

An Application

for a PUBLIC FACILITIES

IDAHO COMMUNITY DEVELOPMENT BLOCK GRANT

WATER SYSTEM
IMPROVEMENT PROJECT



By the

City of Dietrich



November 18, 2011

Don Heiken, Mayor
City of Dietrich, Idaho

City of Dietrich

35 West 1st Street

Dietrich, ID 83324

Phone 208-544-2102

Jeff Sayer, Director
Idaho Department of Commerce
P.O. Box 83720
Boise, Idaho 83720-0093

November 18, 2011

Re: Idaho Community Development Block Grant – Public Facility Application

Dear Director:

The City of Dietrich is excited to submit this application to the Idaho Department of Commerce for Idaho Community Development Block Grant (ICDBG) assistance. The City hopes to receive ICDBG funding to renovate our municipal drinking water system. A recent engineering assessment identified critical component in our potable water system that must be upgraded. Specifically, the City must replace the pump and associated equipment at our main well. We must also add a secondary well source – requiring the City to drill a new well and construct a new well house. It also calls for us to extend water distribution lines to an area of our community that does not currently have access to the municipal water system and replace aging water meters all around our community.

These capital expenditures are estimated to cost \$1.402 million. City officials and the citizens of Dietrich are in support of this project. Together, we have committed \$880,550 in local matching funds. The City expended \$21,450 towards the master planning study that was completed earlier this year. The citizens of Dietrich demonstrated their support during a recent election when 52% of the voters supported the City's decision to incur debt to finance these improvements. Regrettably, we do not have the resources to make the necessary improvements ourselves while keeping the monthly user rate affordable for our citizens. For this reason, we are seeking \$500,000 from the ICDBG program to help mitigate the costs of these improvements.

It is our hope that as you review this application, you will understand the reasons we are undertaking this project and our need for assistance through the ICDBG program. We greatly appreciate your attention and consideration to our grant request.

Sincerely,



Don Heiken, Mayor

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Applicant: City of Dietrich Chief Elected Official: Don Heiken, Mayor
 Address: 35 W. First, Idaho 83324 Phone: (208) 544-2102
 DUNS #: 057979388 CAGE Code: 6L3E4

Application Prepared by: Jeffrey McCurdy Phone: (208) 732-5727 x 3005
 Address: Region IV Development Association, Inc. P.O. Box 5079 Twin Falls, Idaho 83303-5079

Engineer: Justin Walker, P.E. Phone: (208) 288-1992
 Address: Keller Associates, Inc., 131 SW 5th Avenue, Suite A, Meridian, Idaho 83342

National Objective

Project Type

LMI Area LMI Clientele Public Facility/Housing Community Center
 LMI Jobs Slum and Blight Economic Development Senior Center
 Imminent Threat

Project Population to Benefit (Persons): Survey

Total # to Benefit: 332 (2010 U.S. Census) Total # LMI to Benefit: 234
 % LMI to Benefit: 70.62 %

Project Description: The project consists of renovating the City of Dietrich’s municipal water system. Specific project components include the drilling of a new well, building a new well house, upgrading the existing main pump, installing back-up power generators and an eye washing station, constructing 4,770 linear feet of water distribution line, and replacing water meters. Engineering and grant administration services are also included in the project’s scope of work.

SOURCE	AMOUNT	DATE APPLICATION SUBMITTED	RESERVED/ CONDITIONAL AWARD	FUNDS COMMITTED/ CONTRACT AWARD DATE	DOCUMENTATION IN EXHIBIT ***
ICDBG	500,000.00				
Local Cash	21,450.00			November-11	1
Local Loan*	859,100.00	November-11	See DEQ IUP	Pending	1
Local In-Kind**					
USDA-RD Grant					
EDA Grant					
State Grant	21,450.00	December-09	September-10	September-10	1
Foundation Grant					
Private Investment					
Other (Identify)					
TOTAL PROJECT FINANCING	1,402,000.00				
*Identify Loan Source	<u>IDEQ - SRF</u>			Date Bond Passed:	<u>May 17, 2011</u>
**Describe In-Kind match by type (i.e. materials, labor, waived fees, land value) and amount.					
***Identify which exhibit corresponding documentation is in. Documentation should be a letter from the appropriate source.					

Economic Advisory Council Page

In 2009, the City of Dietrich commissioned Keller Associates, Inc. to evaluate its municipal water system to determine whether it was meeting current regulatory requirements and see if the system could support the community's projected future growth. Critical regulatory violations and key inefficiencies within the system were identified that requires the City to take immediate action.

The City has only one well source. For years, the City has used a well near the town's school as a backup resource; unfortunately, it was not constructed to drinking water standards and did not produce enough water for adequate protection. A short time ago, the City was forced to abandon it. This left the City without a redundant water source to maintain the system if the main well is taken off-line. This is a violation of the states drinking water standards and is a great concern for experts at the Idaho Department of Environmental Quality (DEQ) and the community leaders in Dietrich. Without this additional source, the system could fail to operate properly. Inadequate pressures in the distribution lines could allow pollutants to penetrate into the system. During a fire event, fire suppression capabilities could be impeded if the main well is unavailable and there is no back-up well to support the system. To remedy this situation, the City must construct a secondary well. As required by state code, a building will be constructed to protect the well and the associated telemetry and equipment.

The main well currently has a pumping capacity of 134 gallons per minute (gpm). The Master Planning Study recommended the primary well source increase its capacity to 250 gpm when the population reaches 250 people (this is in addition to the development of a secondary well source). The 2010 U.S. Census reported the City of Dietrich's population is 332. Upgrading the pump at the main well is needed immediately to meet existing demand. The City must upgrade the main well to pump 250 gpm.

The system experiences significant water loss. Inaccurate water meters are one of the contributing factors. These meters also prohibit the City from charging accurate monthly fees causing losses in earned revenue. The water system contains roughly 100 manual read water meters. The City will replace each of these meters with a touch-read meter. In addition, the residents along Waucanza Street do not have access to the municipal water system or the fire protection capabilities it provides. Extending water services to this area is one of the highest priorities identified in the Master Planning Study. The City will construct 4,770 linear feet of water distribution main to service this part of the community.

The project is estimated to cost \$1.402 million. Local matching funds total \$880,550. The City and DEQ spent \$42,900 on the Master Planning Study. On May 17, 2011, 52% of the voters in Dietrich approved of a revenue obligation bond to make the improvements outlined in the Master Planning Study. The city ranked 19th on DEQ's Intended Use Plan and is eligible for a 30-year term loan at 0.00% interest. The City will finance \$859,100 through the State Revolving Fund program. The city is requesting \$500,000 from the ICDBG program to complete the project.

The City has the bonding capacity to finance these improvements themselves. Unfortunately, even with the great loan terms offered by DEQ, the monthly water rate will not be affordable to the residents in Dietrich. For this reason, the City is requesting assistance from the ICDBG program to mitigate the cost and help keep the monthly utility rate affordable. If awarded funding, each water user will see a reduction in their rate by \$15.99 a month, \$191.84 annually, and \$5,755.10 over the 30-year loan term. System wide, it will provide a savings of \$1,567 per month, \$18,800 annual, and \$564,000 over the 30-year loan term. That is a significant savings for a community that is 70.62% LMI.

