

## 7 ATTACHMENT 4 – Budget

*Attachment 4 is mandatory and includes the estimated capital costs of each project in the application. For the Project Budget Table, costs must be broken down consistent with how tasks are presented in the Work Plan. For example, if the Work Plan describes projects at the subtask level, the budget must also present costs at the subtask level. In addition to the table, the applicant must provide a description explaining how the values were derived. The description must not exceed two pages per project using a minimum 10-point font. The information contained in Attachment 4 will be used by DWR reviewers to score questions #2, 4, and 18-19 contained in Table 10.*

### 7.1 Project Budget

The following sections discuss budget for Tulare Irrigation District's (TID) Conjunctive Exchange Program and County of Tulare's (County) Well Abandonment Project submitted under this proposal. Discussions about project budgets are broken down into the following categories: direct project administration, land purchase/easement, planning/design/engineering/environmental documentation, and construction implementation. Costs provided herein were developed from many reputable sources such as prior IRWM grant efforts (Round 1 Implementation), prior program experience, assessments, vendor quotes, and unit prices from bids for similar types of projects.

#### 7.1.1 Conjunctive Exchange Program Budget

The Conjunctive Exchange Program meets the 25% minimum cost share requirement of a non-DAC. Table 8 – Project Budget is included and summarizes costs associated with each budget category.

**Table 7-1: Conjunctive Exchange Program Table 8 – Budget Table**

Table 8 – Project Budget					
<b>Proposal Title: <u>Kaweah River Basin 2015 Groundwater Recharge and Quality Protection Projects Proposal</u></b>					
<b>Project Title: <u>TID Conjunctive Exchange Program</u></b>					
Project serves a need of a DAC?: No					
Funding Match Waiver request?: 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 <i>Task 1: Admin. &amp; Management</i> <i>Task 2: Labor Compliance</i> <i>Task 3: Reporting</i>	\$120,994	\$0	\$0	\$120,994
(b)	Land Purchase/Easement <i>Task 4: Land Acquisition/Easements</i>	\$0	\$1,044,000	\$0	\$1,044,000
(c)	Planning/Design/Engineering/ Environmental Documentation <i>Task 5: Env. Compliance</i> <i>Task 6: Design</i> <i>Task 7: Recharge Capacity Study</i> <i>Task 8: Strategic Plan</i> <i>Task 9: Develop Exchange Policy</i> <i>Task 10: Permitting</i>	\$177,628	\$452,231	\$0	\$629,859
(d)	Construction/Implementation <i>Task 11: Cordeniz Construction</i> <i>Task 12: Serpa Ditch Relocation</i> <i>Task 13: Monitoring Wells</i>	\$604,275	\$1,456,256	\$0	\$2,060,531
(e)	Grand Total (Sum rows (a) through (d) for each column)	\$902,897	\$2,952,487	\$0	\$3,855,384
*The local cost share will be provided through a combination of Tulare Irrigation District funds and federal funding provided by the U.S. Bureau of Reclamation.					

### 7.1.1.1 Direct Project Administration

Project administration will be accomplished by the TID’s District Engineer. Grant reporting will be accomplished by the Applicant, Kaweah Delta WCD’s Projects/Administration Manager, in conjunction with the KDWCD’s Consultant Engineer. Costs in the direct project administration category are budgeted at approximately three percent (3%) of the total project cost. The costs are associated with the first three tasks in the Work Plan: Administration and Management, Labor Compliance Program, and Reporting. These costs were developed based on similar costs spent as part of the Kaweah River Basin IRWM Round 1 Implementation Grant, which came from the hourly rate of the personnel involved and the number of hours estimated to be spent.

### **7.1.1.2 Land Purchase/Easement**

TID acquired approximately 58 acres of property from a private owner for constructing a new recharge facility. The land has already been purchased as this Program has been underway since 2013 when TID received funding from USBR. The associated cost is based upon the agreed upon purchase amount from the private owner of \$18,000 per acre. Easements associated with realigning the ditch and converting to pipe are not expected to incur any costs.

### **7.1.1.3 Planning/Design/Engineering/Environmental Documentation**

This budget category is the estimate to complete the environmental compliance, design, Capacity Study and Strategic Plan, the Exchange Policy, and permitting. These efforts are to be completed by TID staff and their consultant. To develop the budget estimate, the rates of the team working on the task and the estimated number of hours to be spent were analyzed. The hourly rates of the team were averaged for each specific effort (i.e. Capacity Study, Exchange Policy) since some efforts were more TID staff involved and others were more consultant involved. Overall this budget category makes up approximately 16% of the total budget.

