

# Safe Drinking Water Revolving Loan Fund

## Letter of Interest

**Note:** Submit completed Letter of Interest to [LOI.DW@biz.oregon.gov](mailto:LOI.DW@biz.oregon.gov)

Semi-annual submittal deadlines are March 15th and September 15th. Contact your Business Oregon Regional Development Officer if you have questions about the form. Contact information can be found at [www.oregon.gov/biz](http://www.oregon.gov/biz)

### Section I A: Basic Information

Water System Name

Address

Office Phone

Public Water System ID #

County Served

City

Organization Type

### Section I B: Contacts

Main Contact

Name

Title

Email

Phone

Secondary Contact

Name

Title

Email

Phone

# Section I C: Project Overview

Continuation of Project S19007 Water System Improvement

Project Title (Give your project a short but descriptive title.)

Describe the drinking water quality or other concern that the project would address.

**Note:** If applicable, please attach or reference documentation that supports any public health risk or compliance issue.

This project is to continue the Project S19007 Water System Improvements already in process. The drinking water quality concerns the Project addresses are to extend city water to supply a small portion of the city of Coburg, that is immediately to the east of I-5, with city water and remove them from the private, transient, non community water system that has taste and odor issues as well as a history of Coliform bacteria contamination. Additionally, both existing wells have elevated nitrate levels that have been steadily increasing over the years, though they still remain below 10mg/L. The wells are also extremely close in proximity and lack redundancy. The existing water reservoirs were constructed in the 1970's and have a single inlet/outlet which increases the risk for disinfection by proximity and inadequate chlorine levels in the drinking water. The Project initially was to extend city water to the east side of I-5 through I-5 Bores from west to east and from east to west, create a 3rd well, reservoir, replace transmission lines, install SCADA systems and upgrade existing SCADA, and rehabilitation existing wells. A newly completed feasibility study for the elevated reservoir, inflation, and as well as an updated cost analysis for the full Project requires more funding for completion.

# Section I D: Project Details

Project Description (Attach Additional Pages if Necessary)

**Note:** Provide a brief, but specific project description. Identify each project element to be constructed/replaced/rehabilitated and include a brief description of how the project would address the problem or concern identified above.

This portion of the project would be for replacing transmission lines, extending transmission lines, I-5 bore from east to west and rehabilitation of the existing reservoirs.

Significant progress has been made to extend city water to the east side of I-5 through an I-5 bore, from west to east, but the City is still working towards removing the private, transient, non community water system from within the city limits. This will be done by extending transmission line and an additional bore from east to west, to loop the city's water system.

The city has already purchased additional land for a new well field and is currently working towards installing an additional source for redundancy and to meet future demands, along with installing transmission line to connect the new source to the existing water system.

The original Project called for a reservoir to be placed on the hillside on the east side of I-5 for elevated storage, but due to complications with the site, it proved to be a nonviable location for the proposed reservoir. A newly completed feasibility study created for the elevated reservoir, has made the rehabilitation of the existing reservoirs a top priority while at this time, delaying the elevated reservoir phase of the Project.

Due to these project complications and inflation, an updated cost analysis for the full Project has re-prioritized some phases that requires more funding for completion.

Project Work Plan

Activity

Estimated  
Start Date

Estimated  
Completion Date

East - West I-5 Bore	1/1/2024	6/30/2025
Transmission Lines	9/1/2023	6/30/2025
Reservoir Rehabilitation	7/1/2024	6/30/2026

Estimated First Cash Reimbursement Request Date 3/1/2024

Estimated Project Completion Date 6/30/2026

Section I E: Summary of User rates and Population Served

A. Population. Identify the permanent population that would be served by the project: 1325

**Note:** Permanent = more than six months per year.

B. User Rates. Identify the current monthly residential user rate charged for 7,500 gallons of water usage per month: 53.00

**Note:** Use 7,500 gallons per month (~10 units) as the average amount of water use for residential user rate calculation.

## Section I F: Project Budget

Budget Line Item	SDWRLF Funds	Other BizOR Funds	Non-BizOR Funds	Total
Planning				0
Design / Engineering (20% Max*)	1250000			1250000
Construction	5550000		550000.0	6100000
Construction Contingency (10% Max**)	500000		40000.0	540000
Labor Standards (\$15,000 Max)	10000.0			10000
Environmental Review				0
Project Management (\$15,000 Max)	10000.00			10000
Legal Fees				0
Cultural Resource Report(s) and Monitoring				0
Permitting and Regulatory Fees				0
				0
				0

**Total Project Costs** 7910000

### Note:

\* Design/Engineering may not exceed 20% of Construction and Construction Contingency total.

\*\* Construction Contingency may not exceed 10% of Construction costs unless justification is provided. Justification is subject to approval by the Department.

