

Memorandum

May 29, 2019

TO: Infrastructure Finance Authority Board
FROM: Chris Cummings, Assistant Director
SUBJ: Funding Opportunity of \$3,937,773—Safe Drinking Water Revolving Loan Fund Program, for City of Sutherlin, Nonpareil Water Treatment Plant Improvements, No. 252-13475

Requested Action

Informational Only For Board Input For Board Action (see Recommended Motion)

Request

The city of Sutherlin, located in Douglas County, has submitted a Safe Drinking Water Revolving Loan Fund Program (SDWRLF) application for \$3,937,773 to design and construction improvements to their Nonpareil Water Treatment Plant.

The city completed the master plan in 2017 which outline approximately 23 recommended improvements to be completed, with a total estimated cost of approximately \$27 million. The improvements were prioritized into two phases, the recommended Phase I improvements consist of construction of a new Cooper Creek Water Treatment Plant raw water intake, improvements to the Nonpareil Water Treatment Plant, and distribution system improvements.

The city has chosen to complete the necessary improvements to the Nonpareil Water Treatment Plant and raw water intake to improve the reliability and treatment efficiency.

Proposed Project

The city will contract for final design and construction services to make improvements that include the following: compressor upgrade for cleaning intake screen; new magnetic flow meter for the raw water influent line, refurbish contact clarifier through sand blasting pressure grouting of cracks, and coating; air scour system into the existing filters; construction of new concrete primary, secondary and tertiary backwash ponds; addition of a redundant potable water pump; installation of filter-to-waste piping; replacement of existing water treatment plant piping with the addition of electric actuated valves; installation of an updated controls system utilizing Supervisory Control and Data Acquisition (SCADA); installation of new generator with automatic transfer switch; and replacement of system monitoring equipment.

Funding Summary

Applicants under the SDWRLF program may be determined to be a Disadvantaged Community and qualify for grants/forgivable loan, reduced interest rate and an extended repayment term. The city of Sutherlin qualifies as a Disadvantaged Community due to their projected user rate of \$55.00 by completion date and their MHI of \$37,080 being below the state average and their affordability rate, which is \$38.63.

Recommended Motion

Move to approve an award of \$3,937,773 in Safe Drinking Water Revolving Loan Fund Program funding to the city of Sutherlin, comprised of a \$3,557,773 loan at 1% for 30 years and a \$380,000 forgivable loan to design and construct improvements to the Nonpareil Water Treatment Plant and raw water intake.