

See what's possible.



December 1, 2023

City of White Sulphur Springs
PO Box 442, 105 West Hampton
White Sulphur Springs, MT 59645
Attn: Mayor Rick Nelson

**RE: Engineer's Report for City Council Meeting on December 4th, 2023
White Sulphur Springs On-Call Engineering Services
Great West Engineering Project No. 1-21278**

Dear Council:

The following report summarizes the status of current and on-going work being performed by Great West Engineering for the City of White Sulphur Springs under the agreement for professional services for on-call engineering services dated February 7th, 2022. Status reports for each project are summarized below by task order.

Task Order 2: Water System Preliminary Engineering Report (PER)

This project includes the study and report phase (PER document), design, bidding, and construction for replacement of the 12-inch water transmission main from the existing storage tank to about 4,000 feet to the west through the Castle Mountain Estates subdivision.

The PER has been completed and submitted to the City and Rural Development (RD) for review as it is a requirement of RD to review the PER as a condition of providing a planning grant for the study. As of 11/30, RD has indicated they are finishing review of the PER. Once the review by RD is complete and comments addressed, the City can adopt the PER and apply for the loan and loan forgiveness for the project. Requests for reimbursements for the PER can also be made when the PER is finalized.

Great West is currently in the design phase for the transmission main with survey and base mapping complete and development of a plan set in progress. Great West has also prepared the Uniform Application for submission to SRF with finalized PER. The cost estimate for the transmission main project is \$1.3 million. The anticipated funding strategy for the transmission main project is as follows:

Transmission Main Replacement Project Funding Summary

Funding Source	Amount	Status/Timing of Funding Availability
ARPA MAG (City & County Combined)	\$306,708	Start-up paperwork has been submitted but the contract has not yet been executed by ARPA. Great West is currently working with the ARPA specialist on meeting start-up conditions. Once a contract has been executed by ARPA, the City can begin drawing on funds for the project.

Y:\Shared\Helena Projects\1-21278-White Sulphur Springs On-Call\Engineer's Reports to Council\202312_Eng_Rpt.docx

HELENA
2501 Belt View Drive
Helena, MT 59601
Ph: (406) 449-8627
F: (406) 449-8631

BILLINGS
6780 Trade Center Avenue
Billings, MT 59101
Ph: (406) 652-5000
F: (406) 248-1363

BOISE
1921 E Overland Road
Meridian, ID 83642
Ph: (208) 576-6646

GREAT FALLS
702 2nd Street Ste #2
Great Falls, MT 59405
Ph: (406) 952-1109

SPOKANE
10220 N Nevada Street
Suite 130
Spokane, WA 99218
Ph: (509) 413-1430

SRF Loan Forgiveness	\$750,000	The City will need to apply by submitting a Uniform Application with a completed PER. SRF funds will be used primarily for construction. If loan forgiveness is not awarded, the funding scenario for the project will need to be re-visited and funding approach adjusted as necessary.
SRF Loan Total Amount (Loan + Bond Reserves) ⁽¹⁾	\$268,792	
Total Project Funds	\$1,325,500	
<i>⁽¹⁾Expected cost per month increase in water rate per user is \$1.43 but is subject to change based on received bids.</i>		

Next Steps:

- Great West will work with the City to apply to SRF to finalize project funding. SRF funds are typically not available until the project has been bid on and final construction costs are known.
- Great West will continue design and prepare plans and specifications for review by the City and submission to DEQ by the end of the year. The goal will be to bid the project this spring for summer 2024 construction.

Task Order 3: Capital Improvements Plan (CIP)

This project is for preparation of a CIP that represents a list of the City's priority projects over the next five years.

Great West is currently drafting the CIP with information that is known at the time from other existing reports and available mapping. The PASER streets field work has been completed and Great West is in the process of determining recommended rehabilitation strategies and associated costs. The public survey process has also been completed and results have been distributed to the City.

Next Steps:

- The City has been provided with a template for listing their project priorities and estimated costs if known. Each City department should develop priority lists according to category (streets, water, sewer, parks, buildings, emergency services, etc.).
- Once the City provides Great West with their priority lists, Great West will compile all the known information and set up a meeting with the City to go over the information, ask questions, and re-visit the overall objectives of the CIP.

Task Order 4: Backup Generator Project

The City has contracted with Great West for design, bidding, and construction administration services for a project to install backup generators for the City's domestic water supply groundwater well pumps and wastewater lift station.

Great West has completed the design, bidding work, and contracting process with the contractor as well as review of electrical submittals. Great West has also provided ARPA with required documents as part of grant administration. The total cost for the generator project is \$294,665 (includes engineering). The anticipated funding strategy for the generator project is as follows:

Backup Generator Project Funding Summary

Funding Source	Amount	Status/Timing of Funding Availability
ARPA MAG	\$118,000	Start-up paperwork has been submitted and the contract has been executed by ARPA. The City can begin drawing on these funds for the project.
ARPA Local Fiscal Recovery Funds	\$175,665 ⁽¹⁾	The City can draw on these funds for the generator project as needed.
City Contribution	\$1,000	
Total Project Funds	\$294,665	
<i>⁽¹⁾Includes \$24,000 for contingencies during construction which may or may not be needed.</i>		

Next Steps:

- The contractor does not anticipate the arrival of the generators until March of 2024 and prefers to wait to schedule a pre-construction meeting until closer to that date.

