

Board of Supervisors

Patrick G. Call
Chairman
District 1



Michael J. Ortega
County Administrator

Ann English
Vice-Chairman
District 2

James E. Vlahovich
Deputy County Administrator

Richard R. Searle
Supervisor
District 3

Katie A. Howard
Clerk

AGENDA FOR SPECIAL BOARD MEETING

Tuesday, July 12, 2011 @ 11:00 a.m.

BOARD OF SUPERVISORS EXECUTIVE CONFERENCE ROOM
1415 MELODY LANE, BUILDING G, BISBEE, AZ 85603

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

ROLL CALL

Members of the Cochise County Board of Supervisors will attend either in person or by telephone, video or internet conferencing.

PRESENTATION

1. Update regarding status of the Bisbee/Douglas International Airport (BDI) water system improvement project.

ACTION

2. Authorize an application be made to the U.S. Department of Agriculture (USDA) Community Facilities Loan Program to finance the engineering and construction for the Bisbee/Douglas International Airport (BDI) water system improvement project.

Pursuant to the Americans with Disabilities Act (ADA), Cochise County does not, by reason of a disability, exclude from participation in or deny benefits or services, programs or activities or discriminate against any qualified person with a disability. Inquiries regarding compliance with ADA provisions, accessibility or accommodations can be directed to Chris Mullinax, Safety/Loss Control Analyst at (520) 432-9720, FAX (520) 432-9716, TDD (520) 432-8360, 1415 Melody Lane, Building F, Bisbee, Arizona 85603.

Cochise County - 1415 Melody Lane, Building G - Bisbee, Arizona 85603
(520) 432-9200 - Fax (520) 432-5016 - Email: board@cochise.az.gov
www.cochise.az.gov

"PUBLIC PROGRAMS, PERSONAL SERVICE"

Special Board of Supervisors Meeting

Date: 07/12/2011

Update re: BDI water system improvement project

Submitted By: Katie Howard, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

NAME LH Hamilton

of PRESENTER:

Mandated Function?:

Recommendation:

of ORIGINALS

Submitted for Signature:

TITLE

of PRESENTER:

Source of Mandate

or Basis for Support?:

Project
Manager

Agenda Item Text:

Update regarding status of the Bisbee/Douglas International Airport (BDI) water system improvement project.

Background:

Department's Next Steps (if approved):

Impact of NOT Approving/Alternatives:

To BOS Staff: Document Disposition/Follow-Up:

Special Board of Supervisors Meeting

Date: 07/12/2011

BDI Water Projects

Submitted By: Katie Howard, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

NAME of PRESENTER: LH Hamilton

Mandated Function?:

Recommendation:

of ORIGINALS Submitted for Signature:

TITLE of PRESENTER: Project Manager

Source of Mandate or Basis for Support?:

Agenda Item Text:

Authorize an application be made to the U.S. Department of Agriculture (USDA) Community Facilities Loan Program to finance the engineering and construction for the Bisbee/Douglas International Airport (BDI) water system improvement project.

Background:

As the Board will recall, the County and Department of Corrections (DOC) met and agreed to move forward on a Preliminary Engineering Report (PER) to determine the scope of the project and assign probable costs for the engineering and construction. With the PER in hand, staff has met with DOC Director, Charles Ryan, and his staff on several occasions. Our final meeting occurred June 16, 2011 and final scope was set. It included the following:

1. A ground storage tank (500,000 gallon) and booster pump station.
2. A new perimeter transmission line which eliminates the old transmission line network.
3. Provides new motor controls and relays and upgrades the current chlorination system for greater security and safety.

The estimated cost of engineering and construction for these elements is \$3 million. This estimate is \$2 million lower than the original estimate.

Department's Next Steps (if approved):

The loan application will be submitted to USDA.

Impact of NOT Approving/Alternatives:

The County will continue to operate a 70 year old water system and the Arizona State Prison, Douglas will not have adequate fire protection.

To BOS Staff: Document Disposition/Follow-Up:

n/a

Fiscal Impact

Fiscal Year:

One-time Fixed Costs? (\$\$\$):

Ongoing Costs? (\$\$\$):

County Match Required? (\$\$\$):

A-87 Overhead Amt? (Co. Cost Allocation \$\$\$):

Source of Funding?:

Fiscal Impact & Funding Sources (if known):

It appears that USDA is the best funding mechanism for the project is under the Community Facilities Loan Program. Interest rates for this loan program are currently at 4.75%.

The estimate for engineering and construction is \$3 million as currently scoped. The PER set a water usage rate of 87% for DOC and 13% for the County of all water pumped. Principal and interest payments to USDA would be \$205,248 per year. Using the 87/13 formula, DOC would be responsible for \$178,566 and the County would be responsible for \$26,682 on an annual basis. DOC is currently paying \$1.43 per 1,000 gallons. This rate would need to increase an additional \$1.52 per 1,000 gallons in order to meet their financial obligation. The \$2.95 is the basic increase. The final rate will be determined by USDA based on what their requirement will be for repair and replacement funding.

Attachments

Executive Summary BDI Water-doc

Executive Summary Form

Recommendation: It is recommended the Board give direction to staff to proceed with the Bisbee/Douglas International Airport (BDI) water system improvement project and authorize an application be made to the U.S. Department of Agriculture (USDA) Community Facilities Loan Program to finance the engineering and construction.

Background (Brief): As the Board will recall, the County and Department of Corrections (DOC) met and agreed to move forward on a Preliminary Engineering Report (PER) to determine the scope of the project and assign probable costs for the engineering and construction. With the PER in hand, staff has met with DOC Director, Charles Ryan, and his staff on several occasions. Our final meeting occurred June 16, 2011 and final scope was set. It included the following:

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Next Steps/Action Items/Follow-up: The loan application will be submitted to USDA.

Impact of Not Approving: The County will continue to operate a 70 year old water system and the ASP Douglas will not have adequate fire protection.