

## Project Facts

### **History/Preconstruction Work**

In 2017 VRUC began exploring a water improvement project.

The project began by identifying the most critical elements of the distributions system.

Preliminary design started in 2019.

In spring of 2020 the project was placed on hold due to COVID-19.

Project predesign was resumed during the fall of 2022.

Spring of 2023 VRUC changed engineering firms to the current engineer (Commonwealth Engineers Inc.).

Preliminary Engineering Report (PER) started Summer of 2023.

5 Major aspects to project:

- Replacement of all meters with cellular meters

- Replacement and installation of isolation valve and flushing hydrants

- Rehabilitation of both water tanks and Replacement of high service pumps

- Replacement of highest risk 2" water mains.

- Addition of a looping line connecting the southwest and southeast parts of the distribution system.

Water modeling was conducted to identify proper placement of isolation valves and flush hydrants as part of Preliminary Engineering Report (PER)

Asset Management Plan (AMP) started Summer of 2023.

PER and AMP completed and submitted to State March of 2024.

Spring of 2024 Public Hearing regarding Project was held.

Notice of award received June of 2024 – also received notice of \$2M grant.

Up to an additional \$1.8M was granted to identify and abate any lead in the distribution system up to the customers shut off valve.

VRUC identified 4th quarter of funding cycle for loan closing (June of 2025).

Design and Engineering finalized in early 2025.

Bidding occurred Spring of 2025.

Award of Contracts occurred early summer of 2025.

Division A contract – Pipe and associated work

Division B – Tanks, Pumps and associated work

330 construction days to substantial completion (Mid-May 2026) with 30 additional days to final completion (Mid-June 2026).

Notice to Proceed granted June of 2025.

Field activity began August 2025.

5 residences remain in an unknown status regarding lead on the customer side of the meter.

ALL residences have been identified as lead free to the end of the meter pit setter.

### **Current Construction schedules and status**

Nearly all meters have been changed over to cellular.

By Mid-March 2026 all isolation valves and flush hydrants will be installed.

Boring of new water mains is continuing.

Stateline water tank rehabilitation will be complete by the end of March 2026.

Rehabilitation of the Valley Woods tank will begin during March 2026 (staging of work).

High Service pump replacement work will begin during March 2026.

Boring of new loop line will begin Mid-April 2026.

### **Future Construction Activities**

Restoration of disturbed areas will begin in spring of 2026 and will continue thru project completion.

During late April a punch list will be developed to identify items needing addressed. These items will be addressed before final close out of the project.

### **Division A Project Facts and Numbers**

1952 new cellular meters

53 New or replaced isolation valves

30 New Flush hydrants

2" main line replacements:

Cliftmont Circle

Cravenhurst Drive (Raylynn to Alpine Drive)

Tuppence Trail

Sandamont Drive

Tyrolean Way

Longview Drive (New line from Hickory to Lakeview Drive)

New 8" loop line from Valve near the sports complex to Lakeview/Longview intersection near the beach.

### **Division B Project Facts and Numbers**

Stateline Road Tank

Volume = 500,000 gallons

Blast interior and exterior to bare metal and recoat to most current US EPA spec.

Conduct safety updates to achieve current OSHA compliance (previously grandfathered in under old standards).

Install mixer inside of tank.

Valley Woods Tank

Volume = 100,000 gallons – transfer tank only

Blast interior and exterior to bare metal and recoat to most current US EPA spec.

Conduct safety updates to achieve current OSHA compliance (previously grandfathered in under old standards).

Install mixer inside of tank.

Valley Woods Pumping Station

Remove and replace old high service pumps.

Old pumps – vertical impeller wet sump

New pumps – end suction centrifugal pumps

Demolish old building and construct new building including HVAC.

Minor upgrades to Systems Control And Data Acquisition (SCADA) system.

Upgrade/Replace security cameras

Install back up power generator

### **Project Financial Numbers**

Grant #1 – Grant from US EPA via the State of Indiana for Lead Service Line identification and abatement.

This grant is for up to \$1.8M.

The grant is being used to identify service lines up to the customers shutoff valve (inside the residence). It will also be used to abate any lead found by installation of a new service line replacing the impacted service line.

Funds are expended and then reimbursed therefore a Bond Anticipation Note (BAN) was taken to cover these expenses. This BAN is part of the construction phase of the loan.

Grant #2 – Grant by the State of Indiana for general construction costs offset.

This grant was provided to decrease the overall cost of the project to help lessen the rate impact.

This grant will be provided at the close of construction when the construction loan converts over to a standard loan.

Funds are expended and then reimbursed therefore a BAN was taken to cover these expenses. This BAN is part of the construction phase of the loan.

Construction Loan – a total of \$10,650,000 was borrowed. The Indiana Finance Authority and State Revolving Loan Fund financed this loan at the fully subsidized rate. The rate is a hybridized rate due to the nature of the improvements being made.

Our final loan will be for 35 years and will have an interest rate of approximately 3.68%.

The rate is based upon a 20-year loan at 2.78% + 0.3% for each 5 years beyond 20years.

Once the construction is completed the loan will be finalized and both BANs will be retired resulting in a lower total amount financed. That exact figure will depend on the final construction costs including any under/over run of the project estimate.

Additionally, VRUC contributed \$1M to the project out of the project reserve fund to further reduce the impact on rates.