

7:00 pm

May 2, 2018

**648th MEETING OF THE
HORSESHOE BEND CITY COUNCIL**

Mayor Pat Goff called the meeting to order with Councilpersons Cooper, Corvinus, Stirm and Riley present. Also present, City Clerk Gina Elmer and Attorney Tony Pantera.

Pledge of Allegiance

Councilman Stirm made a **motion** to amend the agenda to include a discussion about the new well site. Councilman Corvinus **seconded**. All ayes. **Motion carried**.

Councilwoman Cooper made a **motion** to approve the agenda with the addition of a discussion about the new well site. Councilman Corvinus **seconded**. All ayes. **Motion carried**.

Public Hearing:

Public Hearing opened: 7:03pm.

Amy Woodruff, Civil Dynamics: The estimated cost to put in a new gravity sewer line under the new Payette River Bridge will be approximately \$285,000.00 with ITD. Amy also got an estimate from a private contractor to bore under the river and put in a pump station. This estimate came in at about \$300,000.00. Amy says that the language of the contract should state that if the cost for ITD putting in the line goes over the estimated amount the City has the right to go with a private contractor. The judicial confirmation is necessary since we did not receive the contract from ITD until March of 2018. Amy recommends that the City seek the authority to borrow \$500,000.00 to cover all cost. Amy provided Council with a spread sheet showing the cost per EDU (Equivalent Dwelling Unit) at different interest rates.

Carole Garrison, USDA: Carole is here to explain the loan and grant program that USDA offers. The City qualifies for up to 45% of the sewer line to be covered by grant funds, due to our median income according to the 2010 census. Most projects now are financed by 85% loan and 15% grant monies. The city would qualify for the median interest rate of 3 percent over the 40 year term of the loan. Once the City has received Judicial Confirmation the loan can be completed. Carole will work with Amy on completing the application so that it will be ready to turn in when judicial confirmation has been received. The first payment will not be due until one year after the bond is received. Councilman Stirm asks when the interest will start. Carole says that the interest will start accruing when money is received. It is required that the City pay into a reserve over the first ten years 10% of the yearly payment. Monthly sewer rates must be \$45.00 to \$50.00 per EDU to qualify for any grant monies. These rates are determined by comparing other communities of our size. These rates must be in place before the first payment is due. Carole responded that both boring under the river and hanging the sewer line on the bridge will both qualify for funding when asked by Councilman Riley. Tony Pantera adds that it could take four to six months to get a court date. Carole adds that this project would not compete well with

other projects that are emergencies so the application should be completed by August to receive funding.

Public Testimony:

There was no one signed up to give testimony.

Public Hearing closed: 7:25pm.

New Business:

New Well Site: Amy states that the water quality was great in the test well and that she would like the City to move forward with a production well. She provided Council with a conservative estimate on the cost of the new production well. The first order of business would be to have DEQ complete a well site evaluation and the steps to get the well online. Cost will be about \$121,000.00 for this project. Once DEQ has completed the sanitary survey of the proposed site the City can move forward with obtaining bid for well drilling and the work of tying the well into the current system. Amy would like to see bids from local contractors for the work. This well will save the City money in the areas of man power, chemicals and power. The well will produce 200 – 300 gallons per minute. Mayor Goff is looking to get some mitigation dollars to help with the cost of the new well. DEQ is requiring wells so that the City will have redundancy with their water. Amy says that the quality of the water will be much better and this will also extend the life of our plant. The well will be a sixteen inch bore about fifty feet deep. Council agrees that Amy should move forward with the design.

Public Comments:

Jerry Kelleher wanted to know if the City had looked into the use of an existing well. Amy said that DEQ would not approve the use of private wells for City water. There are lots of regulations on the water.

Meeting Adjourned 7:39pm.

ATTEST:

City Clerk

Mayor