



**AGENDA
 STAFF REPORT**

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Agenda Number: K
File ID: 0710.50.17

Section Name: CONSENT CALENDAR
Project ID: SA2003

MEETING DATE: January 28, 2025

SUBJECT: Approval of Resolution No. 2025-02, authorizing the U.S. Department of Agriculture (USDA) Rural Development Grant Application for the Avenue 66 Trunk Sewer Project
 BOARD OF DIRECTORS

TO:

FROM: FINANCE, KARLA ROMERO

**GENERAL MANAGER
 RECOMMENDATION:**

RECOMMENDATION:

Authorize the General Manager to execute the Authorization Resolution No. 2025-02, for the USDA Rural Development Grant Application for the Avenue 66 Trunk Sewer Project.

BUDGET IMPACT:

The Avenue 66 Trunk Sewer Project (SA2003) is included in the FY 2025 Capital Improvement budget in the amount of \$500,000, with additional project expenses forecasted for FY 2026 and FY 2027. If awarded, the USDA Rural Development Grant is anticipated to provide an additional \$7 million in funding for the project. The following table details the estimated project cost and potential funding sources:

Description	Original Project Cost	Revised Project Cost
Total Estimated Project Cost	\$ 10,081,088	\$ 18,254,000
<u>Funding Sources</u>		
SWRCB Grant Funding	\$ 10,081,088	\$ 10,081,088
USDA Rural Development Grant (Proposed)	-	7,000,000
SCC/Restricted Funds	-	1,172,912
Total Funding	\$ 10,081,088	\$ 18,254,000

SCC = Sanitation Capacity Charges

PROCUREMENT METHOD:

N/A

If other, please explain: .

BACKGROUND

The Avenue 66 Trunk Sewer Project includes constructing a new sewer pipeline along Avenue 66 from Polk Street to Harrison Street and along Harrison Street from Echols Road to Avenue 66. A new lift station will also be required at the intersection of Echols Road and Harrison Street. The project will utilize grant funding for the septic-to-sewer conversion and expand CVWD's sanitation service to the area, including Sunbird Mobile Home Park (MHP) and Torrez Martinez Community Center, along Martinez Road. The Sunbird MHP and the Torrez Martinez Community Center (TMCC) have been identified as a priority on-site wastewater treatment system (OWTS) for consolidation into CVWD's sanitary sewer system as part of a consolidation study prepared under the direction of CVWD's Disadvantaged Communities Infrastructure Task Force.

The proposed project involves installation of 19,625 feet of sewer pipeline and a new lift station. The project will connect the Sunbird MHP and TMCC to CVWD's existing sanitation system with the flows being treated at CVWD's Water Reclamation Plant No. 4 (WRP-4). The pipeline will be installed below grade within existing paved streets and rights-of-way with an average excavation depth of 10 to 14 feet and maximum depth of 25 feet. The pipeline alignment will primarily traverse public roads and a portion of the Torres-Martinez Desert Cahuilla Indian reservation land.

CVWD has secured grant funding in the form of a Clean Water State Revolving Fund (CWSRF) grant from the California State Water Resource Control Board (SWRCB) in the amount of \$10.1 million to fund the design and partial construction of the necessary sanitary sewer facilities.

Based on the current engineering estimate and existing project schedule, the cost and timeline to project completion exceeds the current funding amount and end date of the grant agreement with SWRCB. CVWD is seeking additional funding in the amount of \$7,000,000 in Rural Development Grant program funding from USDA under the Water & Waste Disposal Loan & Grant Program in California to complete the project.

PRIOR BOARD ACTION:

On February 13, 2024, the Board authorized the General Manager to execute a Professional Services Agreement with Dudek in the amount of \$693,222 for Engineering Design Services for the Avenue 66 Trunk Sewer Project (SA2003) and approve additional expenditures for a total request of \$800,000.

On March 22, 2022, the Board certified the Mitigated Negative Declaration (MND), adopted the Mitigation Monitoring and Reporting Plan (MMRP) for the Avenue 66 Trunk Sewer Project, and authorized CVWD staff to file a Notice of Determination, completing CEQA review for the Project.

On August 18, 2018 the Board authorized Resolution No. 2018-39 to authorize the Clean Water State Revolving Fund Grant for the Avenue 66 Trunk Sewer Project.

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

N/A

ENVIRONMENTAL IMPACT:

Yes, attachments included:

Mitigated Negative Declaration has been completed for this project (<https://www.cvwd.org/568/Avenue-66-Trunk-Sewer-Project>). The Notice of Determination is attached.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

N/A

ATTACHMENTS

Att 1 - Resolution No 2025-02 Authorizing the Grant Application

Att 2 - Notice of Determination for Avenue 66 Trunk Sewer Project