

Chester PUD Grant Updates

9-23-25

Bonnie Mullaney, GM

WWTP Planning Grant:

- The work order on the agenda for approval, is to be able to use the available grant funds for a rate study is allocating money from the Wastewater treatment plant (WWTP) planning grant, which the District has an executed agreement for and can be reimbursed by DFA (the State). PACE Engineering, our district engineer, reviewed the current WWTP planning grant budget and it appears there is approximately \$166,000 remaining in the grant, including \$26,393 to be used for the Rate Study. If not used, these funds would be either returned to the State or the District could request transferring the balance to another task. The only other outstanding tasks are the geotechnical investigation and the preliminary design. If the Board approves the work order to use some of the funds for a rate study, PACE can begin the rate study and have the whole process complete by the next fiscal year July 1, 2026.
- The construction grant application is still in the approval process but is complete. There is a good chance that the funding may run out this year before it can get funded, which would push us into the following fiscal year. This will change the District "cap" of the total amount of money we are allowed to get funding for from DFA (I think it this requirement is for 3 years). No one knows what they will set the cap at until they announce it, and it really depends on how much funding there is available. The current year's "cap" is at 50 million. Last year's cap was at 15 million. Next year it could go up or down. We will likely be at about 50 million dollars with both our collection and treatment grant, so I am really hoping they do not lower the cap. We could be looking at having to get a partial loan if they do. Currently we are applying for 100% funding

2023 Rate Study:

- There is still \$10,097.75 from the last rate study that was not reimbursed by DFA because it was spent before the grant contract was approved. I have asked PACE to put in a request to DFA to include and reimburse it. It appears, so far, that they will be willing to reimburse us for that invoice.

Wastewater Collection Grant:

- This project was switched over from the Kahlen Group to PACE Engineering. We have submitted our extension. We have a current contract with DFA to reimburse us for expenses up until December 1st 2025. DFA will need a few more months after that to approve the extension. From December 1st 2025 until around February or March we cannot have anyone work on this project while we wait for them to approve the extension. After they approve it and we get a new contract in place, we can continue to perform work that will be reimbursable by the grant. PACE said they will be doing as much as they can before December 1st, 2025. Once PACE completes the planning grant they can submit the construction grant application. Again, I am hoping that the

“cap” works in our favor as it will fall into the next fiscal year. I am making sure that all of Pace’s expenses to work on these grants will be reimbursable by the grant.

Future Grants:

- RCAC is coming to meet with me on September 29th. I will be able to give a better update on future grants. They contract to apply for grants from all different agencies on our behalf. Their cost is covered by a TA grant though DFA. Contracting with them is efficient and free to the district.
- The hazard mitigation FEMA grant is covered in my General Manager’s Report