



AGENDA STAFF REPORT

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Agenda Number: H
File ID: 0321

Section Name: ACTION CALENDAR
Project ID: N/A

MEETING DATE: November 14, 2023

SUBJECT: Authorize the General Manager to Execute Loan Payment Agreements with the United States Bureau of Reclamation for Extraordinary Operations and Maintenance Capital Replacement Projects related to the Imperial Dam Facilities and the All-American Canal System in the amount of \$7,092,287, and approve an additional contingency of \$709,229, for a total not to exceed amount of \$7,801,516

TO: BOARD OF DIRECTORS

FROM: OPERATIONS AND MAINTENANCE, DAN CHARLTON

**GENERAL MANAGER
RECOMMENDATION:**

RECOMMENDATION:

Authorize the General Manager to Execute Loan Payment Agreements with the United States Bureau of Reclamation (USBR) for Extraordinary Operations and Maintenance Capital Replacement Projects related to the Imperial Dam Facilities and the All-American Canal (AAC System) in the amount of \$7,092,287, and approve an additional contingency of \$709,229, for a total not to exceed amount of \$7,801,516.

BUDGET IMPACT:

The funding to pay the debt service on each respective 30-year loan will be included in the future operating budgets as the extraordinary maintenance projects are completed by the Imperial Irrigation District (IID). Additionally, CVWD currently pays IID \$344,850 per quarter, or \$1,379,400 annually, for its annual obligation for normal operations and maintenance costs related to the AAC System. This amount is included in the Fiscal Year 2024 Budget. As such, there will not be an adverse impact on the budget.

PROCUREMENT METHOD:

☒ N/A

If other, please explain: .

BACKGROUND

CVWD is conveyed Colorado River Water through the AAC System and is obligated to pay its proportional share of the operations and maintenance costs, including extraordinary maintenance (capital replacements).

The IID has determined that the following extraordinary maintenance projects need to be completed over the next 10 years:

- Pilot Knob Check Gates Refurbishment
- Common Works Radial Gate Repair
- Sludge Pipe Replacement Project (Section 1)
- Bypass and Clarifier Inlet Gates Refurbishment
- De-silting Basins Clarifier Arms Replacement

The AAC System is more than 80 years old and various appurtenances need to be replaced to ensure optimized delivery of Colorado River Water. A draft loan agreement for the Pilot Knob Check Gate Refurbishment Project is attached. A breakdown of the CVWD cost share for the extraordinary operations and maintenance is outlined in the table below.

Projects in the 10-year O&M Capital Replacement Program:

Project	Contract No.	Total Project Estimate	CCI	Adjusted Project Cost	CVWD Portion	%
Pilot Knob Check Gates	22-XX-30-W0740	\$ 4,981,445	1.12	\$ 5,589,229	\$ 637,172	11.40%
Common Radial Gate Repair	23-XX-30-W0810	\$ 7,000,000	1.12	\$ 7,854,067	\$ 678,827	8.64%
Sludge Pipe Replacement	22-XX-30-W0763	\$ 25,609,424	1.06	\$ 27,205,856	\$ 2,692,836	9.90%
Bypass and Clarifier Inlet Gates Refurbishment	23-XX-30-W0766	\$ 5,319,750	1.12	\$ 5,968,810	\$ 651,854	10.92%
De-silting Basins Clarifier Arms Replacement	23-XX-30-W0816	\$ 23,125,000	1.06	\$ 24,566,558	\$ 2,431,598	9.90%
Totals:		\$ 66,035,619		\$ 71,184,520	\$ 7,092,286	9.96%
				10% Contingency	<u>\$ 709,229</u>	
				Total Amount	\$ 7,801,515	

PRIOR BOARD ACTION:

N/A

DISTRICT STRATEGIC PLAN GOAL(S)/OBJECTIVES(S):

N/A

ENVIRONMENTAL IMPACT:

X YES

The approval of the Loan Payment Agreements with USBR for Extraordinary Operations and Maintenance Capital Replacement Projects related to the AAC System is categorically exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines sections 15301 (Class 1: Existing Facilities) and 15302 (Class 2: Replacement or Reconstruction). As Lead agency under CEQA, IID has determined the project to be categorically exempt from CEQA.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

N/A

ATTACHMENTS

Att 1 – DRAFT USBR Contract – Pilot Knob Project