

GMCSO – PREREAD –MEETING AGENDA ITEM #8. This brief is being provided to inform the board, staff and public of the details of an agenda item that requires action from the board. The president of the board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

09/15/2025

AGENDA ITEM #8: STRATEGIC FUNDING PLAN PROPOSAL

DATE:	27-August-2025
ORIGINATOR:	Catherine Hansford, Hansford Economic Consulting
PURPOSE:	Proposal to assist the District to secure funding for implementation of the five-year engineering plan
SUPPORTING DOCUMENTS:	Attached proposal outlining funding sources and application processes and associated expenses. Roughly \$50,000 in expenses to contract with Ms. Hansford to apply for various state and federal funds to implement the five-year engineering plan and meet growing capacity/consumption needs of the District's water supply and infrastructure.
ANTICIPATED IMPACTS TO THE DISTRICT:	Improved infrastructure, increased storage capacities, continued community growth and development.
ANTICIPATED IMPACTS TO THE CUSTOMER:	Review the contract as written and consider potential positive impacts for the District and public.
RECOMMENDATION FOR BOARD:	Consider motion to approve agreement with Ms. Hansford as presented and execute the contract provided.
DESIRED ACTION BY BOARD:	

August 27, 2025

Subject: Infrastructure Funding Applications; HEC Project #250471

Dear Gold Mountain CSD Board of Directors:

Hansford Economic Consulting LLC (HEC) is pleased to provide this proposal to assist Gold Mountain Community Service District (GMCSO or District) staff prepare applications for funding the water and wastewater Capital Improvement Plans (CIPs). Funding applications will likely be made to four organizations: RCAC for a bridge loan(s), USDA for funding the water tanks and any fire flow need, the Drinking Water SRF program for other water system CIP items, and the Clean Water SRF program for the new wastewater reclamation plant. HEC will contact each of the agencies and work with District staff to determine the best funding sources for GMCSO's CIPs.

RCAC

The Rural Community Assistance Corporation is the recommended funding source for bridge loan(s) that will be needed to fund costs upfront that will later be reimbursed by the USDA and SRF programs. The paperwork is minimal, and response time is fast. HEC will also contact the Rural Water Finance Agency to compare terms and determine which funding source will provide the best service to GMCSO.

USDA

The United States Department of Agriculture funds water and wastewater improvements in rural areas. The USDA provides the longest repayment timeframe (40 years) and will fund water tanks and improvements for fire flow that the DWSRF program will not, but it has limited funding available. GMCSO will have to create a SAM account in addition to the funding application, which HEC will complete as part of this scope. Creating the SAM account is fairly straightforward.

DWSRF

The Drinking Water State Revolving Fund is a federally funded program that is 20% matched by the State of California, and by California taxpayers via various bond measures. The program has funding available for small communities, but as GMCSO is not a Disadvantaged community the application will not be high priority and may not be funded. Depending on the amount of money available through USDA, it might be better to include all the water CIP projects in USDA's application. HEC will also explore iBank funding and CSDA Certificates of Participation funding in lieu of DWSRF and/or USDA funding.

CWSRF

The Clean Water State Revolving Fund is also a federally funded program that is 20% matched by the State of California, and by California taxpayers via various bond measures. Septic to

municipal wastewater conversion is a California priority, and funding is guaranteed through this program.

Budget and Schedule

The estimated budget of \$49,940 for all applications is based on HEC's July 1, 2025 billing rates of \$210 per hour for Catherine Hansford, \$130 per hour for travel, and \$105 per hour for clerical/administrative tasks. These rates may be revised January 1, 2026. The budget includes attendance at up to four Board meetings. Table 1 shows the estimated cost for each application. Note, budget for funding applications is quite difficult to estimate because the exact mix of applications is not yet known, program guidelines change, and revisions/updates to portions of applications may be required.

All consultant costs are reimbursable through the funding programs. This means that the costs incurred to obtain the financing will be rolled into the funding applications and will be paid by customers over the length of the repayment periods.

Table 1
Estimated Funding Application Costs

Task/Item Description	Staff			Total
	Hansford	Clerical	Travel	Estimated
<i>Hourly Billing Rates</i>	<i>\$210</i>	<i>\$105</i>	<i>\$130</i>	<i>Cost</i>
RCAC	20	4	2	\$4,880
USDA	54	12	2	\$12,860
DWSRF	67	15	2	\$15,910
CWSRF	67	16	2	\$16,010
Subtotal Staff Costs	208	47	8	\$49,660
Mileage Reimbursement (4 meetings in Portola)				\$280
Total Staff & Direct Costs [1]				\$49,940

[1] HEC reserves the right to move budget between tasks as necessary to complete the scope of services up to the authorized budget amount.

HEC charges for services on a cost not-to-exceed basis; therefore, you will only be billed for the work completed up to the authorized budget amount. Invoices are issued monthly and are due on receipt. Invoices include staff time and direct expenses. If additional work is requested that is beyond the original scope of services, or if work efforts are greater than anticipated in development of the budget, HEC will request authorization for additional budget.

The schedule is dependent on review time and requests made by the funding agencies for information. It will take about three months to complete and submit the applications. GMCSO staff will also need to be engaged in the process as many of the items require finding documents (such as articles of incorporation). Additionally, the Board will need to adopt resolutions supporting the applications, and legal counsel will need to provide opinion letters.

Sincerely,



Catherine R. Hansford
HANSFORD ECONOMIC CONSULTING LLC

Approvals to Proceed:

Approved for Gold Mountain CSD:

Date

Approved for HEC, LLC:

Catherine Hansford, Principal

Date