

San Geronio Pass Water Agency

DATE: March 20, 2023

TO: Finance and Engineering Workshop

FROM: Lance Eckhart, General Manager

BY: Lance Eckhart, General Manager

SUBJECT: CONSIDER ENTERING INTO A CONTRACT WITH CALIFORNIA RURAL WATER ASSOCIATION TO ASSIST WITH THE NEEDS OF SMALL WATER SYSTEMS, INCLUDING ECONOMICALLY DISADVANTAGED COMMUNITIES (DACs)

RECOMMENDATION

Staff recommends the Board of Directors approve, at the next regular Board meeting, the proposal to enter into a contract with California Rural Water Association (CRWA) to assist small water systems in the Agency service area in attracting outside funding for infrastructure improvements for the region.

PREVIOUS CONSIDERATION

- Board of Directors – June 21, 2021: The Agency has been working with CRWA since July 21, 2021 in a focused effort to determine the value and viability of the small water system/Agency/Non-Profit model.

BACKGROUND

Due to resource constraints, smaller water systems often find it hard to attract and utilize outside resource support and funding. These smaller systems commonly coincide with Disadvantaged Communities (DACs). State and federal funding entities often work with a regional agency and a non-profit to assist smaller water systems. The goal is to position the small water system to attract and subsequently manage grant programs. Regional assistance is often considered critical in getting designated grant funds to Disadvantaged Communities.

Some of the industry trends concerning providing support for underserved and disadvantaged water systems (including non-profit/regional partnerships, gap funding, case studies, etcetera) are well documented in the:

Water Education Foundation: Solving Water Challenges in Disadvantaged Communities

A handbook to understanding the issues in California and Best Practices for Engagement

Community Water Systems Alliance

Case Studies: Regional Agency Assistance for Small Water Systems

CRWA was formed in 1990 as a non-profit organization that assists small water/wastewater systems with various technical assistance services across the state. For the past decade, CRWA has had a history of teaming up with regional agencies specifically to assist smaller water systems in attracting funding and becoming more resilient.

ANALYSIS

In 2021, staff initiated a local pilot program with CRWA and Banning Heights Mutual Water Company (BHMWC) to position them for state funding. In December 2021, CRWA helped BHMWC prepare a grant application for the Department of Water Resources Small Community Drought Relief Program. Assistance also included minor administrative support to ensure BHMWC had the technical, managerial, and financial capacity to execute any grant award. In August 2022, DWR announced a [\\$3.7M grant award](#) for BHMWC. Staff considers the pilot program very successful, and there has been local interest from other regional small water systems to participate in a regional program.

High Valleys Water District, Cabazon Water District, and Cherry Valley Water Company have all expressed a need and interest in a small water systems support program. These three organizations are or have DACs communities within their respective service areas. Each entity is highly likely to be eligible for outside financial funding. Staff has requested that CRWA prepare a proposal with a menu of tasks that can be initiated to quickly position the above organizations to receive state/federal support.

FISCAL IMPACT

This would be a General Fund expense and would fall in the Consulting and Engineering Services category, 'Small System Assistance Program' line item. As of the February 2023 Budget Report, about \$17,000 has been expended, leaving about \$23,000 for future expenditures. The bulk of this proposal will be included in the General Fund Budget for FY 2023-24, with the possibility of expenditures extending to FY 2024-25.

ACTION

Move to approve, at the next regular Board meeting, the proposal to enter into a contract with California Rural Water Association (CRWA).

ATTACHMENT

- CRWA Proposal - San Geronio Pass Water Agency capacity building for small disadvantaged water system providers

San Gorgonio Pass Water Agency
Capacity building for small disadvantaged water system providers

Proposal for Services

March 01, 2023 – June 30, 2024

Project Name: Small Water Systems Assistance Program for Fiscal Year 2023-2024

Date: March 15, 2023

San Gorgonio Pass Water Agency (“Owner”) requests California Rural Water Association to perform, or cause to be performed under this agreement that services, and items generally described below the (“Scope of Service”).