### **7.1.1.4 Construction Implementation**

Budgetary amounts listed in Table 7 are based on previous construction experience by TID for similar efforts, contractor quotes, and material costs. The construction of the Cordeniz Basin and realignment of the Serpa Ditch are very similar to the Plum Basin Project that was part of the 2011 Implementation Grant funding opportunity. Using this previous experience, TID is able to understand the costs associated with the equipment, staff, and materials needed to complete the construction. Equipment will be primarily earth moving equipment the District currently owns. TID has developed an hourly rate for its equipment based from years of renting similar equipment. Materials will include reinforced concrete, reinforced concrete pipe, canal gates, and flow meters. This budget item also includes estimates for TID staff man hours since District operators, techs, and laborers will perform most of the construction. The man hour estimates are based on wages and the number of hours expected to be spent during construction.

### **7.1.1.5 Cost Share**

Cost share for the Program will be provided by a combination of TID and USBR funds. TID is providing the funds for the land purchase amount of \$1,044,000. These funds will be provided from TID reserves. Additionally, TID was awarded federal funds from USBR for the Program in the amount of \$1,908,487. This makes a combined total of \$2,952,487 included for costs share. This amount equates to approximately 76% of the total cost, \$3,855,384.

## **7.1.2 Well Abandonment Project Budget**

The County of Tulare is requesting a waiver of the funding match since it is acting on behalf of DACs throughout the Kaweah River Basin. Table 8 – Project Budget is included and summarizes costs associated with each budget category.

**Table 7-2: Well Abandonment Project Table 8 – Budget Table**

<b>Table 8 – Project Budget</b>					
<b>Proposal Title: <u>Kaweah River Basin 2015 Groundwater Recharge and Quality Protection Projects Proposal</u></b>					
<b>Project Title: <u>Tulare County Well Abandonment Project</u></b>					
Project serves a need of a DAC?: Yes					
Funding Match Waiver request?: Yes					
<b>Category</b>		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
		<b>Requested Grant Amount</b>	<b>Cost Share: Non-State Fund Source* (Funding Match)</b>	<b>Cost Share: Other State Fund Source*</b>	<b>Total Cost</b>
(a)	Direct Project Administration <i>Task 1: Administration</i> <i>Task 2: Labor Compliance Program</i> <i>Task 3: Reporting</i>	\$63,200	\$0	\$0	\$63,200
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/ Environmental Documentation <i>Task 4: Assessment &amp; Evaluation</i> <i>Task 4.1: Outreach to Well Owners</i> <i>Task 4.2: Income Assessment</i> <i>Task 4.3: Selection of Wells</i> <i>Task 4.4: Verify Permission to Enter</i> <i>Task 5: Permitting</i>	\$46,000	\$0	\$0	\$46,000
(d)	Construction/Implementation <i>Task 6: Construction Contracting</i> <i>Task 6.1.1: Public Bid Project</i> <i>Task 6.1.2: Bid Document Prep</i> <i>Task 6.1.3: Bid Opening</i> <i>Task 6.1.4: Bid Evaluation</i> <i>Task 6.2: Contract Award</i> <i>Task 6.3: Pre-Construction Meeting</i> <i>Task 7: Well Deconstruction</i>	\$434,320	\$0	\$0	\$434,320
(e)	Grand Total (Sum rows (a) through (d) for each column)	\$543,520	\$0	\$0	\$543,520

\*List sources of funding: N/A

### 7.1.2.1 Direct Project Administration

Project administration will be accomplished by the County’s Water Resources Programs Manager. Grant reporting will be accomplished by the Applicant, Kaweah Delta WCD’s Projects/Administration Manager, in conjunction with the KDWCD’s Consultant Engineer. Costs for the project administration are budgeted at approximately one percent (10%) of the total Project cost. These costs were developed based on similar costs experienced during the project funding by the IRWM Round 1 Implementation Grant in 2011. More funds are allotted to the Labor Compliance Task for this effort. The County found that more time was needed to verify labor compliance during the last effort and has accounted for it this time around.

Approximately 80% of the funds in this category are associated with labor compliance with direct administration and reporting accounting for the remainder. .

#### **7.1.2.2 Land Purchase/Easement**

No property or easements are expected to be required; therefore no costs are included for this category.

