



UPPER SANTA CLARA RIVER Proposition 84 IRWM Drought Grant Attachment 5 – Budget Summary

Introduction

This Attachment provides a summary of the overall Proposal budget as well as the budgets for the individual Projects. The Summary Budget (per Table 8 of the PSP) at the end of this Attachment provides a snapshot of the overall Proposal costs. Each individual Project budget, presented below, is broken down by work plan tasks (per Table 7 of the PSP) and is consistent with Attachment 4 Work Summary and Attachment 6 Schedule.

This Proposal has an estimated total cost of approximately \$35.8M. Of this amount, \$16.7M is being requested in grant funding and \$9.1M or 25% will be contributed by Project Proponents as matching funds. The remaining \$10M in funding required for the total budget will come from a State Revolving Fund (SRF) loan.

Consistency with Work Plan and Schedule

Both the Work Plan and Schedule provide discussions of the work items under the general categories outlined in the budget and are thus consistent with the budget items provided in this attachment. The general categories for the budget are as follows:

- a) Direct Project Administration Costs
- b) Land Purchase/Easement
- c) Planning/Design/Engineering/Environmental Documentation
- d) Construction/Implementation

In this proposal, Project Monitoring Plan (PMP) preparation is provided under the Direct Project Administration Costs. Preparation of the necessary California Environmental Quality Act (CEQA) documentation is included under the Planning/Design/Engineering/Environmental Documentation budget category.

Budgets Provided

A summary budget for the Proposal is provided as Table 5-5. Projects in this Proposal are numbered as follows:

1. Rosedale-Rio Bravo Water Storage District (RRBWSD)/ Castaic Lake Water Agency (CLWA) Banking Program 2014 Drought Relief Project (CLWA-1).
2. Semitropic Water Storage District (SWSD) Extraction and Conveyance Improvements for Return of Stored (Banked) Water to CLWA (CLWA-2).
3. Valencia Water Reclamation Plant UV Disinfection System Facilities (SCVSD-1).
4. Grant Administration

Tables 5-1 through 5-3 provide detailed budgets for each of the individual Projects consistent with the categories provided in the Guidelines. Table 5-4 provides the funds requested for grant administration.

Reasonableness of Detailed Costs and Supporting Documentation

All detailed costs shown for each Project are reasonable and, where applicable, supporting information is provided to justify the cost estimates. Supporting information includes staff rates and number of hours for labor; percentage of total used to approximate costs; and/or engineer's estimate.

Funding Match

The proposal includes a funding match slightly above the required 25% match. The proposal funding match is 25% of the total cost of the Proposal.



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Project Budgets

Table 5-1 – Project Budget (PSP Table 7)					
Proposal Title: Upper Santa Clara River IRWM 2014 Drought Proposal					
Project Title: RRBWSD/CLWA Banking Program 2014 Drought Relief Project (CLWA-1)					
Project serves a need of a DAC?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Funding Match Waiver request?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Category		(a) Requested Grant Amount	(b) Cost Share: Non-State Fund Source (Funding Match)*	(c) Cost Share: Other State Fund Source	(d) Total Cost
(a)	Direct Project Administration	\$150,261	\$50,087	\$0	\$200,348
(b)	Land Purchase/Easement	\$0	\$400,000	\$0	\$400,000
(c)	Planning/Design/Engineering/Environmental Documentation	\$158,993	\$52,998	\$0	\$211,991
(d)	Construction/Implementation**	\$4,266,167	\$1,422,056	\$0	\$5,688,222
(e)	Grand Total, (a) through (d)	\$4,575,421	\$1,925,140	\$0	\$6,500,561

* CLWA connection fees and wholesale water rate revenues.

** RRBWSD will invoice CLWA for construction costs as they are incurred (up to the \$5.7M). CLWA will pay RRBWSD and these invoices and proof of payment will be a part of the reimbursement request to DWR per the grant agreement. CLWA will retain the reimbursement sent by DWR, to offset its costs for the Project. Hence, the matching component will be met by CLWA concurrently.

Description of Project Budget

The following text describes how the budget shown is reasonable, based on current available information. The RRBWSD/CLWA Banking Program 2014 Drought Relief Project has an estimated total cost of \$6,500,561.

