

# Los Osos Wastewater Project

San Luis Obispo County  
Department of Public Works

May 17, 2011

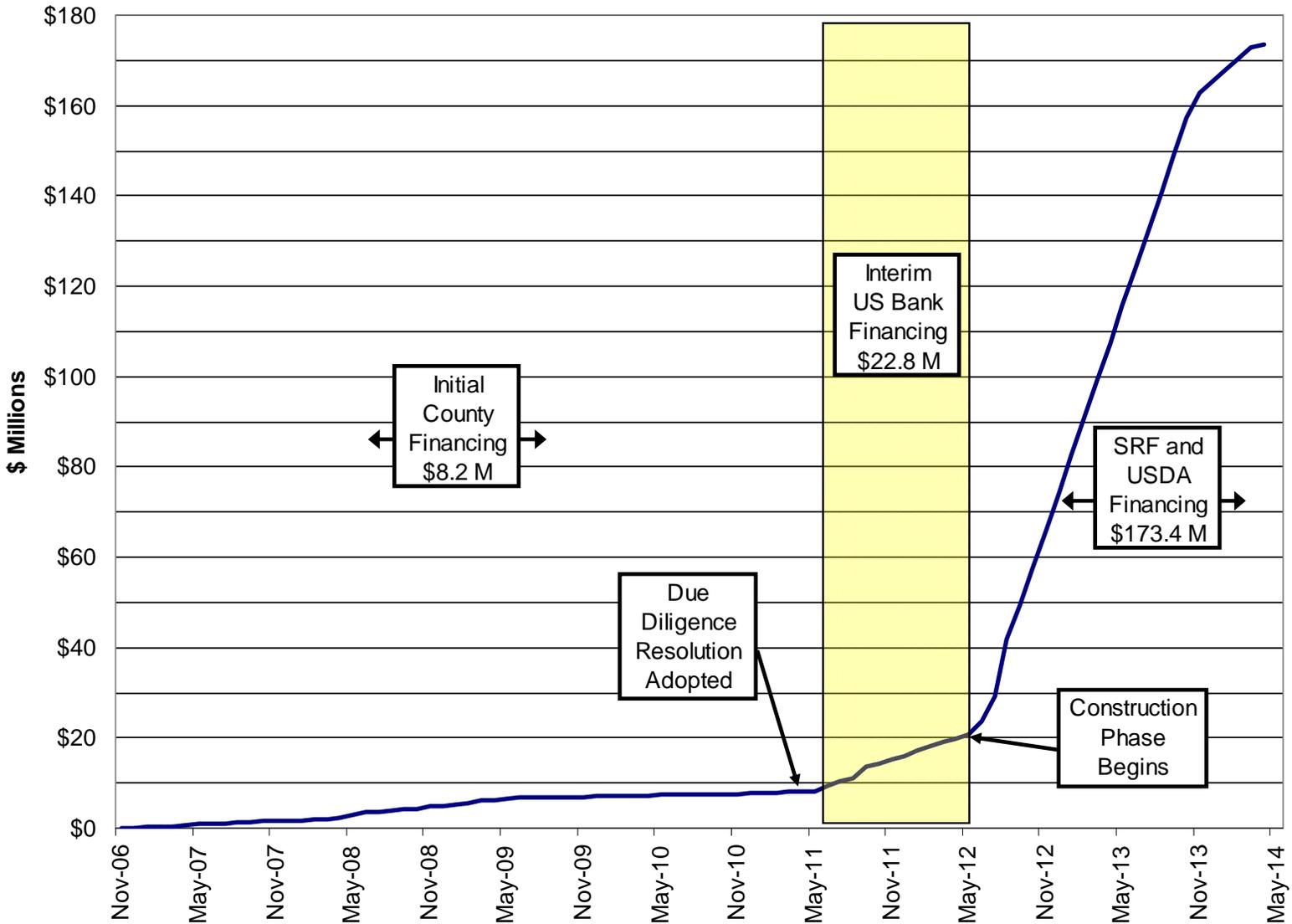
# Recommended Actions

- Approve the attached budget adjustment in the amount of \$173,398,416 to establish the total project budget in a newly created Wastewater Enterprise Fund and increase the designation for future road projects in the Road Fund by \$2,200,000

# Project Cost Estimate

<b>Expenditures</b>	<b>Total Project Budget</b>
Preliminary Engineering, Planning, Environmental Reports and Administration	\$8,500,000
Environmental Permits, Mitigation, and Water Conservation	\$5,800,000
Collection and Recycled Water System - Design, R/W, Construction	\$104,292,000
Treatment Facility - Design, R/W, Construction	\$38,124,000
SRF Refinance LOCSD Loan Default	\$6,288,416
Interest/Financing Charges	\$1,110,000
Contingencies	\$9,284,000
<b>Total Expenditures</b>	<b>\$173,398,416</b>
<b>Funding</b>	
USDA Loan/Interim Financing	\$83,129,000
USDA Grant	\$4,061,000
SRF Loan	\$78,708,416
SRF Principal Forgiveness/Grant	\$7,500,000
<b>Total Funding</b>	<b>\$173,398,416</b>

# Project Cash Flow



# Recommended Actions

- Adopt a resolution ordering change of proceedings to reduce specified assessments
  - Technical correction
  - Two properties
  - Based on re-evaluation of land use

# Recommended Actions

- Adopt a resolution determining unpaid assessments
  - Sets maximum amount of borrowing to be repaid by property assessments
  - \$123,620,175

# Recommended Actions

- Adopt a resolution authorizing issuance and sale of bonds to USDA-Rural Development
  - Long-term Financing
  - Closing in May 2012 after construction contracts are awarded

# Recommended Actions

- Adopt a resolution authorizing issuance and awarding sale of bond anticipation notes to US Bank
  - Interim Financing
  - Covers June 2011 to May 2012
  - Not to Exceed \$23 million
  - Variable interest rate (currently < 2%)
  - Repaid by USDA bonds in May 2012

# Recommended Actions

- Approve an agreement for engineering services with CDM for design of the collection system in an amount not to exceed \$4,902,430
  - \$3,180,960 – redesign collection system
  - \$1,574,470 – services during construction
  - \$327,960 – additional services contingency
  - \$4,902,430 – total not-to-exceed amount

<b>Environmental Permits/Mitigation</b>	
Ag Conservation Easement	\$400,000
Mid Town Restoration	\$800,000
Groundwater Litigation - ISJ	\$120,000
Recycled Water Planning and Implementation	\$200,000
Cultural Resources Mitigation	\$120,000
Habitat Mngt Plan Implementation	\$150,000
Other Mitigation Plans	\$310,000
Water Conservation	\$500,000
<b>Subtotal - Environmental Permits/Mitigation</b>	<b>\$2,600,000</b>