Task Order 6: General Services

This task order is reserved for smaller items that come up for which the City would like assistance from Great West. Over the past several months Great West has assisted with a variety of reviews and correspondence pertaining to the Mountainview Medical Center water and sewer line construction as well as several other minor Council meeting agenda items relating to development within the City. Amendment 2 has been submitted to the City for consideration to add an additional \$15,000 to the contract as the current contract amount has been expended.

Next Steps:

- Great West will continue to help with general engineering items as they arise.

Task Order 7: Houston Street Sewer

This task order is for engineering design services associated with the replacement of 100-150 feet of sewer main on Houston Street between 1st Avenue SE and 2nd Avenue SE. Design, DEQ approval, and construction have been completed. Amendment 1 has been submitted to the City as additional time was spent on the project due to deviation requests asked for by the City and the emergency nature of the project that was realized after the initial scope of work was initiated.

Next Steps:

- Great West will provide as-built drawings to the City and DEQ as well as certification to DEQ that the project was constructed to plan.

Task Order 8: 1st Avenue NW Septic to Sewer Project

This project was developed as septic system issues were identified on 1st Avenue NW. The project approach has been developed and includes abandonment of septic systems on three existing properties and connection of these properties to City sewer via installation of individual grinder pumps and force main.

Survey and base mapping have been completed and preliminary design is proceeding. Grant administration activities for individual landowner funding have also been initiated

through private meetings with landowners. The total cost estimate for the sewer project is \$269,100 (including engineering) and a project budget has been prepared which assumes 48% SRF loan forgiveness. The anticipated funding strategy for the sewer project is as follows:

1st Avenue SW Septic to Sewer Project Funding Summary

Funding Source	Amount	Status/Timing of Funding Availability
SRF Loan Forgiveness	\$128,576	The City will need to apply by submitting a Uniform Application which Great West will prepare. Approximately 48% of the funds will be requested for loan forgiveness. If loan forgiveness is not awarded, the entire project cost will be funded through an SRF loan. The City will not be able to draw on these funds until construction. If the City needs assistance with payment of engineering fees, a small bond anticipation note can be submitted to SRF.
SRF Loan Total Amount (Loan + Bond Reserves)	\$140,524 ⁽¹⁾⁽²⁾	
Total Project Funds	\$269,100	
<p><i>⁽¹⁾Additional funding is available through DNRC's private landowner septic program. Each landowner is eligible for up to \$5,000 for the upgrade to their septic system (in this case, removal of the septic system). There are three affected landowners for a total of \$15,000 that could be used to pay the SRF loan. Great West will assist the landowners with submission of funding applications to DNRC and also with the repayment logistics to the City.</i></p> <p><i>⁽²⁾The Montana Department of Commerce has also offered to provide 20 hours of technical assistance to the project which can be used to re-pay engineering fees (approximately \$3,000 based on 20 hours x \$150 per hour).</i></p>		

Next Steps:

- Great West will present preliminary design documents to the City for review and approval and proceed with preparation of the Uniform Application and DNRC individual landowner applications.

Task Order 9: Planning Services

This task order is reserved for smaller items that come up for which the City would like assistance from Great West specifically related to land use planning. This task order can be amended as needed to add additional funds for planning services work. Over the past several months, Great West provided assistance related to the Bruce Lay annexation request, located north of the City.

Next Steps:

- Great West will continue to help with planning items as they arise.

Other Work or Future Upcoming Work for Consideration

Planning Grants: Great West submitted MCEP planning grants on the City's behalf for completion of a stormwater PER and wastewater PER. Both of these grant applications were submitted on August 3, 2023. If awarded, each planning grant from MCEP is \$40,000 and these funds can be used to fund a portion of the fees for completion of these studies. Award of the MCEP grants has not yet been announced.



A CDBG planning grant was also submitted to fund a parks recreation master plan. Craig Erickson to provide additional details on status.

Water PER Update: If the City would like to pursue a 2026 project at the intake or treatment facility and apply for construction grant funding, the City should consider doing a water PER update for submittal with construction grant applications in May of 2024. A water PER update would involve updating specific sections of the 2023 water PER to reflect a preferred project at the intake including new executive summary, another round of environmental consultation and environmental checklist, update of population, water usage and demand estimates, updated cost estimates, funding scenarios, and another public meeting. Much of the existing water PER narratives will not be expected to substantially change. The City would not have any planning grant money available for the update and the cost of the PER update is estimated to be approximately \$25,000.

Lead Service Line Inventory: Based on requirements by the EPA, each community is required to have completed a lead service line inventory by October 2024. Great West has been monitoring this requirement and assistance opportunities if the City has questions or needs more information.

Thank you for allowing us to work with you and please let us know if you have any questions.

Sincerely,

Great West Engineering, Inc.

A handwritten signature in blue ink that reads "Jessica L. Salo".

Jessica L. Salo, PE
Project Engineer