

## City of White Sulphur Springs

The Public Hearing meeting on the, CDBG Grant – Water Line Replacement Project, of the City Council was held on March 11, 2019 at 7:00 P.M. Mayor Rick Nelson called the meeting to order with the following members present:

Sara Driemeyer

Mike Eby

Pattie Berg

Jason Phillips

Terry Threlkeld

The Public Hearing was held in the purpose of obtaining public comments regarding a proposed application to the Montana Department of Commerce's Community Development Block Grant (CDBG) Program for a water main replacement project. At the public hearing, the proposed project was explained, including the purpose and proposed area of the project, activities, budget, possible sources of funding, and any costs that may impact local citizens as a result of the project. All interested persons were given the opportunity to ask questions and to express their opinions regarding this proposed project. Terry Threlkeld said that the City will need to review, accept, and pass Resolution #604, a Resolution of the City of White Sulphur Springs, Montana, authorizing submission of a Community Development Block Grant Program Application and Resolution #605, a Resolution of the City of White Sulphur Springs, Montana, accepting the determination that an Environmental Assessment is appropriate for the proposed Water Transmission Main Replacement Project for the City of White Sulphur Springs. Terry Threlkeld previously completed the Environmental Review Checklist with the location of the map for the City and made it available for public comment. Terry Threlkeld said that there were two interesting issues. The Historical Preservation Office of the State said that the East Ditch was actually a historical structure. The ditch goes through a culvert where it crosses the county road which is also the location where the proposed water line will cross the ditch. There were a couple wetlands near the project but not in the project path, including wet lands that were caused by the old leaking water tank and tank overflows. There is Sage Grouse habitat along the project but no critical habitat. There should little impact to sage grouse in those areas. The Water Transmission Main is 3300 feet long. The construction cost would be approximately \$450,000 to \$500,000. Terry Threlkeld reviewed three ways to finance the project. One would be if the City did not get the CDBG grant and would have to borrow the money. The second would be if the City borrowed the money with a SRF Loan. This would raise the rates approximately \$1.00 to \$1.37. The water billing system had 547 accounts initially and after narrowing it down, there are 490 residential accounts according to MAP from the income survey efforts. The third option would be applying for the CDBG grant and using the water line replacement fund for the match.

The water line main replacement fund is ear marked for only the 3300 ft., and then when that is done the water line main replacement fund may have to go away. Terry Threlkeld will get the City of the SRF priority list just in case. Terry Threlkeld said that the City needs to think about the financing of the water transmission main in town also. The CDBG grant project offers a City 25% match, the TSEP grant is a City 50% match.

Terry Threlkeld asked if there were any other questions or comments from the public. There was no public present. Terry Threlkeld completed the Uniform Application for the City of the Water Line Replacement Project which has been at the office for anyone that would like to view it. The Mayor needs to place his signature on the application for the grant. Terry Threlkeld also provided the Montana CDBG Certification for Application that will also need the signature of the Mayor, swearing that the City will be in compliance of the federal regulations. The Mayor asked if there was a motion to authorize Resolution #604, the submission of a Community Development Block Grant application for the City. Mike Eby motioned to authorize Resolution #604, the submission of the CDBG grant application as amended. Sara Driemeyer seconded the motion. All said Aye. Motion carried and passed. The Mayor asked if there was a motion to accept Resolution #605, the determination that an Environmental Assessment is appropriate for the proposed water transmission main replacement project for the City. Mike Eby motioned to accept the Environmental Assessment, Resolution #605. Pattie Berg seconded the motion. All said Aye. Motion carried and passed.