These improvements are critical for the health and safety of the citizens in Dietrich. The City Council is committed to ensure its citizens are protected and the water system operates efficiently. They are also charged with keeping user rates affordable. For these reasons, they are seeking assistance of the ICDBG program to help finance these improvements. The City Council and the citizens of Dietrich are grateful for your consideration of their grant request.

Threshold Factors

A. Eligible Applicant:

The applicant is a city The applicant is a county

Sub-recipient: Not Applicable

The City of Dietrich is an eligible applicant for Idaho Community Development Block Grant funds under IDAPA 28.02.01 Rules 012 and 013. The City is applying for ICDBG funding to improve its municipal water system which is vital for the health and safety of citizens within the community. The City has jurisdiction over this area and is not designated as an Entitlement Community by the U.S. Department of Housing and Urban Development.

B. Eligible Activities:

The project consists of the eligible activities as outlined in the ICDBG Application Handbook – Chapter 2. Public facility projects are those that construct or improve public infrastructure, facilities, or utilities. The proposed project will upgrade the City of Dietrich’s municipal water system.

C. National Objective:

C.1. Low- and Moderate-Income Area Benefit:

Total number of households* in project benefit area 90

*Note: For water and sewer projects, this is the number of households hooked onto the system and any households that will hook onto the system once the project is complete.

LMI Percentage Determined by: (Check one and complete requested information)

 Census Data – provide supporting documentation in Appendix.

 X Income Survey – A Survey Report is provided in Exhibit 2.

 Census and Survey – provide supporting documentation/report in Exhibit.

D. Citizen Participation:

The City adopted a Citizen Participation Plan on November 7, 2011 pursuant to citizen participation requirements of the Idaho Community Development Block Grant program. As outlined in this plan, the City held a public hearing on the proposed project on November 7, 2011 to receive input on the application. No adverse comments were received prior to or at the public hearing. Minutes of the public hearing were not available at the time this application was submitted but will be available after the December City Council meeting following the Council’s action approved the official minutes. A copy of the City’s Citizen Participation Plan, Affidavit of Publication, and other pertinent information are attached in Exhibit 3.

Date of Notice: October 24, 2011 Date of Public Hearing: November 7, 2011

E. **Statewide Goal and Strategy:** (*✓check applicable*)

Check the goal and strategy that best corresponds to the project.

- Increased access to decent affordable housing (goal)
 - Sustain and increase homeownership (strategy)
 - Sustain and increase affordable rental housing (strategy)
 - Support equal access to a continuum of housing services (strategy)

- Preserved and enhances suitable living environments (goal)
 - Improve safety and livability of communities (strategy)
 - Example – consent order
 - Increase access to quality facilities and services (strategy)
 - Example – new construction
 - Improve affordability and sustainability of quality facilities and services
 - Example – rehab or renovation

- Expanding economic opportunities (goal)
 - Create jobs primarily for low- and moderate-income persons (strategy)
 - Revitalize downtown business districts (strategy)

F. **Administrative Capacity:**

1. Applicant Capacity (*1/4 page narrative*)

The City of Dietrich has the administrative staff and resources to successfully manage and implement this project. Mayor Don Heiken will supervise the project. He will work closely with the City Council, city staff, Keller Associates, Inc., Region IV Development Association, the Idaho Department of Environmental Quality (DEQ), and the Idaho Department of Commerce to implement the proposed project. Iva Lee Green, Dietrich's City Clerk, has the fiscal and managerial skills to successfully handle the documentation required for the grant. As head of the City's maintenance department, Tom Young will oversee construction and will work with the engineers and contractors to ensure the project moves forward efficiently and on schedule. The city successfully completed an ICDBG project in 2005. No issues or problems were identified during the monitoring process or by the City's independent auditors when performing the annual audit.

2. Grant Administrator. (*1/4 page narrative and documentation in Appendix*)

The Dietrich City Council selected a project administrator to help the City implement the requirements of both the ICDBG and State Revolving Fund (SRF) programs. The City utilized the small purchase procedure as outlined in the ICDBG Administration Handbook to select a certified grant administrator. On October 19, 2011, the City prepared and mailed Requests for Proposal letters to three ICDBG certified grant administration contractors and submitted an Idaho Procurement Technical Assistance Center – Solicitation Notice to the Idaho Department of Commerce. The City received one response from Region IV Development Association. After evaluating the proposal, the Dietrich City Council selected Region IV Development Association to provide project administration services at a special City council meeting held on November 11, 2011. Documentation regarding this process is attached in Exhibit 4.

G. Fair Housing:

The Dietrich City Council updated its Fair Housing Resolution by adopting Resolution 2011-2 at their November 7, 2011 City Council meeting. The City will publish its Fair Housing Resolution in the newspaper of general circulation if they are awarded funding and prior to contract execution. A copy of the City's Fair Housing Resolution is provided in Exhibit 5.

H. Anti-Displacement Resolution:

The City of Dietrich does not anticipate that any individuals, businesses, or farms will be displaced as a result of the acquisition. The City agrees to minimize adverse impacts by following the Idaho Department of Commerce's Anti-Displacement and Relocation Assistance Plan. The City agreed to these conditions when signing the ICDBG certifications found on page 32 of this application.

Program Income

The proposed project is not anticipated to generate program income. As a result, a program income reuse plan has not been developed. The applicant does not have any existing program income from previously funded ICDBG projects that can be used in conjunction with the implementation of the project.

Project Description and Property

A. Project Description:

➤ Detailed Scope of Work

Specific project components include:

- Well drilling - site and drill a 600-foot well with a 12" to 16" borehole diameter;
- Constructing a new well house – design and construct a well house pumping facility that is capable of pumping 250 gallons per minute (gpm) with standby power;
- Upgrading existing water main pump – expand the pumping capacity of the main well to 250 gpm and extend three-phase power to the well. Also includes the installation of an eye washing station;
- Replacing 100 manual meters with touch-read water meters; and
- Extending water distribution lines – Installing 3,120 linear feet of 8-inch and 1,650 linear feet of 12-inch PVC water main lines along Waucanza Street.

These improvements are estimated to cost \$1,402,000. The cost estimates for this project were prepared by Justin Walker, P.E. with Keller Associates, Inc. and are available in Exhibit 6. A project map showing the location of the improvements is provided in Exhibit 7.

➤ Existing situation to be addressed by the proposed project

In 2009, the City of Dietrich commissioned Keller Associates, Inc. to evaluate its municipal water system and determine whether it was meeting current regulatory requirements and if it could support the community's future growth. Keller

Associates, Inc. completed its evaluation and presented the *2011 Water Facilities Master Planning and Study* to the residents and community leaders in Dietrich. The study was finalized and approved by the Dietrich City Council on September 12, 2011.

The City currently has only one well source. For years, the City used a well located near the school as its backup source. Unfortunately, this well was not constructed to drinking water standards and does not provide enough water for adequate protection. The City was recently forced to abandon it. That has left the City without a secondary well source. This is a violation of the State's drinking water standards and is a great concern for the community leaders in Dietrich. An additional water source would stabilize the system and help maintain adequate pressures in the distribution lines to prevent pollutants from penetrating into the system. If the main well was unavailable during a fire event, fire suppression capabilities could be impeded and inadequate pressure could cause distribution lines to collapse. The proposed project will site and construct a secondary well source. As required by state requirements, a pump house will also be constructed to protect the well, telemetry, and equipment.

