application be made to the State of California Department of Public Health for funding; and
3. FINDS THAT the Executive Officer of said Watershed Conservation Authority is hereby authorized and directed to cause the necessary data to be prepared and application to be signed and filed with the State of California Department of Public Health.
4. ADOPTS the staff report dated January 28, 2010.

~ End of Resolution ~

Resolution 2010-38

Passed and Adopted by the Board of the
WATERSHED CONSERVATION AUTHORITY
ON January 28, 2010.

Teresa Villegas, Chairperson

ATTEST:

Terry Fujimoto
Deputy Attorney General