Farmersville DAC Water Energy Initiative
ATTACHMENT 4
BUDGET NARRATIVE

1.0 Project Administration

This task comprises almost **5%** or **$68,000** of the total proposal budget and ensures effective management of all aspects of the project completion. Due to its minimal, four member staff at City Hall, it is necessary for the City to utilize the services of its contract public utilities manager, Quad Knopf for project management and its contract grant management firm, Blais & Associates, Inc. will assist with timely progress and financial reporting to the Department of Water Resources. ***In the two separate project budgets, these administration costs are divided 80% for Project 1 and 20% for Project 2.***

1.1 Grant Kick-off Meeting/Grant Agreement

***This task will be provided in-kind*.** The City and the Project Manager will meet with DWR staff (via conference call) to review the grant agreement, discuss expectations and timelines, review procedures for consultant procurement, invoicing and reporting, auditing checklist (Appendix D from Guidelines), and next steps. The City will document the meeting with minutes and a list of action items. The City will process the grant agreement through the City Attorney's office and City Council and provide a fully executed copy of the grant agreement to the DWR.

1.2 Project Management

$50,000 in Project Management funds allows for $2,778 per month for 18 months for the City to utilize the services of its contract Public Works Management firm Quad Knopf, Inc. The City Manager will meet monthly with the Project Manager, selected consultant(s), and internal support staff to monitor project progress, prepares for upcoming tasks, debrief on completed tasks, conduct problem-solving, and ensure the project remains on schedule and within budget. DWR staff will be invited to these monthly progress meetings, if desired. The Project Manager will develop a schedule of monthly check-in/progress meetings and arrange for a conference call line for all parties to participate. The project schedule will be used as the standing agenda item for all calls.

Cost per Month:	$175 per hour x 15 hours per month = $2,778
Total Cost:	$2,778 per month x 18 months = $50,000 (rounded)

1.3 Grant Management

$18,000 in Grant Management funds will provide for all required grant reporting including $3,000 each for six quarterly reports that will include progress updates, a final report and financial reimbursement requests to the DWR. The City's contract grant management firm will work with city staff to complete the reporting.

Cost per Quarter:	$90 per hour x 33 hours = $3,000 (rounded)
Total Cost:	$3,000 per quarter x 6 quarters = $18,000

2.0 Meter Installations/ Flat-rate System Conversion

This task comprises **74%** or **$1,004,473** of the total proposal budget and includes all tasks necessary to install meters on the unmetered connections and convert Farmersville's water delivery system from monthly flat rate to a volumetric, metered billing.

2.1 Final design, plans, and specifications

$35,000 will provide for approximately 200 hours for the Project Manager and his staff to prepare final designs, installations plans, and equipment procurement specifications. This is a not-to-exceed cost estimate provided by the Project Manager.

$175 per hour x 200 hours = $35,000

2.2 RFP, Procure Contractor, Kick-off Meeting

$7,500 will provide for the Project Manager and his staff approximately 43 hours to develop an RFP based upon task 2.1 and oversee the competitive procurement process, culminating in the selection of the desired contractor. This is a not-to-exceed cost estimate provided by the Project Manager.

$175 per hour x 43 hours = $7,500 (rounded)

2.3 CEQA - Notice of Exemption

$1,500 will provide for the Project Manager and his staff approximately 5.5 hours to prepare and file a CEQA Notice of Exemption. Cost based upon Project Manager estimate.

$272 per hour x 5.5 hours = $1,500 (rounded)

2.4 Permitting

$1,000 will provide for the Project Manager and his staff approximately 5.5 hours to complete an encroachment permit. This is a not-to-exceed cost estimate provided by the Project Manager.

$181 per hour x 5.5 hours = $1,000 (rounded)

2.5 Contractor ARM Installations

$870,273 will provide for the selected contractor to install 1,020 AMRs. This cost is based upon a local vendor estimate provided to the City of Farmersville in 2014. The informal estimate was not provided as part of an official bidding process.

$853 per installation x 1,020 meters = $870,273

2.6 System Conversion and Training

$17,700 will provide for the selected contractor to install all necessary radio-reading equipment and monitoring equipment at Farmersville's Public Works headquarters. The contractor will test the system including the new installations and those previously installed by the City. The contractor will conduct a two-day training for staff for the radio-read software. This cost is based on a local vendor estimate provided to the City of Farmersville in 2014. The informal estimate was not provided as part of an official bidding process.