The main well currently has a pumping capacity of 134 gpm. The Master Planning Study recommends the pumping capacity at the main well increase to 250 gpm when the population reaches 250 people (this is in addition to the development of a secondary well source). The 2010 U.S. Census reported the City of Dietrich's population is 332 people. The recommendation to improve the main well pumping capacity is needed immediately. This upgrade will include other necessary improvements such as extending three-phase power to the site and installing an eye washing station.

Many of the existing water meters have reached the end of their useful life. The system experiences significant water loss. Inaccurate water meters are one of the contributing factors and make it difficult for the City to isolate where the water loss is occurring. It also inhibits the City from gathering accurate water usage data; which results in lost revenue. In addition, turning on and off services at each connection point is becoming more of a challenge for maintenance staff. The water system contains roughly 100 manual read water meters and meter vaults. The project will replace each of the existing meters with a touch-read meter and install new meter vaults.

The residents along Waucanza Street do not have access to the City's municipal water system or the fire protection capabilities it provides. Extending water services to this area is one of the highest priorities identified in the Master Planning Study. The project entails the construction of 4,770 linear feet of pipe to service this area of the community.

➤ Why the proposed project is necessary.

The recently completed Master Planning Study identified critical regulatory violations and inefficiencies within the City's drinking water system.

Components of this project are targeted to address the following IDAPA Code requirements:

- IDAPA Code 58.01.08.501.17 states, "... water systems served by ground water shall have a minimum of two (2) sources if they are intended to serve more than twenty-five (25) connections or equivalent dwelling units (EDUs). Under normal operating conditions, with any source out of service, the remaining source(s) shall be capable of providing either the peak hour demand of the system or a minimum of the maximum day demand plus equalization storage."
 - A new secondary well source will be constructed and the existing main well pumping capacity will be increased to 250 gpm.
- IDAPA Code 58.01.08.501.15 states, "Appropriate design measures to help ensure the security of water system facilities shall be incorporated. Such measures, at a minimum, shall include means to lock all exterior doorways, windows, gates and other entrances to source, treatment, pumping stations, and water storage facilities."
 - A pump house will be constructed to protect the new well, telemetry, and equipment that is needed to operate the new well.
- IDAPA Code 58.01.08.501.7 states "New water systems constructed after April 15, 2007 are required to have sufficient dedicated on-site standby power, with automatic switch-over capability, or standby storage so that water may be treated and supplied to pressurize the entire distribution system during power outages." It goes further on in subsection b to state, "Existing community public water systems that are substantially modified after April 15, 2007 shall meet the requirements of Subsection 501.07. in those portions of the system affected by the modifications."
 - The new well will have a dedicated standby generator with automatic switch capabilities to protect the system in the event of a power outage.
- IDAPA Code 58.01.08.501.14 states, "Consideration shall be given to the protection of maintenance personnel and visitors from typical and foreseeable hazards in accordance with the engineering standards of care. The design shall comply with all applicable safety codes and regulations that may include the Uniform Building Code, Uniform Fire Code, National Fire Protection Association Standards, and state and federal OSHA standards. Items to be considered include, but are not limited to, noise arresters, noise protection, confined space entry, protective equipment and clothing, gas masks, safety

showers and eye washes, handrails and guards, warning signs, smoke detectors, toxic gas detectors and fire extinguishers.”

- For safety of the staff that operate and maintain the water system, the City will install an eye washing station at the main well site.
- IDAPA Code 58.01.08.542.09.1 states, “...water systems shall include a meter vault at each service connection. A lockable shut-off valve shall be installed in the meter vault. This requirement shall also apply to extensions of the distribution system of existing public water systems.”
 - Many of the existing water meters have reached the end of their useful life. The system has high levels of water loss. Inaccurate water meters deter the City from isolating where the water loss is occurring. It also inhibits the City from gather accurate water usage data; which results in lost revenue. In addition, turning on and off services at each connection point is becoming more of a challenge for maintenance staff. The project will replace 100 meters and meter vaults at each existing connection.

- Expected outcome and benefits from the proposed project
Included in the Master Planning Study was a Capital Improvement Plan. The Capital Improvement Plan classified improvements by priority – giving the City the ability to address the most critical components first. The highest priorities listed on the Capital Improvement Plan will be completed with this project.

At the end of construction, the City will have a primary well that will meet current demand and have secondary well source that is reliable. Dedicated standby power will be available to maintain the secondary well in the event of a power outage. New water meters will make the system more efficient and help track water consumption better – allowing the City to bill according to actual usage. Extending water lines to Waucanza Street will provide water services to residents that do not currently have access to the municipal system.

- Specific components of the project which will be completed using CDBG funds and those that will be completed with other funding.

ICDBG funds will be used for upgrading the main well pump, extend three phase power to the site, installing the eye washing station, drilling the new well, and constructing the new pump house. These funds will also be used to pay for project administration services.

Loan proceeds will be used for the construction of the well house and the installation of the new water line and meter vaults. It will also be used to pay for engineering services.

- Include Site Plan – A project map is provided in Exhibit 7.
It is anticipated that the new well will be sited north of the City limits near the existing well. The exact location is unknown and will require further geotechnical hydrologic investigation to determine the best location to site the new well. This investigation is included in the engineer’s scope of work.

DEQ issued their conditional approval of the Master Planning Study that was prepared by Keller Associates, Inc. in a letter dated October 11, 2011. The Master Plan will be officially approved by DEQ upon their approval of the Environmental Information Document (EID) and their issuance of an environmental determination. Excerpts from the Master Planning Study and DEQ’s conditional approval letter are available in Exhibit 8.

The improvements outlined in this application are estimated to cost \$1,402,000. The cost estimates for this project were prepared by Justin Walker, P.E. with Keller Associates, Inc. and are available in Exhibit 6. A project map showing the location of the improvements is provided in Exhibit 7.

B. Project Property & Permits: Answer the following questions and attach documentation.

1. Has any property and easements been purchased for this project? Yes No
If yes, does the applicant have title to the property? Yes No
Provide copy of deed in Exhibit.

2. Will any property be needed for this project? Yes No
Status of the purchase: The new well will be sited north of the City limits near the existing well. The exact location is unknown and will require further geotechnical hydrologic investigation by the project engineers to determine the best location. This investigation is included in the engineer’s scope of work. It is anticipated that the well will be constructed on property managed by the U.S. Department of Interior’s Bureau of Land Management (BLM). The City will work with BLM to obtain a permanent easement to site and construct the new well and pump house.

Estimated date of final purchase: April 2012

What funds will be used to make purchase? If needed, ICDBG or SFR funds. If constructed on BLM property, a permanent easement will be required but the City will not have to acquire any property. The project budget contains \$50,000 for land acquisition in case the geotechnical hydrologic testing reveals the well should be located on private land; consequently, requiring the City to acquire property.

3. Will any easements/or rights-of-way be needed for this project? Yes No
Status of the purchase: As aforementioned, the new well will be sited north of the City limits near the existing well. The exact location is unknown and will require further geotechnical hydrologic investigation by the project engineers to determine the best location. This investigation is included in the engineer's scope of work. It is anticipated that the well will be constructed on property managed by BLM. The City will work with BLM to obtain a permanent easement to site and construct the new well and pump house.

Estimated date of final purchase: April 2012

What funds will be used to make purchase? ICDBG and/or SRF Loan Proceeds – If constructed on BLM property, a permanent easement will need to be obtained. Further geotechnical hydrologic testing is required to determine if this easement is needed.

4. Is anyone living on the land or in the structures at the proposed site? Yes No
5. Is any business being conducted on the land or in the structures at the proposed site? Yes No
6. Are there any businesses, individuals, or farms being displaced as a result of this project? Yes No
7. Are there permits that will be needed for the project, i.e., well, water rights, land application, demolition permits, zoning permit, air quality permit, etc? Yes No

Status of the permits (include plan for securing permits and estimation of issue completion date):

- The City will apply for a water right transfer permit and new water right permit from the Idaho Department of Water Resources. This will be done after the well site has been identified.
 - The City will need to obtain a permit from the Idaho Department of Water Resources prior to drilling the new well. The contractor will be required to obtain this permit prior to the construction of the new well.
 - If the new well is sited on property managed by the BLM, the City will need a permit to drill and constructing the pump house.
8. Describe the ownership or lease arrangements for the property involved in the project. It is anticipated that the well will be constructed on property managed by the BLM. The City will work with BLM to obtain a permanent easement to construction the new well and pump house.

Budget Narrative

A. Government

The City received \$21,450 from DEQ through their State Drinking Water Planning Grant program. These funds were used to pay for the Master Planning Study prepared by Keller Associates, Inc. A copy of the grant agreement for this planning grant and an approved amendment to increase the grant award is provided in Exhibit 1.

The City of Dietrich is requesting \$500,000 from the U.S. Department of Housing and Urban Development's sponsored Idaho Community Development Block Grant (ICDBG) program that is administered by the Idaho Department of Commerce. The ICDBG funds account for 36% of the total project cost.

No other federal funds are included in the project budget.

B. Local

The 2011 Water Facilities Master Planning Study prepared by Keller Associates, Inc. cost \$42,900. The City of Dietrich paid \$21,450 in local cash towards the development of the master plan. This City is utilizing this money as matching funds.

On May 17, 2011, the voters in Dietrich approved of a \$2.0 million revenue bond to renovate the City's municipal water system. Of the 73 voters, 38 (52%) were in favor of making the necessary improvements to the City's water system. To implement the project outlined in this application, it is estimated that the City will borrow \$859,100.

To finance the improvements, the City will use Idaho's Drinking Water State Revolving Fund (SRF) that is administered by DEQ. The city ranked 19th on DEQ's Intended Use Plan and is eligible for a 30-year term loan at 0.00% interest. The City submitted a loan application to the DEQ – Twin Falls Regional Office in November 2011. Although a formal agreement has not been offered, DEQ has presented possible loan terms with the City. In an e-mail dated September 14, 2011 from DEQ's Loan Program Manager Tim Wendland, he wrote that the City is eligible to receive a 30-year loan at 0.00% interest. In addition to these loan terms, DEQ can offer a \$162,662 subsidy (loan forgiveness). Revenues generated from the monthly water bills will be used to repay this loan. A commitment letter from the City, bond election information, and correspondence from Mr. Wendland evidencing DEQ's possible loan terms is provided in Exhibit 1.

C. Private – There is no private sector match associated with this project.

Idaho Community Development Block Grant Budget Form

Applicant or Grantee: City of Dietrich

Project Name: Water System Improvement Project

LINE ITEMS	ICDBG Cash	Local Cash	IDEQ - Grant	*IDEQ - SRF Loan	TOTAL	
Facility Planning Study and EID	\$ -	\$ 21,450	\$ 21,450	\$ -	\$ 42,900	3%
Acquisition/Relocation	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	4%
Design Professional	\$ -	\$ -	\$ -	\$ 180,200	\$ 180,200	13%
Administration	\$ 50,000	\$ -	\$ -	\$ 30,000	\$ 80,000	6%
Construction	\$ 450,000	\$ -	\$ -	\$ 584,500	\$ 1,034,500	74%
Legal & Audit	\$ -	\$ -	\$ -	\$ 14,400	\$ 14,400	1%
Financing Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	0%
TOTAL COSTS	\$ 500,000	\$ 21,450	\$ 21,450	\$ 859,100	\$ 1,402,000	100%
	36%	2%	2%	61%	100%	

Detailed Cost Analysis

1. Have preliminary plans and specs been submitted to regulatory agencies for review? _____ Yes No
If yes, list date submitted: _____
If no, list expected date to be submitted: March 2012

2. Has final design (for bidding) begun? _____ Yes No
If yes, % complete: _____ %
If no, what is expected start date: March 2012

3. Will project include bid alternatives to meet project budget if necessary? Yes _____ No

4. Are Davis Bacon wage rates applicable to the project? Yes _____ No
If yes, are they included in the project costs? Yes _____ No

5. Have known environmental measures been included in project costs? (e.g., dust mitigation, archaeological survey, storm water drainage, wetland mitigation etc.) Yes _____ No

6. List the last date the owner and design professional discussed project design and details.
Date: November 18, 2011

7. Design Professional Cost Estimate may be found in Exhibit 6. The costs estimates were updated in November 2011.

Project Schedule

Project Activity	Date (to be) Completed	Documentation in Exhibit
Design Professional Contract Executed	November-11	10
Grant Administration Contract Executed	June 2012	4
Environmental Release	June 2012	
Bid Document Approval	May 2012	
Bid Opening	June 2012	
Construction Contract Executed	July 2012	
Start Construction	July 2012	
Construction 50% Complete	May 2013	
Second Public Hearing	May 2013	
Certificate of Substantial Completion	July 2013	
Update Fair Housing Plan	April 2013	5
Update 504 Review and Transition Plan	April 2013	
Construction 100% Complete	August 2013	
Final Closeout	September 2013	

Construction will be contracted under three separate bid schedules. The first bid schedule will incorporate the drilling of the new well and upgrading the main well pump. The 2nd bid schedule includes the construction of the new pump house. The design for this facility cannot start until the well is drilled and the City's knows the water quantity and quality levels – this is needed to size the pump and piping. Design of the well house facilities will occur from October 2012 to December 2012 with bidding in January 2013 through February 2013. The third bid schedule will be advertised concurrently with the second bid schedule. This bid will include the construction of the water distribution line and the purchase and installation of the new water meters and meter vaults.

Name of Professional and Agency Contacts	Firm or Agency	Phone with Extension	e-mail address
Don Heiken, Mayor	City of Dietrich	(208) 544-2102	donheiken@dietrichidaho.com
Iva Lee Green, City Clerk/Treasure	City of Dietrich	(208) 544-2102	ivaleegreen@dietrichidaho.com
Tom Young, City Maintenance	City of Dietrich	(208) 544-2102	tomyoung@dietrichidaho.com
Stephanie Bonnie	Moore Smith Buxon & Turcke, Chartered	(208) 331-1800	sjb@msbtlaw.com
Justin Walker, P.E.	Keller Associates, Inc.	(208) 288-1992	jwalker@Kellerassociates.com
Jeff McCurdy	Region IV Development	(208) 732-5727 ext. 3005	jeff@rivda.org

Grantee and Sub-Recipient Financial Profiles

Is the Grantee a (circle one) City County

If a sub-recipient, what type of Organization: Not Applicable

Water District	Sewer District	Homeowner's Association
For-Profit Company	Non-Profit Company	Water Association
Fire District	Hospital District	
Other (Explain) _____		

Section I. Water System (only) – Input information for the water system (entity) that is expected to utilize the Idaho Community Block Grant funds.