***A 1.5% origination fee will be charged for those communities with a median household income above the state average. The borrower may choose to finance the fee amount.***

Prepared By:

Anne Heath

Name

City Administrator

Title

City of Coburg

Organization

2/25/2023

Date

## Section I G: Federal Reporting - SDWRLF Funds

For federal reporting purposes, Business Oregon is required to identify the federal project categories implemented with SDWRLF Funds. Identify the percentage of the SDWRLF budget that would be allocated for the following project categories.

Treatment	<input type="text" value="7.5"/> %	Purchase of System	<input type="text" value="0"/> %
Transmission & Distribution	<input type="text" value="61.5"/> %	Restructuring	<input type="text" value="0"/> %
Source	<input type="text" value="0"/> %	Land Acquisition	<input type="text" value="0"/> %
Storage	<input type="text" value="31"/> %	Other:	<input type="text"/> %
Total	<input type="text" value="100"/> %		

## Section I G: Financing Sources

Source of Funds	Amount	Status
SDWRLF	<input type="text" value="7320000.0"/>	
Applicant Funds	<input type="text" value="590000.0"/>	Not Budgeted
<input type="text"/>	<input type="text"/>	Choose an Item
<input type="text"/>	<input type="text"/>	Choose an Item
<input type="text"/>	<input type="text"/>	Choose an Item
Total	<input type="text" value="7910000"/>	

## Section I H: Loan Repayment

Check all source(s) of funds intended to be used in meeting loan repayment obligations.

<input checked="" type="checkbox"/> Water Use Fees	<input type="checkbox"/> Voter-approved General Obligation
<input type="checkbox"/> Connection Fees	<input checked="" type="checkbox"/> Reserves
<input type="checkbox"/> Other	<input type="text"/>

Section II: Compliance

If your project addresses a Safe Drinking Water Act compliance issue, please identify and describe:

For Example: Arsenic, Nitrate, Microbiological, etc.

**Note:** If applicable, please attach or reference documentation that supports the public health risk or compliance issue.

Portions of the City's population, within the City Limits, were not being served by the City water utility. The I-5 Bore projects, west to east and east to west are necessary to extend the City's water utility, and loop the system, to the east side and service all residences within City Limits.

Section III: Additional Project Information

A. Is the project consistent with the local acknowledged comprehensive plan? ☒ Yes ☐ No

B. Is the project listed on any local county-wide or regional plan (e.g., adopted capital improvement plan, master plan, facility study, or local inventory of planned projects)? ☒ Yes ☐ No

C. Has any project application or coordination been submitted to your local city or county community development review department, engineering and/or local permit center related to this specific project? ☒ Yes ☐ No

If yes, list name(s) and contact information:  
Branch Engineering - Julie Leland, P.E. - JulieL@Branchengineering.com

D. Has a licensed engineer certified in a master plan or other technical report (e.g. feasibility study) that the project is feasible and cost effective?

☒ Yes ☐ No

If yes, date of plan or report:

E. Is the project consistent with the existing master plan (for 300 or more connections) or feasibility study (less than 300 connections)?

☒ Yes ☐ No

If no, an updated plan or study will be required prior to construction and may be included in the project scope and budget. Will an updated master plan or feasibility study be completed as part of this project?

☒ Yes ☐ No

F. Has a licensed engineer aided you in project development and the completion of this LOI?

If yes, list name and contact information:

☒ Yes ☐ No

Engineer Name:

Phone:

Firm:

Email:

G. For construction projects, has the governing body of the water system conducted a public meeting (council or board meeting, public hearing, workshop, etc.) to identify and discuss the proposed project, including such items as the nature and need for the project, starting date, financing requirements that may involve taking on debt and raising rates, and consistency with the local comprehensive land use plan?

☒ Yes ☐ No

If yes, type of public meeting:

Date of public meeting:

If no, when will a public meeting be held?

Additional Public Meetings will be held on March 14, 2023, April 11, 2023, and May 10, 2023 with two public hearings for public comment.

- H. Does the water system either own, or have a permanent easement or right of way, for all properties on which the improvements will take place?

☒ Yes ☐ No

If no, explain:

- I. Does the water system have a meter(s) at the water supply source(s)? ☒ Yes ☐ No

If no, explain:

- J. Does the water system require meter installation on all service connections? ☒ Yes ☐ No

- K. Does the water system have meters installed on all service connections? ☒ Yes ☐ No

If no, percent not metered:  %

If no, explain:

- L. Does the water system have an operations program to read and maintain the required source and service connection meter(s)?

If no, explain ☒ Yes ☐ No



M. Does the water system bill its customers based on water usage? ☒ Yes ☐ No

If no, explain:

N. Is this project the result of a study funded through the Sustainable Infrastructure Planning Projects (SIPP) program?

☐ Yes ☒ No

If yes, describe how the SIPP program benefited the water system.

## Section IV: Certification

☒ Yes, I certify that, to the best of my knowledge, all information contained in this pre-application and Letter of Interest is valid and accurate. By typing my name below, I certify that I am a designated or authorized signatory for the city, county or water system entity.

Anne L. Heath

Authorized Signatory

City Administrator

Title

City of Coburg

County/Jurisdiction:

02/24/2023

Date: