

***SANTA YNEZ COMMUNITY SERVICES DISTRICT***

**MEMORANDUM**

**TO:** Board of Directors  
**FROM:** Jose Acosta, General Manager  
**DATE:** June 16, 2021  
**SUBJECT:** Horizon Drive Project Updates: CSDA Loan Status, Easements, Construction Updates, and Engineering Services

**Recommendation**

Review Horizon Drive project updates including easement status, loan application status, construction updates, and engineering services. Board can provide direction to Staff.

**Policy Implications**

The Board directed staff to enter into an agreement with CSDA for financing of the Horizon Drive project, continue supporting Hamner and Jewell throughout the easement procurement process, and award the construction contract to Specialty Construction Inc. Staff and District Engineer have maintained communication regarding the status of the Horizon Drive project.

**Fiscal Implications**

The right of way acquisition (easement) services agreement with Hamner, Jewell & Associates has a not to exceed amount of \$31,000. This is a time and materials consulting agreement. Hamner and Jewell will finish the easement procurement process and continue to assist the District on the lien clearance/title analysis for all three properties. This amount does not include the actual cost of the easements. The estimated amount for the loan through CWSRF is \$1,300,00. The proposal cost for construction of the two monitoring wells is \$5,950. The Board has awarded the construction contract to Specialty Construction inc., in the amount of \$998,315.

**Alternatives Considered**

None at this time.

**Discussion**

The item today provides the Board with an update of the Horizon Drive project inclusive of the property easement status, CSDA loan status, construction updates, and an update on engineering services.

**1. Loan Application:**

The Board has authorized staff to sign the term sheet for loan with CSDA, in the amount of \$1,300,000. The terms for repayment of the loan are for 20 years at an interest rate of 2.93%. Staff will be presenting a resolution for the loan, to be approved by the Board this evening as well.

**2. Easements:** All three easements have been signed by the property owners. Staff has contacted Hamner, Jewell and Associates notifying them that the construction contract has

been awarded and that we may proceed with the deed filings and escrow paperwork. Staff will be presenting the Board with three resolutions for accepting the easement deeds.

3. **Construction Updates:** Staff has notified Specialty Construction Inc. (SCI) that their bid has been accepted by the Board. Staff has signed and sent over the notice of award and agreement documents for signature and acceptance. Once the forms are returned with signatures, along with appropriate insurance and bond requirements, Staff will sign and send over the notice to proceed documents.

SCI has already initiated communication with staff and made a few requests. A tentative pre-construction meeting has been setup for Tuesday June 29<sup>th</sup>. Also, SCI has provided a very tentative start date for the project, they are hoping to start groundwork the week of July 12, 2021.

Staff has also notified the three firms who submitted their proposals for construction management services that their bids have been rejected and a revised request for proposal would be sent out. Staff has received the responding firms bids and they will be presented to the Board this evening for discussion and to provide direction to staff.

4. **Engineering Services:** District engineer has been soliciting proposals for soils engineering work for the project. The Board will be presented with the proposals this evening, for discussion and to provide direction to staff.