SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-C**

FROM: Steve Mack, General Manager

Meeting Date: January 7, 2010

SUBJECT: UPDATE ON REQUEST FOR GRANT FUNDING FROM THE RUSSIAN RIVER REDEVELOPMENT OVERSIGHT COMMITTEE/SONOMA COUNTY REDEVELOPMENT AGENCY FOR CIP IV-B

RECOMMENDED ACTION: Receive an update on this funding request.

FISCAL IMPACT: Approval by the County of this grant request of $1,994,250 will fund approximately 75% of CIP IV-B, the Fiscal Year 2010 and 2011 capital projects of the District's 2010-2015 Capital Improvement Program (CIP). This allows the District to maintain reserves above District policy at a level sufficient to continue infrastructure improvements beyond the six-year CIP, and allows the District to delay increasing the Capital Debt Reduction Charge (CDRC) for at least two years.

DISCUSSION:

The Board of Supervisors, acting as the Community Development Commission (CDC), consideration of this item approved the District's funding request on December 15, 2009. This allows the District to get moving on CIP IV-B, Project 1 which is construction of Schoolhouse and Upper Schoolhouse Tanks in Monte Rio, replacing approximately 1,500 feet of distribution lines on Bonita Terrace in Monte Rio, replacement of approximately 1,600 feet of distribution lines on Riverland Road in Guernville, and replacement of 300 feet of feed line associated with the Handy Andy Booster Pump. We expect that project to be advertised in late January/early February with award of contract at the March Board meeting.