Total costs of Project have been assessed based on a Cost Sharing Agreement dated March 31, 2014, between RRBWSD, CLWA and Irvine Ranch Water District (IRWD), who will be responsible funding partners for all six necessary construction components for the Project as described in the Work Summary (Attachment 4). The cost sharing agreement includes cost estimates for administration, design, permitting, easement acquisition, construction, construction management and inspection, which are based on engineering estimates, best available data including preliminary design efforts, level of difficulty of each construction component, required permitting and CEQA compliance requirements. The cost sharing agreement is provided with the Schedule (Attachment 6), as Att6_DG_Schedule_2of3.

Each budget category includes costs related to each Task described in the Work Summary (Attachment 4), and as described below.

Budget Category (a): Direct Project Administration

Direct Project administration costs total \$200,348, which will cover individual tasks including Administration (Task 1), Labor Compliance (Task 2) and Reporting (Task 3). These cost estimates have been estimated based on previous RRBWSD/CLWA experience with similar types of projects and related administration tasks. As such, Administration (Task 1) costs are estimated at 1.2% of the total Project cost; Labor Compliance (Task 2) costs are estimated at 1.2% of construction costs. Reporting (Task 3) costs are estimated at 0.7% of total administrative costs. The costs for the Project Monitoring Plan have been included in the Reporting Task.



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Budget Category (b): Land Purchase/Easement

Costs are included for Land Acquisition (Task 4), which pertain to easement acquisition required for pipeline alignment across private property. The Project proponent is setting aside \$400,000 to cover the land/easement acquisition costs which are still to be identified. No grant funding is being requested for this cost.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

This budget category includes costs for Design/Engineering (Task 6), Environmental Documentation (Task 7) and Permitting (Task 8). The Design task is approximately 30% complete and the Environmental Documentation task is approximately 75% complete. Permitting costs are included for construction and operation agreements, an encroachment permit for highway crossing and a railroad license agreement.

Budget Category (d): Construction/Implementation

This budget category includes costs for Construction Contracting (Task 9), Construction (Task 10), Environmental Compliance/Mitigation/Enhancement (Task 11) and Construction Administration (Task 12). Construction Contracting include bidding and selection of the construction contractor(s). Construction for the entire Project includes a total of eleven wells and associated conveyance infrastructure and are based on an engineer's estimate to construct the Project facilities. To provide CLWA with the extra capacity it needs, approximately 7,500 AF, RRBWSD will dedicate the extraction capacity of three of the eleven wells and associated conveyance infrastructure to CLWA. Costs for Environmental Compliance/Mitigation/Enhancement include pre-construction biological surveys and monitoring work that will ensure protection of sensitive species, as necessary. Construction contingency has been budgeted under Construction Administration (Task 12), assuming 10% of the total construction cost, which accounts for the current level of design.



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Table 5-2 – Project Budget (PSP Table 7)

Proposal Title: Upper Santa Clara River IRWM 2014 Drought Proposal					
Project Title: SWSD Extraction and Conveyance Improvements for Return of Stored (Banked) Water to CLWA Project (CLWA-2)					
Project serves a need of a DAC?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Funding Match Waiver request?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Category		(a)	(b)	(c)	(d)
		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)*	Cost Share: Other State Fund Source	Total Cost
(a)	Direct Project Administration	\$112,242	\$37,414	\$0	\$149,656
(b)	Land Purchase/Easement	\$7,500	\$2,500	\$0	\$10,000
(c)	Planning/Design/Engineering/Environmental Documentation	\$82,500	\$27,500	\$0	\$110,000
(d)	Construction/Implementation**	\$6,136,376	\$2,045,459	\$0	\$8,181,835
(e)	Grand Total, (a) through (d)	\$6,338,618	\$2,112,873	\$0	\$8,451,491

* CLWA connection fees and wholesale water rate revenues

** CLWA will pay the total cost of the Project up front (\$8.5M) and then SWSD will prepare invoices for Project construction which CLWA will include in a reimbursement request to DWR per the grant agreement. CLWA will retain the reimbursement sent, to offset its costs for the Project. Hence, the matching component will be met by CLWA at the Project start.