1. Scope of Services: See Scope of Work
 2. Schedule: See Scope of Work
 3. Budget: \$ 179,200.00
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The above referenced Professional Services Agreement between California Rural Water Association and the San Gorgonio Pass Water Agency dated September 02, 2022, is hereby modified as followed in the attached Scope of Work.

All other terms and conditions of the referenced Professional Services Agreement remain unchanged.

Requested By: _____ Date: _____

Lance Eckhart, General Manager/Chief Hydrogeologist
San Gorgonio Pass Water Agency

Approved By: _____ Date: _____

Lance Eckhart, General Manager/Chief Hydrogeologist
San Gorgonio Pass Water Agency

Accepted By: _____ Date: _____

Dustin Hardwick, Deputy Director
California Rural Water Association

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Proposal for Services

March 01, 2023 – June 30, 2024

Scope of Work

1. Cherry Valley Water Company

Task#	Task	Task Description	Deliverables	Amount
A. Needs Assessments				
A.1	Needs Assessments	CRWA will conduct a focused water system needs assessments to help identify and document the most pressing water related issues. <i>The Needs Assessment is the first step a system takes to begin the grant funding process.</i>	Comprehensive Needs Assessment (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$6,000 per needs assessment Technical Specialist – \$70.00/hour + travel
C. Technical Assistance				
C.1	Technical Assistance	CRWA will conduct a Standard Technical, Managerial, and Financial (TMF) Assessment. The TMF provides a cost and rate of service analysis that is able to identify the most important and critical needs of a system. <i>The Standard TMF Assessment is a required document for the State Water Board funding process. The TMF can also be used to fulfill the requirements needed in the USDA and DWR grant loan process.</i>	Standard TMF Assessment Form (Including Appendices) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$15,000 - \$20,000 per TMF assessment Program Coordinator – \$130.00 - \$135.00/hour + travel Technical Specialist – \$70.00/hour + travel
C.2	Leak Detection Survey	Many DACs have aging infrastructure, which may suffer from undetected water loss. CRWA will complete a leak detection survey. In order to help the system, reduce water loss.	Leak Detection Report (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$8,000 - \$10,000 per system map (varies – depending on system size)
D. Technical Support				
D.1	Engineering	CRWA will provide a basic Preliminary Engineering Report (PER). The PER will be based on the highest recommended need identified in the needs assessment. It will further examine potential improvements to the system and will include engineering calcs to support findings, a pre-design level cost estimate, as well as a basis for a Pre-design report. <i>The PER defines and outlines funding projects.</i>	Basic Preliminary Engineering Report (PER) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$10,000 - \$15,000 per PER Senior Engineer – \$200/hour + travel Associate Engineer – \$135/hour + travel Engineer-in-Training (EIT) – \$100/hour + travel
D.2	GIS Mapping	Maps are essential to understanding and operating water systems. Many rural utilities do not have accurate or accessible maps of their system. CRWA will provide utilities with digital maps that are easily accessible. Digital maps are created by using existing maps provided by the utility and/or field data collected with a GPS unit. CRWA prepares a digital map in ESRI GIS software.	Digital Map in ArcGIS (can then be shared with the utility and accessible on a laptop, tablet or smartphone)	\$5,000 - \$7,500 per system map (varies – depending on system size) Engineer-in-Training (EIT) – \$100/hour + travel
Total Budget:				\$ 58,500

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2. High Valley Water District

Task#	Task	Task Description	Deliverables	Amount
C. Technical Assistance				
C.1	Technical Assistance	CRWA will conduct a Standard Technical, Managerial, and Financial (TMF) Assessment. The TMF provides a cost and rate of service analysis that is able to identify the most important and critical needs of a system. <i>The Standard TMF Assessment is a required document for the State Water Board funding process. The TMF can also be used to fulfill the requirements needed in the USDA and DWR grant loan process.</i>	Standard TMF Assessment Form (Including Appendices) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$15,000 - \$20,000 per TMF assessment Technical Specialist – \$70.00/hour + travel
D. Technical Support				
D.1	Engineering	CRWA will provide a basic Preliminary Engineering Report (PER). The PER will be based on the highest recommended need identified in the needs assessment. It will further examine potential improvements to the system and will include engineering calcs to support findings, a pre-design level cost estimate, as well as a basis for a Pre-design report. <i>The PER defines and outlines funding projects.</i>	Basic Preliminary Engineering Report (PER) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$10,000 - \$15,000 per PER Senior Engineer – \$200/hour + travel Associate Engineer – \$135/hour + travel Engineer-in-Training (EIT) – \$100/hour + travel
Total Budget:				\$ 35,000

