

**MINUTES OF THE STATE REVOLVING FUND REQUEST FOR FUNDS
PUBLIC HEARING OF THE BOARD OF CITY COMMISSIONERS FOR
THE CITY OF PORT ST. JOE, FLORIDA, HELD IN THE COMMISSION
CHAMBERS AT CITY HALL, APRIL 5, 2010 AT 5:30 P.M.**

The following were present: Mayor Magidson, Commissioners Johnson, Gingell, Johnson and Stephens. Commissioner Buzzett was absent. City Manager Charlie Weston, Attorney Tom Gibson, City Engineer Philip Jones and City Clerk Jim Anderson were also present.

Public Hearing:

Philip Jones indicated that the purpose of the meeting today is to check the box for the required Public Hearing in order to proceed with the request for funding to the State Revolving Fund. Mr. Jones also noted that the City is under a Consent Order on its Water Distribution System and as part of the process the City has received a Pre-Construction Grant for the Facilities Plan.

Mr. Jones read Attachment (A) in its entirety to make sure all the requirements of the Public Hearing are covered.

Mr. Jones noted that we have a lot of broken valves to replace. The second alternative, we feel, is the bare minimum. The project will include 41,000 ft. of pipe replacing transite pipe and the smaller cast iron pipe. We don't expect any negative environmental issues. In the short term, Storm Water will be controlled by Silk Fencing.

Commissioner Johnson asked, "What size pipe will replace the 2" and 3" Galvanized Pipe?"

Mr. Jones responded, "With a minimum of 3" pipe."

Mr. Jones indicated that we have applied for both a loan and a grant for the project from SRF. The anticipated annual payment for the City on the loan will be \$39,244. If we are able to obtain acceptable funding from SRF, we plan to show the loan payments will be covered thru Water Revenue.

Mr. Jones noted that we received our DEP Permit last week. The Environmental Review is complete as well with no comments.

Commissioner Johnson asked, "Have we had any discussion with Regions Bank about using Water Fund proceeds to cover the loan payments? Our current loan documents say we will notify them."

Mr. Weston indicated that he will take care of it.

Commissioner Johnson asked, "Will SRF pay upfront for the cost of construction?"

Stephen Price responded, "Yes, SRF will pay upfront for the construction cost."

Commissioner Stephens asked, "Will the Fire Hydrants and valves that are not working properly be replaced first?"

Mr. Jones responded, "The Fire Hydrants and valves will be replaced as part of the whole project."

Commissioner Johnson asked, "Do we have a time frame for construction?"

Mr. Jones responded, "Approx. one year, some areas are under asphalt and congested with traffic. Some entire intersections will be replaced along with some patch work."

Public Participation:

James Patterson asked, "Will the second alternative solve the problem?"

Mr. Jones responded, "It will allow the City to have a Unilateral Flushing System."

No one else from the Public Spoke.

See attached Ex. B (Public Hearing Sign in Sheet)

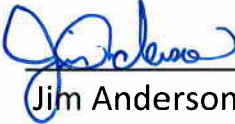
Mayor Magidson closed the Public Hearing.

The workshop was adjourned at 6:00 P.M.

Approved this 19th day of April 2011.



Mayor Magidson



Jim Anderson, City Clerk

City of Port St Joe
Water Distribution System Improvements
PRI Project No. 019.184

PUBLIC HEARING NOTES

The City is currently seeking funding through Drinking Water State Revolving Fund (SRF) program to make water distribution system improvements. The City has already received a pre-construction grant from SRF to prepare all required pre-construction planning documentation and activities.

The City has an agreement with PRI to prepare all of the pre-construction planning documentation required by the SRF program to be eligible for construction funding.

The SRF planning documents and tasks required to be completed include the Water Facilities Plan (including the business plan and public hearing), Environment Review, Biddable Plans and Specifications (including the required construction permits), and Project Site Certification. PRI will also apply for SRF construction funding on behalf of the City.