Description of Project Budget

The following text describes how the budget shown is reasonable, based on current available information. The SWSD Extraction and Conveyance Improvements for Return of Stored (Banked) Water to CLWA Project has an estimated total cost of \$8,451,491. Engineering estimates for the cost of each Project component in CLWA-2 can be provided as backup documentation. A letter agreement documenting Project components is provided with the Schedule (Attachment 6), as Att6_DG_Schedule_3of3.

Budget Category (a): Direct Project Administration

Direct Project administration costs total \$149,656, which will cover individual tasks including Administration (Task 1), Labor Compliance (Task 2) and Reporting (Task 3). Direct Project administration cost estimates have been estimated based on previous CLWA experience with similar types of projects and related administration tasks. As such, Administration costs are estimated at 0.75% of the total Project cost; Labor Compliance costs are estimated at 0.5% of construction costs. Reporting costs are estimated at 0.33% of total administrative costs. The costs for the Project Monitoring Plan have been included in the Reporting task.

Budget Category (b): Land Purchase/Easement

Easements will be required for construction of the electrical distribution line for the Pond Road substation. Cost estimates are based on current and best engineering estimates provided by GEI Consultants and W. M. Lyles Co.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

This budget category includes costs for Design/Engineering (Task 6), Environmental Documentation (Task 7) and Permitting (Task 8). The Design task is approximately 60% complete and the Environmental Documentation task is approximately 75% complete. Related costs are based on previous expenditures and estimated work required to



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bring these tasks to completion. Cost estimates are based on best engineering estimates provided by W.M. Lyles Co.

Permitting costs are based on acquisition of permits, which will include a road encroachment permit from Kern County, National Pollutant Discharge Elimination System (NPDES) permit and PM-10 Dust Control Permit from the San Joaquin Valley Air Pollution Control Board.

Budget Category (d): Construction/Implementation

This budget category includes costs for Construction Contracting (Task 9), Construction (Task 10), Environmental Compliance/Mitigation/Enhancement (Task 11) and Construction Administration. Construction Contracting includes executing contracts with the design-build team and issuance of the Notice to Proceed. Construction costs are based on an engineer's estimate to construct the Project facilities. Costs for Environmental Compliance/Mitigation/Enhancement are related to biological surveys and monitoring work that will be performed as necessary pre- and during construction. Construction Administration costs are estimated at 1% of the construction cost estimate (based on prior experience) and also include a 10% construction contingency, which was selected given that the Project design is approximately 60% complete, but final plans and specifications are still outstanding.



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Table 5-3 – Project Budget (PSP Table 7)

Proposal Title: Upper Santa Clara River IRWM 2014 Drought Proposal					
Project Title: Valencia Water Reclamation Plant UV Disinfection System Facilities					
Project serves a need of a DAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Funding Match Waiver request? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
		(a)	(b)	(c)	(d)
Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)*	Cost Share: Other State Fund Source**	Total Cost
(a)	Direct Project Administration	\$0	\$300,000	\$0	\$300,000
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$2,700,000	\$0	\$2,700,000
(d)	Construction/Implementation	\$5,000,000	\$2,000,000	\$10,000,000	\$17,000,000
(e)	Grand Total, (a) through (d)	\$5,000,000	\$5,000,000	\$10,000,000	\$20,000,000

* The Non-State Funding source for match for this Project is the Santa Clarita Valley Sanitation District Operating Fund.

** The Other State Fund Source for match for this Project is SRF loan funds.

Description of Project Budget

The following text describes how the budget shown is reasonable, based on current available information. At the current design stage of 1%, the Valencia Water Reclamation Plant UV Disinfection System Facilities has an estimated total cost of \$20,000,000 based on agency experience. As the Project moves forward through the design stages, this estimate may be revised as necessary.

Budget Category (a): Direct Project Administration

Direct Project administration costs total \$300,000 and will be fully covered by funding match. Individual tasks include Administration (Task 1), Labor Compliance (Task 2) and Reporting (Task 3), which will be coordinated by the Sanitation District staff and include managerial, engineering, field, and clerical personnel.

Administration costs are estimated at 1% of the total Project cost based on previous project administration experience by the Sanitation District. Labor compliance costs are estimated based on compliance over the 30-month duration of construction. Reporting costs are estimated based on staff costs for reporting relating to grant agreement compliance, for the duration of the grant agreement, in addition to \$20,000 for the Project Monitoring Plan.

