



State Revolving Fund Loan Program

an Indiana Finance Authority Environmental Program

100 North Senate Avenue, Room 1275
Indianapolis, Indiana 46204
www.srf.in.gov

MEMORANDUM

TO: Official Loan File

FROM: Richard J. Ziemba

DATE: December 21, 2011 (**Final**)

RE: Green Project Reserve, Business Case for Yankeetown Water Authority, Waterworks System Improvements, SRF Project # DW 10078702

Summary

1. The Yankeetown Water Authority Water Works System Improvements project consists of the construction of a 360,000 gallon per day pressure filter water treatment plant, installation of new groundwater wells, abandonment of Well #1, and the installation of approximately 42,600 feet of new water main. The water main will replace existing, structurally-deteriorated, leaky water main and also provide looping of various water mains to improve water quantity, water quality and system pressure. The project scope has recently been revised to include only the water main portion of the approved project because the Water Authority was able to secure another source of drinking water from a nearby community. Therefore, the business case was only directed towards the water main portion of the project. The green component is for water efficiency. The business case was written by the authority's consulting engineer, Midwest Engineers and was added when the scope of the project was revised.
2. The water efficiency component is the replacement of existing leaky water mains with PVC water main. The Water Authority reports that there is an average water loss of 29.8%. It is estimated that with the replacement of the leaky water mains that the water loss will be reduced by 7.9%. The estimated construction cost for this component is \$1,761,240 along with the engineering cost of \$191,211, which the total estimated cost for this item is \$1,952,451. **The actual bid costs for this item was \$1,036,262, along with the engineering of \$82,900, which brings the total GPR cost for this item using as-bid cost to \$1,119,162.**
3. The total GPR amount was estimated at \$2,285,096. **The actual as-bid GPR total cost is \$1,119,162.** The Water Authority closed on a SRF loan on December 19, 2011 in the amount of \$1,970,000.

Conclusions

The business cases were reviewed by internal staff and found to be in accordance with GPR requirements.

