

Public Meeting
Phase II Water Project
March 31, 2008

The meeting came to order at 7:00 pm. Attending – Mayor James Hammons, and City Clerk Sandra Johnson.

GUESTS: Dan Lozar – TD&H, Mitch Walters, Katie Randall, Jeremy Vella, and Kit Pearson

Dan Lozar opened the meeting. TD&H is currently updating and amending the original Preliminary Engineering Report that was written in 1999. The PER is a tool that forecasts predicated usage and directions of growth. It is also needed for grant applications. We will be attaching it the grant applications to TSEP, CDBG, and DNRC for Phase II. This is how we address how we are going to fix the problems and move forward. It will be good for 20 years. The PER is a very dynamic document.

Lozar discussed the current water system's problems include leakage, distribution and Well #2. Well #2 produces 750 gpm for supply. It is mostly used during the summer months when citizens are sprinkling. Leakage continues to be a problem as aging pipes continue to break down in main lines and residence service lines. There are spliced pieces, single pressure zones, and multiple dead ends throughout the system. The sink hole near the tracks was used as an example.

Distribution issues: lack of redundancy, or looping throughout the entire system. There needs to be some way to back-feed the system if something happens to the main distribution system. An example would be; if anything happened along Callahan Creek, the south side would be left without water as soon as the storage tank went dry. Riverside Avenue also needs redundancy. Leakage is also a distribution issue. 35 gpm equals 50,000 gallons per day and 18,000,000 gallons per year. This means the city is spending funds on power, pipe, and wear and tear for water leaking into the ground.

Greg Larson asked Lozar the percentage of the main line replacement that Phase I completed. Phase I replaced mains on Spokane, Kalispell, and Riverside. Proposed system Improvements for Phase II include, ageing mains, replacing hydrants and addressing the leakage problem. That is the minimum. Lozar stated that he cannot give a percentage.

Lozar continued explaining the looping from Well #2 throughout Kootenai, Yaak, and Kalispell Avenues and the railroad crossing between Riverside and Yaak. This should increase the hydraulic efficiency by the high school. Fire protection was always a concern in that area. The looping involves crossing Callahan Creek. Lozar described the difference between hanging and boring underneath the creek. Leaking mains that need replaced include; South Yaak, 4th and Mineral, and 3rd and Grant. Estimated cost is about 1,400,000 before disinfection.

Larson had questions concerning pumping and pressure. Jim Hammons gave him an example of a past situation when the City had a power outage in a winter month (nobody was watering their lawns). The 125,000 gallon water tank drained in a little over three hours. This was not from use, but from leaking mains and service lines.

Disinfection alternatives: we are meeting State DEQ project requirements. EPA ground water rules take effect December 1, 2009. Hypo chlorination: *Pros* - proactively EPA and DEQ requirements, health and human safety, and relatively low cost. *Cons* - operations and maintenance increase with estimated costs of \$80,000 (\$40,000 each location) and could go up. UV disinfection: *Pros* - Low operation and maintenance costs, and health and human safety. *Cons* - additional piping, possible land acquisition, and initial capital investment. Estimated cost for UV disinfection is around \$350,000.

Lozar gave current DEQ compliance for ground water: The State changes the requirements frequently. The system is in compliance since the last project. The improvements they want to see are to disinfect and to increase storage by another 150,000 gallon tank (recently adopted rules).

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| <i>Funding Options:</i> TSEP | Apply by May 2008 | Funds Spring 2009 | \$750,000 |
| DNRC | Apply by May 2008 | Funds Spring 2009 | \$100,000 |
| RD | Anytime | Immediately | up to 45% of grant reward of loan |
| CDBG | (connections to home for low Income) | | 51% must have Low to Medium Income |
| STAG/WRDA | February | Funds in October | Variable |
| INTERCAP | Anytime | Immediately | Loan |
| SRF | Apply by May 2008 | Immediately | Loan |

Lozar explained the break down of an RD loan and how it would affect user rates over 20 years. Jim Hammons stated that an RD Loan is improbable for the City. Greg Larson discussed the restrictions for small towns. The State mandates regulations, and there are no funds to comply. Lozar gave examples of similar community's user rates to compare where Troy stands.

Long time problems: The upgrades have to be done now. In the prior years, rate increases weren't done early-on. It doesn't get any cheaper. People will not like increases, and haven't wanted the increase when it was less expensive.

Mayor Hammons thanked Lozar for his presentation. He also stated that Montana has a small population and federal funds are also dictated by population. It is a very competitive process for funding.

Meeting adjourned 8:12 p.m.

James C. Hammons, Mayor

ATTEST:

Sandra Johnson, City Clerk/Treasurer