Budget Category (b): Land Purchase/Easement

No land purchases or right-of-way easements are required.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Costs for Budget Category (c) total \$2,700,000 and will be fully covered by funding match. This budget includes expenses relating to Design and Permitting. Design costs are estimated assuming an engineer’s rule of thumb that design is 15% of the construction cost and prior agency experience. Permitting is estimated at \$80,000 for the National Pollutant Discharge Elimination System (NPDES) Permit updates to reflect modification in plant treatment processes.



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Budget Category (d): Construction/Implementation

The Final Santa Clarita Valley Sanitation District Chloride Compliance Facilities Plan and EIR ([link to Fac Plan/EIR](#)) provides backup for the cost of UV for the overall chloride compliance program, of which the Valencia WRP UV Facilities is one component. The Final Santa Clarita Valley Sanitation District Chloride Compliance Facilities Plan and EIR indicates an engineer's combined cost estimate for UV upgrade at both the Saugus WRP and Valencia WRP to be \$30,000,000. The proportion of the \$30,000,000 attributable to the Valencia WRP UV Facilities is \$20,000,000, based on agency experience and site specific conditions. As the Project moves forward through the design stages, this estimate may be revised as necessary.

Construction and implementation costs from an engineer's estimate based on a 1% design level and agency experience total \$17,000,000 and include Construction Contracting, Construction, Environmental Compliance/Mitigation/Enhancement, and Construction Administration. As the agency moves forward through the design stages, this estimate may be revised as necessary.



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Table 5-4 – Project Budget (PSP Table 7)

Proposal Title: Upper Santa Clara River IRWM 2014 Drought Proposal					
Project Title: Grant Administration					
Project serves a need of a DAC?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Funding Match Waiver request?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Category		(a)	(b)	(c)	(d)
		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)*	Cost Share: Other State Fund Source**	Total Cost
(a)	Direct Project Administration	\$830,000	\$43,700	\$0	\$873,700
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$0	\$0	\$0
(d)	Construction/Implementation	\$0	\$0	\$0	\$0
(e)	Grand Total, (a) through (d)	\$830,000	\$43,700	\$0	\$873,700

* Castaic Lake Water Agency general operating fund and revenue from water rates.

Description of Project Budget

The following text describes how the budget shown is reasonable, based on current available information. The Grant Administration Budget for this Proposal is estimated to cost \$873,700 or 2.4% of the total proposal budget.

Budget Category (a): Direct Project Administration

Costs relating to the preparation of this Drought Grant Application are included under this budget category, totaling \$80,000. Costs associated with Project Administration and Reporting tasks are derived from experiences in managing similar projects such as invoicing and completing quarterly grant reports, and are based on estimated hours for all participating agencies.

Budget Category (b): Land Purchase/Easement

There are no anticipated costs in this category.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

There are no anticipated costs in this category.

Budget Category (d): Construction/Implementation

There are no anticipated costs in this category.



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Proposal Budget

Table 5-5 – Summary Budget (PSP Table 8)						
Proposal Title: Upper Santa Clara River IRWM 2014 Drought Proposal						
Individual Project Title		(a)	(b)	(c)	(d)	(e)
		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)*	Cost Share: Other State Fund Source**	Total Cost	% Funding Match (Col b/ Col d)
(a)	RRB/CLWA Banking Program (CLWA-1)	\$4,575,421	\$1,925,140	\$0	\$6,500,561	30%
(b)	SWSD Extraction and Conveyance Project (CLWA-2)	\$6,338,618	\$2,112,873	\$0	\$8,451,491	25%
(c)	Valencia WRP UV Disinfection System Facilities (SCVSD-1)	\$5,000,000	\$5,000,000	\$10,000,000	\$20,000,000	25%
(d)	Grant Administration	\$830,000	\$43,700	\$0	\$873,700	5%
(e)	Proposal Total, (a) through (d)	\$16,744,039	\$9,081,713	\$10,000,000	\$35,825,752	25%
(f)	DAC Funding Match Waiver Total	\$0	\$0	\$0	\$0	
(g)	Grand Total	\$16,744,039	\$9,081,713	\$10,000,000	\$35,825,752	25%