2.7 Installation Administration

$32,000 provides for approximately 2.3% of the installation costs for the Project Manager working with the City Public Works Director to oversee all installations, radio-reading equipment and monitoring equipment.

2.8 Materials development /printing

$10,000 provides for approximately 57 hours for the Project Manager and his staff to develop the necessary outreach materials, rebate instructions and schedule. Bi-lingual translations of the materials will be provided in-kind by City staff.

$175 per hour x 57 hours = $10,000 (rounded)

2.9 Shower/sink flow restrictor kits

$8,000 will provide for a minimum of 1,000 shower and sink flow restrictor kits at $8 each kit. The kit will include flow restrictors for one shower, one kitchen sink and one bathroom sink. If bulk rate pricing is available the Project Manager will procure additional kits.

$8 x 1,000 replacement kits = $8,000

2.10 Staff Training for Rebate Fulfillment

$1,500 will provide approximately 8 hours for the Project manager and his staff to prepare materials and train staff for fulfilling the rebate (credits) to customers who have purchased eligible low-flush toilets.

$187 per hour x 8 hours = $1,500

2.11 Rebates toilets

$20,000 will provide for 200 reimbursements to the City of Farmersville to compensate the City for 200, $100 billing credits provided to the first 200 customers who purchase eligible low-flush toilets and provide appropriate documentation (receipts). City staff will manage the rebate fulfillment in-kind. City leaders will evaluate extending the rebate/credits depending on the success of the program and perceived demand after the first 200 credits are fulfilled and reimbursed to the City with grant funding.

$100 credit x 200 customers = $20,000

3.0 Turf Removal Replacement

This portion of the proposal comprises **19%** or **$266,620** of the total proposal budget and includes all tasks necessary to remove 20,000 square feet of turf at City Hall and the Farmersville Community center and replace the water-intensive landscaping with artificial turf.

3.1 Final design, plans and specifications

$15,000 will provide for approximately 85 hours for the Project Manager and his staff to prepare final designs, site plans, and specifications for the turf removal project. This is a not-to exceed estimate provided by the Project Manager.

$175 per hour x 85 hours = $15,000

3.2 RFP, Procure Contractor, Kick-off Meeting

$7,500 will provide for approximately 43 hours for the Project Manager and his staff to develop an RFP, oversee the competitive bid process, culminating in the selection of the desired contractor and holding a kick-off meeting to define expectations. This is a not-to-exceed estimate prepared by the Project Manager.

$175 per hour x 43 hours = $7,500

3.3 CEQA - Notice of Exemption

$1,500 will provide for the Project Manager and his staff approximately 5.5 hours to prepare and file a CEQA Notice of Exemption. Cost based upon Project Manager Estimate.

$272 per hour x 5.5 hours = $1,500

3.4 Signage

$1,000 will provide for the Project Manager and his staff to develop content and procure 2 signs each for City Hall and the Farmersville Community Center. The bi-lingual signage will highlight the water savings achieved by removing water intensive landscaping, like grass, with artificial turf. Bi-lingual translation will be provided in-kind by the City of Farmersville.

$500 per sign x 2 signs = $1,000

3.5 Turf Removal and Replacement

$234,320 will provide for sod removal, disposal, grading/preparation and installation of 20,000 square feet of artificial turf. This is based on cost estimates from a local vendor.

$11.71 per square foot x 20,000 square feet = $234,120 (rounded)

4.0 Monitoring and Project Performance

This portion of the proposal comprises **2%** or **$22,500** of the total proposal budget. This task provides for developing a monitoring plan and performance report with the comparisons between pre- and post-implementation water use. ***In the separate project budgets, the monitoring costs are divided 80% for project 1 and 20% for project 2.***

4.1 Develop Monitoring Plan

$7,500 will provide for approximately 43 hours for the Project Manager and his staff to develop a DWR approved monitoring plan. This is a not-to-exceed cost estimate from the Project Manager.

$175 per hour x 43 hours = $7,500

4.2 Project Performance

$15,000 will provide for approximately 86 hours for the Project Manager and his staff to compare pre-implementation and post-implementation water use data and develop a summary report. This is a not-to-exceed cost estimate from the Project Manager.

$175 per hour x 86 hours = $15,000