As part of the SRF planning requirements, the City must hold a public hearing to discuss the Water Facilities Plan and the financial impact on water users. The purpose of tonight's meeting is to give a brief overview of the Water Facility Plan and the costs associated with the proposed project improvements so that the City can move forward with adopting the Water Facilities Plan.

The purpose of the Water Facilities Plan is to document the project need, develop alternatives, select the best alternative, evaluate environmental effects, provide financial planning, and outline the project schedule.

To determine the areas in need of repair, PRI reviewed previous studies, interviewed City staff, reviewed maintenance records and other documentation. Water system flushing records, hydraulic water model and field inspections were also utilized to verify the condition of the existing water system.

The Water Facilities Plans considers three alternatives for the proposed water distribution system improvement project.

- The first alternative includes the replacement of all 24 miles of old metallic water distribution pipes and any other non-serviceable water lines, valves and hydrants (Approx \$8.4 M) .
- The second alternative involves the replacement of only the non-serviceable water lines, valves and hydrants that will enable uni-directional flushing and improve water quality (Approx 7.5 miles or 1/3 of the older metallic pipes and \$2.3 M).
- The third alternative was to not make any improvements to the water distribution system.

City of Port St Joe
Water Distribution System Improvements
PRI Project No. 019.184

The selected plan involves replacing all of the non-serviceable water distribution lines, isolation valves and hydrants as required by the FDEP Consent Order to enable uni-directional flushing of the water system. The proposed water distribution improvements include the replacement of approximately 41,000 LF of pipes that are in poor condition due to deterioration over time. These existing pipes will be replaced with new PVC water lines and include new fire hydrants, valves, fittings and service lines to existing customers. Also, some "dead-end" mains will be looped with short runs of new pipe to reduce water "age". Point repairs will be made to replace any hydrants that are not included in the water line rehabilitation areas.

No negative environmental impacts are anticipated as part of this project. All improvements are located within existing right-of-ways and utility easements. The short term impacts may include noise during construction and minimal soil disturbances. Stormwater erosion control devices will be used to prevent runoff and erosion at the construction sites. The long-term impacts of the project are beneficial. These benefits include providing adequate uninterrupted water service and enabling the water distribution system to be flushed on a routine basis.

The total project cost of the proposed water distribution system improvements is estimated at \$2,348,055, including construction, planning, administration, engineering and other technical service costs.

The City has applied for both a grant and a low interest loan to fund these improvements. The anticipated annual debt service for the proposed project capital cost is \$39,244, assuming a 75% SRF Grant and 25% SRF Loan at 3.00% interest rate for a 20 year term with semi-annual repayments. If the City is able to obtain a fiscally feasible grant and low interest loan combination through the SRF program, it is intended that the loan will be repaid through the City's water and sewer revenues. Utility rate increases will not be required to provide additional revenues for the proposed project.

City of Port St Joe
Water Distribution System Improvements
PRI Project No. 019.184

The proposed implementation schedule is as follows:

- March 2011 Submit Facilities Plan and Capital Financing Plan to FDEP and other governmental agencies for review and comments. Submit construction permit application to FDEP District Office.
- April 2011 End of 30 day comment period for the Environmental Information Document. Receive construction permits. Submit plans and specifications to the FDEP Tallahassee office.
- June 2011 Receive Department acceptance of planning documents.
- July 2011 SFR Hearing to add the construction project to the fundable portion of the priority list.
- September 2011 Sign SRF Loan Agreement.
- November 2011 Advertise for bids.
- December 2011 Open construction bids.
- December 2011 Award contracts.
- January 2012 Begin construction of the project.
- December 2012 Complete construction of the project.
- January 2013 Certify operational performance of the project. Close out project.
- June 2013 Begin SRF loan repayments to the FDEP.

Public Hearing 4/5/2011 5:30 P.M.
City Commission
Water Distribution System
Request for Funding From the State Revolving Fund

Sign In Sheet:

- 1) STEPHEN PRICE
- 2) Jany Ross
- 3) CHRISTY MSELROY
- 4) FRED V Wood
- 5) Greg Foster
- 6) JAMES "BO KNOWS" ATKINSON
- 7)
- 8)
- 9)
- 10)
- 11)