

**State Water Infrastructure Authority**  
**September 14, 2022 Meeting**  
**Agenda Item J**  
**Additional Funding Recommendation for the City of Graham**

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**Division of Water Infrastructure Staff Report**

The City of Graham's Wastewater Treatment Plant (GWTP) is currently receiving flow at more than 80 percent of its design capacity and, based on future maximum monthly flow projections, is expected to exceed 100 percent of capacity by 2028. The City has received funding awards from the Authority to expand the facility from 3.5 million gallons per day (MGD) to 5.0 MGD and relocate the facilities outside of the floodplain (Project # CS370563-04).

As part of the Spring 2020 funding round, the city was awarded \$30,694,000 in a combination of ASADRA CWSRF funds and standard SRF funds to fully meet the expected project budget. In March of 2021 project costs had escalated to \$35,294,000 and the city requested and received an increase in funding of \$4.6 million in May 2021.

By the Fall of 2021 project costs had again increased to an estimated \$45,445,000. The city submitted a funding application as part of the Fall 2021 funding round requesting an additional \$10,151,000. In February 2022, the additional funds were awarded by the Authority as a CWSRF loan with \$500,000 principal forgiveness.

Prior to the Spring 2022 funding round, project costs had escalated to an estimated \$75,445,000. The city submitted a funding application as part of the Spring 2022 funding round requesting an additional \$30,000,000. In July 2022, the additional funds were awarded by the Authority as a CWSRF loan with \$500,000 principal forgiveness.

While awaiting results of the Spring 2022 funding round, project bids were received on May 4, 2022, and the project cost had increased to \$82,989,500. To meet project costs, the City is requesting an additional \$7,544,500 in funding for the project. A summary of project cost and funding increases is shown in the table below.

**Summary of City of Graham WWTF Improvement Project Cost and Funds Awarded.  
(Project #CS370563-04)**

<b>Funding Round/Date of increase</b>	<b>Project Cost</b>	<b>Requested funds</b>	<b>Repayable Loan awarded</b>	<b>Principal Forgiveness Awarded</b>	<b>Funding Source</b>
Spring 2020	\$30,694,000	\$30,694,000	\$23,000,000		ASADRA
			\$7,194,000	\$500,000	CWSRF
May 2021	\$35,294,000	\$4,600,000	\$4,600,000		CWSRF
Fall 2021	\$45,445,000	\$10,151,000	\$9,651,000	\$500,000	CWSRF
Spring 2022	\$75,445,000	\$30,000,000	\$29,500,000	\$500,000	CWSRF
September 2022	\$82,989,500	\$7,544,500			
<b>Totals to date</b>	<b>\$82,989,500</b>		<b>\$73,945,000</b>	<b>\$1,500,000</b>	

**Staff Recommendation**

Based on CWSRF funding models, an additional \$7,544,000 CWSRF loan to the city will not impact advertised funding levels for the Fall 2022 funding round. Staff recommend approval of the additional award to the city to meet the bid price.