Water Source(s): Wells River Lake Springs Purchase Other

Water Treatment Method: Water from the main well is disinfected with liquid sodium hypochlorite and an injection LMI pump.

Number of people served by the system (Source 2010 U.S. Census)	<u>292</u>
Number of hook-ups on the system	<u>98</u>
Number of equivalent dwelling units (EDU's) on the system	<u>Unknown</u>
Number of residential EDUs	<u>Unknown</u>
Number of commercial EDUs	<u>Unknown</u>
Number of industrial EDUs	<u>Unknown</u>
Are all system users on meters	<u>Yes</u>

For residential users, what is the average monthly water rate for 10,000 gallons?	\$ <u>23.00</u>
What will be the new monthly rate after the project is complete based on 10,000 gallons	\$ <u>47.55</u>
When was the last rate increase	<u>Feb. 1, 2010</u>
How much were the rates increased	\$ <u>1.50</u>

Annual water system revenue \$ 44,094

Total dollar amount owed by customers in arrears	\$ <u>3,461</u>
Annual water system expenses	\$ <u>33,127</u>
Residential Hook-Up Fee	\$ <u>1,500</u>
Commercial Hook-up Fee	\$ <u>1,500</u>
Industrial Hook-Up Fee	\$ <u>1,500</u>

Identify outstanding indebtedness:

Years remaining	Annual Payment	Lender
<u>11</u>	\$ <u>9,059.00</u>	<u>USDA-Rural Development</u>

Explain Water Conservation Methods Implemented: The City encourages canal use when available. They implement alternate watering days during the hot summer months. User fees are structured to encourage conservation – charged for additional water use over 8,500 gallons per month.

Section II. Sewer System (only – Input information for the sewer system (entity) that is expected to utilize the Idaho Community Block Grant funds.

Sewer Treatment Method _____

Do you have a Pre-treatment system? ____ Yes ____ No

Number of people served by the system _____

Number of residential connection on the system _____

Number of commercial connection on the system _____

Number of industrial connection on the system _____

Number of new connections within the last year _____

What are the current residential sewer rates \$ _____

When was the last rate increase _____

How much were the rates increased \$ _____

Residential Connection Fee \$ _____

Commercial Connection Fee \$ _____

Industrial Connection Fee \$ _____

Annual sewer system revenue \$ _____

Current dollar amount owned by customers in arrears \$ _____

Annual sewer system expenses \$ _____

Identify outstanding indebtedness:

Years remaining	Annual Payment	Lender
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

**Section III. All Applicants (except Sewer and Water):
Grantee or Sub-Recipient Taxing Authority:**

A. Identify how the organization obtains its operating funding, i.e., bonds, district assessments, other: _____

B. Does the organization have taxing authority? ____ Yes ____ No (if no, skip to Section IV)

1. Do you tax? ____ Yes ____ No

a) If yes:

(1) What is the tax rate? _____

(2) What is the annual tax amount generated? _____

(3) What are the taxes used to pay for, i.e., equipment, operating expenses, etc.?

2. If your organization does not tax explain why. _____

Section IV. All Applicants

Land Use Planning related to Fair Housing

As part of the ICDBG program cities and counties are required to further fair housing within your community.

Coincidentally, the understanding and applicability of fair housing laws has become very important for cities and counties. In a recent legal case, Alamar Ranch LLC v. Boise County, a jury ruled that Boise County had committed three separate violations to the Fair Housing Act:

- (1) failure to make reasonable accommodations,
- (2) disparate treatment of the handicapped, and
- (3) intentional interference with the construction of handicapped housing

by changing a conditional use permit (CUP). Boise County is now required to pay the plaintiff \$4.0 million in damages.

In a recent state study of impediments to fair housing, an impediment that has been identified is the lack of cities and counties providing for the allowance of group homes in designated residential zones or their narrow definitions of the types of group homes allowed (e.g., nursing and rest homes) Why is this a barrier? The regulation may treat residents who are disabled, differently. Therefore;

Have you reviewed your zoning codes specific to group homes to ensure that you are in compliance with the Fair Housing Act? (group homes are allowed in residential zones and that your definition of a group home is not too restrictive)

Yes No

If No, what steps are you taking to address the issue? _____

The state study also identified a concern related to the lack of basic accessibility standards for new residential construction. Does your building code or ordinance encourage accessibility standards in housing? (example: at least one entrance with no step, doors at least 32 inches wide, switches no higher than 48 inches, hallways 36 inches wide, etc.)

Yes No

If Yes, explain the standards. The City adopted and follows the 2003 International Building Code requirements. This code provides ADA accessible guidelines for construction. The City's building inspector uses this Code while providing on-site inspections.

ICDBG Environmental Scoping – Field Notes Checklist

Applicant City of Dietrich Sub-Recipient NA

This site and desk review checklist is to be completed by the Applicant and submitted with the application.

The purpose of the checklist is to help the Applicant and Commerce better understand what environmental statutes or provisions per 24 CFR 58 might impact the proposed project. The information will assist in understanding what studies, documentation, and mitigation measures could be applicable and to assist in completing the environmental review record. The Applicant may choose to attach this scoping checklist as part of the environmental review record.

1. Limitations on Activities

Is the Grantee planning or in the process of acquiring property for this proposed project? Yes No

It is anticipated that the new well will be sited north of the city limits near the existing well site. The exact location is unknown at this time and will require further geotechnical hydrologic investigation by the project engineers to determine the best location of the new well site. This investigation is included in the engineer's scope of work. It is anticipated that the well will be constructed on property managed by the BLM. The City will work with BLM to obtain a permanent easement to construction the well and pump house. However, if property other than BLM ground is needed, the project budget has \$50,000 for land acquisition. The City is aware of the conditions of 24 CFR 58.22 and the environmental review process will be completed prior to any land being acquired.

If yes, is the Applicant aware that land acquired or site work after submission of the ICDBG application is subject to 24 CFR 58.22 Limitation on Activities Requiring Clearance? Meaning once an application for ICDBG funds is submitted, neither Applicant or sub recipient, may commit Non-HUD funds to a project for land acquisition or site work (except for minor testing) before the environmental review is complete, unless the land acquisition or contract is conditioned on completion of the ICDBG environmental review.

2. Historic Preservation

Has the SHPO or THPO been notified of the project? Yes No

Have tribes with possible cultural and religious sites been notified of the project? Yes No

3. Floodplain Management

Is the project located within a floodway or floodplain designated on a current FEMA map? Check Web site www.store.msc.fema.gov Yes No Not Sure

If yes what is the floodplain map number? 160216 0250 A

If the project is located in a floodway or floodplain, is the community where the project is taking place a participant in the National Flood Insurance Program. Check Web site www.idwr.idaho.gov/water/flood Yes No

4. Wetland Protection

Are there ponds, marshes, bogs, swamps, drainage ways, streams, rivers, or other wetlands on or near the site? Yes No

If yes, has the Army Corps of Engineers (Corps) been notified? Yes No

Has the Corps indicated what permit level will be required? Yes No N/A

*No permit for the Corps is required. Future improvements identified in the Master Planning Study may require a permit but it is not needed to implement the components outlined in this application.

5. Sole Source Aquifers (Clean Water Act)

Is the proposed project located over an EPA designated aquifer area including stream flow source area?