3. Cabazon Water District

Task#	Task	Task Description	Deliverables	Amount
C. Technical Assistance				
C.1	Technical Assistance	CRWA will conduct a Standard Technical, Managerial, and Financial (TMF) Assessment. The TMF provides a cost and rate of service analysis that is able to identify the most important and critical needs of a system. <i>The Standard TMF Assessment is a required document for the State Water Board funding process. The TMF can also be used to fulfill the requirements needed in the USDA and DWR grant loan process.</i>	Standard TMF Assessment Form (Including Appendices) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$15,000 - \$20,000 per TMF assessment Technical Specialist – \$70.00/hour + travel
D. Technical Support				
D.1	Engineering	CRWA will provide a basic Preliminary Engineering Report (PER). The PER will be based on the highest recommended need identified in the needs assessment. It will further examine potential improvements to the system and will include engineering calcs to support findings, a pre-design level cost estimate, as well as a basis for a Pre-design report. <i>The PER defines and outlines funding projects.</i>	Basic Preliminary Engineering Report (PER) (1 pdf emailed to SGPWA and 1 hard copy in monthly invoice packet)	\$10,000 - \$15,000 per PER Senior Engineer – \$200/hour + travel Associate Engineer – \$135/hour + travel Engineer-in-Training (EIT) – \$100/hour + travel
Total Budget:				\$ 35,000

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Proposal for Services

March 01, 2023 – June 30, 2024

4. San Gorgonio Pass Water Agency

Task#	Task	Task Description	Deliverables	Amount
D. Technical Support				
D.2	GIS Mapping	Maps are essential to understanding and operating water systems. Many rural utilities do not have accurate or accessible maps of their system. CRWA will provide utilities with digital maps that are easily accessible. Digital maps are created by using existing maps provided by the utility and/or field data collected with a GPS unit. CRWA prepares a digital map in ESRI GIS software.	Digital Map in ArcGIS (can then be shared with the utility and accessible on a laptop, tablet or smartphone)	\$5,000 - \$7,500 per system map (varies – depending on system size) Engineer-in-Training (EIT) – \$100/hour + travel
G. Grant Administration				
G.1	Admin. Support	CRWA’s Program Director will provide the necessary support and management of the overall program. CRWA’s IRWMP Coordinator will keep track of the program’s timeline and ensure tasks remain within budget. The IRWMP Coordinator will compile, review, and format all deliverables for the program. CRWA’s Admin Support Specialist will submit a monthly invoice packet containing deliverables and documentation of work performed within that invoice period. CRWA’s Admin will provide any administrative support needed throughout the program.	Monthly Invoice packet with progress reports and deliverables	\$40,000 - \$44,000 Program Director – \$130/hour IRWMP Coordinator – \$65.00/hour Admin. Support Specialist - \$46.00/hour
Total Budget:				\$ 50,700

Travel and Per Diem Expenses:

Mileage Reimbursement:	\$0.655 per mile	Or current State rate
Meal Reimbursement:		
Breakfast	\$ 7.00	Refer to state documents for specifics on meal allowances.
Lunch	\$ 11.00	
Dinner	\$ 23.00	
Incidental	\$ 5.00	
Hotel Reimbursement:	Varies	

3. Budget:

Not to exceed \$179,200 based on the attached Scope of Work. The following lists the total estimated budget for each System:

1. Cherry Valley Water Company..... \$58,500
2. High Valley Water District..... \$35,000
3. Cabazon Water District..... \$35,000
4. San Gorgonio Pass Water Agency..... \$50,700