#### **7.1.2.3 Planning/Design/Engineering/Environmental Documentation**

Most of the Project planning was completed as part of the 2011 funded effort. Through original effort, the County learned of several DAC wells needing proper abandonment beyond the scope of the original effort. The budget associated with this category is for continued public outreach, final selection of DAC wells needing proper abandonment, and costs to cover Tulare County permit fees for those who qualify. Most of the budget is associated with producing the public outreach information and brochures. This budget also includes a time allocation for the County Manger, which is based on an estimate of the time to be spent and hourly rate. Budget is also set aside for the County permits needed for each well; fee is \$116 per well.

#### **7.1.2.4 Construction/Implementation**

The effort included in the project budget for the selection of the successful low-bidding contract and the bid award by the County were developed from similar recent efforts set to accomplish other similar efforts for construction projects. Previous efforts were evaluated for the time required and how applicable they were to the proposed project. Then reasonable adjustments were made for particular aspects of the project that differed or needed to be accounted for. This was the basis for a man-hour estimate for the effort to review submitted bids, select the successful low-bidding contract and award the contract. The County's Water Resources Programs Manager and Design Engineer are expected to undertake this effort. The estimate, approximately \$34,000, is based on the estimated amount of hours they are likely to spend on this task and their respective hourly rates.

Well deconstruction costs, estimated at \$400,000, were developed from the previous well abandonment effort and generic quotes from contractors on a typical well deconstruction. This estimate came to approximately \$4,000 per well.

## **7.2 Proposal Budget**

The Kaweah Region is requesting total grant funds in the amount of \$1,446,417 for two projects, including grant administration. The projects include \$2,952,487 in matching funds for a total combined project amount of \$4,398,904. The Well Abandonment Project is being implemented on behalf of DACs in the region and is therefore requesting waiver. Tulare ID's Conjunctive Exchange Program Project has an individual matching percentage of nearly 77% while the overall application match is 67%. See Table 9 for a summary of the proposal budget.

The Applicant and the Project Proponents recognize this is the final round for the Implementation Grant funding under Proposition 84 and that DWR may not have sufficient funds to cover the complete budgets

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for all of the projects submitted. The projects submitted are scalable, which allows benefits to be maximized to match the funding constraints. However, if necessary, potential for projects to be scaled back to reduce costs are as follows:

- The Conjunctive Exchange Program has secured a significant portion of its funds through the Bureau of Reclamation. If only partial funding is available the Program is expected to proceed as planned. The goal for requesting IRWM funds is to ease the financial burden on the District as it has dealt with several dry years with no water deliveries, its primary source of income.
- The Well Abandonment Project is being implemented by the County of Tulare on behalf of DACs in the Kaweah River Basin. The goal of the project is to provide as large a benefit as possible to those living in a DAC. However, the County can prioritize the proposed 100 wells into tiers based on need. Depending on funding available, the Project can be scaled to only abandon wells categorized as high priority. Scaling, however, would reduce the overall benefit of the Project.

If circumstances make it necessary, the Applicant and the Project Proponents will meet with DWR staff to produce a revised scope of work and budget to address financial constraints.

**Table 7-3: Kaweah River Basin IRWM Table 9 - Proposal Budget**

<b>Table 9 – Proposal Budget</b>						
<b>Proposal Title: Kaweah River Basin 2015 Groundwater Recharge and Quality Protection Projects</b>						
<b>Individual Project Title</b>		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
		<b>Requested Grant Amount</b>	<b>Cost Share: Non-State Fund Source (Funding Match)</b>	<b>Cost Share: Other State Funding Sources</b>	<b>Total Cost</b>	<b>% Funding Match (Col b/Col d)</b>
(a)	Conjunctive Exchange Program	\$902,897	\$2,952,487	\$0	\$3,855,384	<b>76.6%</b>
(b)	Well Abandonment Project	\$543,520	\$0	\$0	\$543,520	<b>0.0%</b>
(e)	Proposal Total <i>Sum rows (a) through (b) for each column</i>	\$1,446,417	\$2,952,487	\$0	\$4,398,904	<b>67.0%</b>
(f)	DAC Funding Match Waiver Total <i>Sum column (d) only for projects seeking DAC funding match waiver in rows (a) through (d)</i>	-	-	-	\$543,520	
(g)	Grand Total <i>Subtract row (f) from row (e) for column (d) and recalculate column (e)</i>	-	-	-	\$3,855,384	<b>76.6%</b>