Yes No (Check website www.epa.gov/safewater/ssanp.html)

Is it known at this time if construction will disturb more than one acre of land? Yes No

If yes, has a general permit for storm water discharges from construction sites been applied for from the EPA? Yes No

The construction contractors hired to perform work will be required to obtain the permit. Conditions will be approved by the City and project engineers and submitted to EPA prior to the start of construction.

6. Endangered Species Act

Has U.S. Fish and Wildlife Service, NOAA Fisheries, and Idaho Fish and Game Regional Office been notified about the project? Yes No

7. Wild and Scenic Rivers Act

Is the project located within one mile of a designated wild and scenic river? Idaho wild and scenic rivers include portions of the St. Joe, Lochsa, Selway, Middle Fork of the Clearwater, Snake, Rapid, and Middle Fork of the Salmon. Check Web site www.nps.gov/rivers/ Yes No

8. Clean Air Act

Is the project located in a designated non-attainment area for criteria air pollutants? Yes No

For building demolition or improvements, has an asbestos analysis been planned for or conducted?

Yes No N/A

For housing rehabilitation, has a lead based paint assessment been planned for or conducted?

Yes No N/A

9. Farmland Protection Policy Act

Is the project located on a site currently zoned as residential, commercial, and/or industrial?

Yes No

Is the project area currently being utilized for farm or agricultural purposes? Yes No

If yes, has the USDA Natural Resource Conservation Service or local planning department been notified about the project? Yes No

10. Environmental Justice

Does project have a disproportionate environmental impact on low income or minority populations?

Yes No

11. Noise Abatement and Control

Is the project new construction or rehabilitation of noise sensitive use (i.e., housing, mobile home parks, nursing homes, hospitals, and other uses where quiet is integral to the project functions)?

Yes No

If yes, is the project located within 5 miles of an airport, 1000 feet of a major highway or busy road, or 3,000 feet of a railroad? Yes No

12. Explosive and Flammable Operations

Is the physical structure (not necessarily infrastructure) intended for residential, institutional, recreational, commercial or industrial use? Yes No Unknown at this time

If yes, are there any above ground explosives, flammable fuels or chemical containers within one mile of the physical structure? Yes No

If yes, have you been able to identify what the container is holding and the container's size?
 Yes No

13. Toxic Chemicals and Radioactive Materials

Are there any known hazardous materials, contamination, chemicals, gases, and radioactive substance on or near the site? Yes No Unknown at this time

If yes, explain _____

During the visual inspection of the site, are there signs of distressed vegetation, vents or fill pipes, storage/oil tanks, stained soil, dumped material, questionable containers, foul or noxious odors, etc.
 Yes No

If yes, explain _____

At this time, are the site's previous uses known to have been gasoline stations, train depots, dry cleaners, agricultural operations, repair shops, landfill, etc.? Yes No

Are other funding agencies requiring the Grantee to perform an American Society for Testing Materials (ASTM) environmental assessment? ASTM assessment involves analysis of site uses and ownership, inspection of site, and possible testing. Yes No

Keller Associates, Inc. completed Environmental Information Document (EID) of the selected alternative and submitted the report to DEQ for their review and determination. The City is currently awaiting the issuance of DEQ's determination.

14. Airport Clear Zones and Accident Potential Zones

Is the project located within a designated airport runway clear zone or protection zone? Yes No

Does the project involve acquisition of land or construction/rehabilitation of building or infrastructure in an airport runway clear zone or protection zone? Yes No

If yes, is the grantee aware that the airport operator may wish to purchase the property at some point in the future as part of a clear or accident zone acquisition program? Yes No

15. Energy Efficient Designs

For building construction, has the owner investigated possible incentives from power providers, such as Idaho Power, Avista, or Utah Power for incorporating energy efficient design into their building?
 Yes No

16. Sediment Control (Clean Water Act)

Will the construction project require storm and surface water discharge from the construction site?

Yes No Unknown at this time

If yes, has an application to EPA been submitted for a Construction General Permit (CGP)?

Yes No

17. Other Environmental Reviews

Have facilities studies or other environmentally related site reviews been conducted or in the process of being conducted? Yes No

If yes, identify who is conducting the review.

Environmental considerations were presented in the City’s Master Planning Study. Following the National Environmental Protection Act (NEPA) requirements, Keller Associates, Inc. completed a more detailed Environmental Information Document (EID) of the preferred and selected alternative. The EID is pending DEQ’s review and issuance of a determination.

18. Information Letters

The advanced mailing of environmental information letters is sought in an effort to minimize the project’s timeline in waiting for necessary documentation or information. It will assist in earlier responses to required mitigation measures should the proposed project receive grant funding.

Check the agencies that have been mailed an environmental information letter.

Note: If other funding agencies have sought comment, in writing, from the agencies listed below for the same project, you may not need to send an information letter. Contact your Specialist if other environmental information or scoping letters have been sent.

- Idaho State Historic Preservation Officer
- Tribal Historic Preservation Officer or Tribal Office
- Idaho Department of Water Resources – Local Regional Office
- Army Corps of Engineers (if wetlands are applicable)
- U.S. Fish and Wildlife
- NOAA Fisheries (if salmon and/or steelhead are applicable)
- Idaho Fish and Game
- USDA Natural Resource Conservation Service (if farmlands are applicable)
- Idaho Department of Environmental Quality
- Local Government – Planning Department
- Others _____

Completion of the scoping checklist does not constitute that all environmental provisions or clauses related to 24 CFR 58 Environmental Reviews have been met or are known at this time.

Completed By: Jeff McCurdy, Region IV Development

November 18, 2011
Date

Review and Ranking Narrative

I. Program Impact

- A. Percentage of ICDBG Dollars in Total Project → $\$500,000/\$1,402,000 = 35.66\%$
- B. Percentage of Local Matching Funds compared to ICDBG Funds
→ $\$880,550/\$1,402,000 = 62.81\%$
- C. ICDBG Dollars per person → $\$500,000/332 = \$1,506.02$
- D. Local Matching Funds Per Person → $\$859,100/332 = \$2,587.65$
- E. Eligible activity priority ranking

Fill in the percentage of the project’s budget that will be spent on the following activities. The Total Points Awarded column will be completed by department staff.

Eligible Activity	Points Possible	Percentage of ICDBG Budget Spent on Activity	Staff Points Awarded
Acquisition of Real Property	100		
Acquisition of Real Property for Housing Projects	50		
Public Facilities and Improvements - Health and Safety Related	100	90.0%	
Public Facilities and Improvements - Housing Related	75		
Public Facilities and Improvements - Social Service Related	50		
Engineering/Architectural	100		
Code Enforcement	50		
Clearance and Demolition	10		
Removal of Architectural Barriers	50		
Rental Income Payments	0		
Disposition of Property	10		
Public Service	0		
Completion of Urban Renewal Projects	0		
Relocation Payments	25		
Planning Activities	0		
Administrative Activities	100	10.0%	
Grants to Non-Profit Community Organizations	0		
Grants to Non-Profit Community Organizations for Housing Projects	75		
Energy Planning	0		
Housing Rehabilitation	75		
Total Points Awarded to Project			

II. National Objective

A. Low and Moderate Income Percentage Points

LMI % = 70.62%

B. Need

Moderate Need – The project will address regulatory violations and system inefficiencies that have been identified within the City’s water distribution system. Keller Associates, Inc. completed a Master Planning Study for the City of Dietrich in September 2011. Included in the Master Planning Study was a Capital Improvement Plan. Improvements were identified by priority to allow the City the ability to make repairs in order of urgency and upon financial resources being available.

