

Department Community and Economic Development

Request of Measure J Commission

September 19, 2013

Arnico Tract

The Arnico Tract project is the extension of the sanitary sewer system to a lower-income subdivision which was developed with private septic tanks in the 1980's when the area was part of the unincorporated County, and later annexed into the City in 1991.

The first several phases of the sewer line extension were funded through the City's CDBG entitlement; however, the reduction in the City's CDBG allocation by the Federal government for the past two years has dramatically impacted the ability of the City to award CDBG awards in the future phases of these sewer improvements.

The project was divided into four phases. The Off-Site Improvements are basically the sewer lines and lateral connections themselves located within the public right of way. In the first phase of the project, CDBG funded the Off-Site costs (sewer lines) plus the on-site associated costs, such as the City's Sewer Connection Fees, the costs of abandoning the existing septic tanks and undertaking the on-site restorations and hookups.

Since the first phase, CDBG has only been able to fund the Off-Site costs, leaving the balance of the costs to the homeowners. In many cases it has meant that a homeowner has a new sewer line in the street but is still connected to his failing septic tank because of the cost.

An initial request to the Measure J Commission was for approximately \$181,000 to complete the Phase II On-Site costs, plus the \$132,240 to complete the Phase III On-Site Costs. Phases I and II (Off-Site only) have been completed and Phase III (Off-Site only) is out to bid using CDBG. These additional funds would allow all of the homeowners in the area to be treated equitably.

The phases are:

Completed

Phase I	\$530,181	On- and Off-Site Improvements - CDBG
Phase II	\$173,585	Off-Site Improvements Only - CDBG

Going to Bid

Phase III	\$160,412 (est.)	Off-Site Only – CDBG (2013)
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Additional Unfunded Phase for Next Year's CDBG Application

Phase IV	\$175,310	Off-Site only - CDBG (2014)
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Not Yet Funded (Requested from Measure J) – 3 Year Request

Phase II	\$180,960	On-Site Improvements
Phase III	\$132,240	On-Site Improvements
Phase IV	\$146,160	On-Site Improvements

\$459,360