The project consists of renovating the City’s municipal water system. Project components include the drilling of a new well, constructing a new pump house, upgrading the existing main pump, installing back-up power generators and an eye washing station, installing 4,770 linear feet of water distribution line, and replacing aging water meters and meter vaults. The following regulatory requirements are driving the Dietrich City Council to undertaking the proposed improvements:

- IDAPA Code 58.01.08.501.17 states, “... water systems served by ground water shall have a minimum of two (2) sources if they are intended to serve more than twenty-five (25) connections or equivalent dwelling units (EDUs). Under normal operating conditions, with any source out of service, the remaining source(s) shall be capable of providing either the peak hour demand of the system or a minimum of the maximum day demand plus equalization storage.”
- IDAPA Code 58.01.08.501.17 states, “Appropriate design measures to help ensure the security of water system facilities shall be incorporated. Such measures, at a minimum, shall include means to lock all exterior doorways, windows, gates and other entrances to source, treatment, pumping stations, and water storage facilities.”
- IDAPA Code 58.01.08.501.7 states “New water systems constructed after April 15, 2007 are required to have sufficient dedicated on-site standby power, with automatic switch-over capability, or standby storage so that water may be treated and supplied to pressurize the entire distribution system during power outages.” It goes further on in subsection b to state, “Existing community public water systems that are substantially modified after April 15, 2007 shall meet the requirements of Subsection 501.07. in those portions of the system affected by the modifications.”
- IDAPA Code 58.01.08.501.17 states, “Consideration shall be given to the protection of maintenance personnel and visitors from typical and foreseeable hazards in accordance with the engineering standards of care. The design shall comply with all applicable safety codes and regulations that may include the Uniform Building Code, Uniform Fire Code, National Fire Protection Association

Standards, and state and federal OSHA standards. Items to be considered include, but are not limited to, noise arresters, noise protection, confined space entry, protective equipment and clothing, gas masks, safety showers and eye washes, handrails and guards, warning signs, smoke detectors, toxic gas detectors and fire extinguishers.”

- IDAPA Code 58.01.08.542.09.1 states, “...water systems shall include a meter vault at each service connection. A lockable shut-off valve shall be installed in the meter vault. This requirement shall also apply to extensions of the distribution system of existing public water systems.”

C. Impact

1. Benefits to LMI persons: The City conducted an income survey to determine their eligibility for ICDBG funding. The survey completed in May 2011 revealed 70.62% of the beneficiaries are LMI. Although this will have area wide impact and benefit the whole community, it will directly assist all the LMI individuals living in the community.

ICDBG funding will significantly lower the monthly user rate. Assuming the loan terms provided by DEQ (30-year term, 0.00% Interest, and \$162,662 subsidy), the monthly savings provided by the ICDBG program is \$15.99 per month per connection. That totals \$191.84 annually and \$5,755.10 over the life of the 30- year loan. System wide, that provides a savings of \$1,567 per month, \$18,800 annually, and \$564,000 over the 30-year loan term. (For information regarding these calculations, see Exhibit 9).

2. Permanent Impacts:
Implementing the proposed project will bring the system into compliance with regulatory requirements. The City will have a water system that is safe, reliable, and that will help create a healthier community. The improvements are better for the environment by helping conserve water. As noted above, the financial savings to each user will be significant.

III. Project Categories

A. Planning, previous actions and schedule

1. Design Professional

The City has hired Keller Associates, Inc. to provide engineering services for this project. The city published a Request for Proposal in the Times-News on March 20 and March 27, 2009. The City received responses from ten (10) different engineering firms. The City narrowed their selection to four firms. The four candidates were allowed to make a presentation to the City Council. At their meeting on October 8, 2009, the Dietrich City council discussed each of the firms that were interviewed and all were in favor of awarding the contract to Keller Associates, Inc. A copy of the Affidavit of Publication, published notice, Scope of Work, and City Council minutes awarding the contact to Keller Associates, Inc. are provided in Exhibit 10.

2. Grant Administration

The Dietrich City Council will contract with a project administrator to help implement the ICDBG and SRF funding requirements. The City followed the small purchase procedure outlined in the ICDBG Administration Handbook to select a certified grant administrator. On October 19, 2011, the City prepared and mailed Requests for Proposal letters to three ICDBG certified grant administration contractors and submitted an Idaho Procurement Technical Assistance Center – Solicitation Notice to the Idaho Department of Commerce. The City received one response from Region IV Development Association. After evaluating the proposal, the Dietrich City Council awarded the services to Region IV Development Association at a special City Council meeting held on November 11, 2011 meeting. Documentation regarding this process is attached in Exhibit 4.

3. Plans or Studies

Keller Associates, Inc. evaluated the City's municipal water system and prepared a 2011 Water Facilities Master Planning & Study Report. The Dietrich City Council approved the plan on September 12, 2011. The Idaho Department of Environmental Quality conditionally approved the report in a letter dated October 11, 2011. Upon issuance of the associated environmental determination, DEQ will approve the Master Planning Study. Selected excerpts of the report along with DEQ's conditional approval letter are attached in Exhibit 8. Upon request, a copy of the entire master planning assessment can be provided for review.

- Surveyed existing conditions – Keller Associates, Inc. analyzed the City's water system to determine its compliance with regulatory requirements and for systems inefficiencies. Specific components that were evaluated include the existing well source and potential well sources, storage, distribution, water valves, fire hydrants, water consumption (historic, current, and future needs), and the City's water rights. The evaluation was documented in Chapter 4 of the Master Planning Study.
- Size of the proposed new facility – As part of their evaluation, the engineers analyzed existing conditions and projected future demands based on projected population growth. The amount of water needed and the size of the equipment to deliver the water is documented throughout the study.
- Analysis of costs including rehabilitation versus new construction. The engineers provided a cost analysis between two probable alternatives. When practical, rehabilitation was considered. New construction was recommended for those components that are not currently integrated into the system.
- Estimated useful life of proposed facility or system – At a minimum, DEQ requires the planning study to evaluate water demands through a 20-year planning period. City officials and staff proposed using 40-year annual growth rate for projecting future demands. In some instances, the full future build-out of the community was used for evaluation purposes. The improvements will be designed to meet the needs of the City through the 20-year planning period.

- Energy efficiency components in the design and materials or equipment – Energy efficiencies will primarily be evaluated during the design phase. The goal for the City is to incorporate energy efficiency where practical to keep operation and maintenance costs to a minimum.
- Sketches or schematics – Maps, pictures, data tables, and design schematics were provided in various section of the mater planning study. Selected excerpts from the Master Planning Study are provided in Exhibit 8. A project map is provided in Exhibit 7.
- Developed and screened alternatives – The Master Planning Study evaluated a number of alternatives. Both a *No Action Alternative* and a *Regionalization* option were considered but it was quickly determined that neither of these options were feasible nor were they in the best interest of the community. As a result, these options were not explored in great detail. Two other alternatives were evaluated in great detail looking and the advantages, disadvantages, financial and environmental impacts.
- Selection of a recommended alternative – After much consideration and after gathering input from the public, the City Council selected to implement the recommendation outlined in Alternative 1. A Capital Improvement Plan was developed ranking improvements by priority, giving the City the ability to address the most critical components first. The City is integrating the highest priorities outlined in the Capital Improvement Plan into this proposed project.
- Projected annual operating costs – No new maintenance staff is required to operate these improvements. Operation and maintenance costs are expected to remain level with current expenditure levels. Expenses to operate the new well will be offset with the anticipated savings with installing more accurate meters and eliminating water losses throughout the system.
- Required Permits – A number of permits are needed to implement the project. The City will apply for a water right transfer permit and new water right permit from the Idaho Department of Water Resources. A well drilling permit will also need to be obtained from Idaho Department of Water Resources prior to drilling and constructing the new well. The construction contractor will be required to obtain this permit prior to constructing the new well. If the new well is sited on property managed by the BLM, the City will need a permit to drill and constructing the new well house.
- Evaluated the potential impacts on the environment – The engineers presented possible environmental factors that could be encountered when implementing the two primary alternatives. In connection with the planning study that was partially funded by DEQ, the engineers prepared an Environmental Information Document (EID) that evaluated environmental issues associated with Alternative 1, the selected alternative. This document was submitted to

DEQ separately from the Master Planning Study. DEQ is evaluating the EID and will make a finding determination based on the information provide in that document.

4. Environmental Scoping

The Environmental Scoping – Field Note Checklist has been completed. This checklist begins on page 20 of this application.

5. Agency Viability

- a. Utility Rate Review – A Monthly User-Rate Impact assessment was provided in Chapter 8 of the Master Planning Study. Included in the excerpts from the Master Planning Study that are provided in Exhibit 8, is the engineer’s impact assessment. The City has not undergone a utility rate review by any of the agencies listed in the ICDBG application Handbook.

ICDBG funding will significantly lower the monthly user rates for the citizens in Dietrich. An analysis of the impacts the SRF loan and ICDBG funding will have on the average user rates is provided in Exhibit 9. Assuming the loan terms provided by DEQ (30-year term, 0.00% Interest, and \$162,662 subsidy), the monthly savings provided by the ICDBG program is \$15.99 per month per connection. That totals \$191.84 annually and \$5,755.10 over the life of the 30- year loan. System wide, that provides a savings of \$1,567 per month, \$18,800 annually, and \$564,000 over the 30-year loan term.

- b. Completion of ICDBG Financial Profile – The completed worksheet begins on page 17 of this application.

6. Property Acquisition

It is anticipated that the new well will be located north of the city near the existing well site. The exact location is unknown at this time and will require further geotechnical hydrologic investigation by the project engineers to determine the best location to site the new well. This investigation is included in the engineer’s scope of work. It is anticipated that the well will be constructed on property managed by the BLM. The City will work with BLM to obtain a permanent easement to construct the well and pump house. The project has allocated \$50,000 for land acquisition if property other than BLM ground is needed for the new well.

7. Funding Commitments

The City received \$21,450 from the Idaho Department of Environmental Quality through the State Drinking Water Planning Grant program. These funds were used to help pay for the Master Planning Study that was conducted by Keller Associates, Inc. As outlined in the agreement, the City provided \$21,450 as the matching funds to this planning grant. As noted in the ICDBG budget form, the City will use these funds as local matching dollars.

On May 17, 2011, the citizens of Dietrich approved of a \$2.0 million revenue bond to renovate the City's municipal water system. Of the 73 voters, 38 (52%) were in favor of making the necessary improvements identified in the Master Planning Study. The City submitted a loan application to the DEQ in November 2011. Although a formal agreement has not been offered, DEQ has discussed possible loan terms with the City. The City is eligible to receive a term loan for 30 years at 0% interest. In addition, DEQ has offered a \$162,662 subsidy (loan forgiveness).

Evidence of the City's commitment, the agreement and addendum for the DEQ planning grant and information regarding the bond election are provided in Exhibit 1. Information regarding the impacts the project will have on the monthly user rates is provided in Exhibit 9.

8. Schedule

The schedule for this project is provided on page 16 of this application. The schedule was developed by Justin Walker, P.E, with Keller Associates, Inc. and Jeff McCurdy with RIVDA.

Construction will be bid under three separate schedules. The first bid will incorporate the drilling of the new well and upgrading the existing well. The second bid schedule includes the construction of the new well house. Design criteria of this pump house is contingent on conditions of the new well so final design will not be completed until the new well has been fully constructed. The third bid will be bid concurrently with the second bid schedule. This bid will include the construction of the water distribution line and the purchase and installation of the new water meters and meter vaults.

9. Administrative Capacity

The City has the administrative capacity to successfully implement the proposed project. The City successfully completed an ICDBG application in 2005. The Mayor and City Council will monitor the progress. Staff turnover remains relatively low and there have not been any recent recall election. To help successfully complete the requirements of the ICDBG program and SRF program, the City hired Region IV Development Association to provide project administration services.

- a. Has the applicant completed a Section 504 or ADA Self Evaluation and Transition Plan? Yes No

Coordinator: Mayor

* Excerpts from the City's Section 504 Compliance Report that was completed in 1993 are provided in Exhibit 5. The plan was updated with the ICDBG project the City completed in 2005; however, the update cannot be located. The City updated its Nondiscrimination Policy in 1999 and advertised it in 2005. As part of this project, the City will update the Transition Plan and complete the self-evaluation.

b. What is the most current building code the applicant has adopted?
The City's currently enforces the conditions outlined in the 2003 International Building Code.

c. Are the Fair Housing Accessibility Standards a component of that building code?
 X Yes No

10. Cost Analysis – The detailed cost analysis sheet was completed and is found on page 15 of this application.

CERTIFICATIONS

I certify the data in this application is true and correct, that this document has been duly authorized by the governing body of the City of Dietrich and we will comply with the following laws and regulations if this application is approved and selected for funding.

- National Environmental Policy Act of 1969
- Civil Rights Act of 1964 Pub.L 88-352
- Civil Rights Act of 1968 Pub.L 90-284
- Age Discrimination Act of 1975
- Rehabilitation Act of 1973, Section 504
- Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (49 CFR Part 24)
- Housing and Community Development Act of 1974, as amended Pub.L 93-383
- Davis-Bacon Act (40 USC 276a - 276a-5)
- Historic Preservation Act
- OMB Circular A-87, and ensure that sub-recipient complies with A-110 and A-122

- Section 106 of the Housing and Urban Recovery Act of 1983 certifying to:
 - Minimize displacement as a result of activities assisted with CDBG funds by following the Idaho Department of Commerce's anti-displacement and relocation assistance plan;
 - Conduct and administer its program in conformance with Title VI and Title VIII, and affirmatively further fair housing;
 - Provide opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a) of the Act, as amended);
 - Not use assessments or fees to recover the capital costs of ICDBG funded public improvements from low and moderate income owner occupants;
 - Abide by all state and federal rules and regulations related to the implementation and management of federal grants;
 - Assess and implement an Accessibility Plan for persons with disabilities in accordance with Section 504 of the Rehabilitation Act of 1973, as amended;
 - Adopt and implement an Excessive Force Policy;
 - Prohibition of Use of Assistance for Employment Relocation, Section 588 of the Disability Housing and work Responsibility Act of 1998 Pub. L 105-276.
 - Anti-Lobbying Certification: No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of, employee of a member of, officer of or employee of Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, the entering into any cooperative agreement and the extension, renewal, modification or amendment of any federal contract, grant, loan or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of, employee of a member of, officer of or employee of Congress in connection with this federal grant, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.



Don Heiken, Mayor

Date: November 18, 2011