



City of Sidney, MT
Water and Sewer Committee Meeting 12-29-22
December 29, 2022 5:30 PM
115 2nd Street SE | Sidney, MT 59270

The City Council meetings are open to the public attending in person, with masks encouraged when social distancing cannot be accomplished. If the public does not wish to participate in person, they are also invited to participate via a Zoom meeting. You can participate via phone:

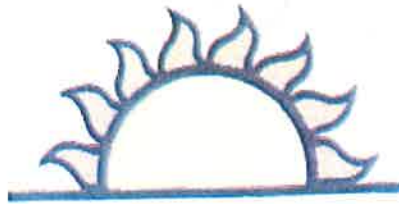
Meeting ID: 830 8746 7848 Passcode: 432809 Call: 1-346-248-7799

1. **New Business**

- [a.](#) 2023 Water Rate Increase
- [b.](#) Phase III Water Project Bids and Schedules Awards

City of Sidney

Mayor
RICK NORBY
Aldermen:
First Ward
BRYAN GARTNER
KEN KOFFLER
Second Ward
KYSA RASMUSSEN
DAN SMITH
Third Ward
TAMI CHRISTENSEN
JANET SERGENT



Montana's Sunrise City
115 Second Street Southeast
Sidney, MT 59270
406-433-2809

City Clerk/Treasurer
JESSICA REDFIELD Item a.
Director of Public Works
JEFF HINTZ
City Attorney-Pippin Law Firm
Thomas Kalil
Kaitlin Decrescente
Deputy City Clerk/Treasurer
BREEANN MESSER
Utilities Manager
GREG ANDERSON
Water Commissioner
JASON ELLETSON

November 14th, 2018

Dear City of Sidney Resident,

Please find enclosed notices pertaining to the proposed water and wastewater rate increases and public hearing. You are invited to an informational meeting scheduled for Thursday, November 29, 2018, from 6:00 pm to 7:30 pm at the Richland County Extension Office, 1499 N Central Avenue. The informational meeting is not required by law and it precedes the public hearing to be held on December 3, 2018, which public hearing is required by law.

The City is holding the informational meeting to share information with you regarding the water and sewer rate increases and to provide you the opportunity to ask questions or pose concerns regarding the proposed water and sewer rates to our outside engineers from Interstate Engineering, City Staff, and City Elected Officials. No presentation or formal City determination will be made at the informational meeting.

You are also invited to attend the public hearing on the water and sewer rate increases, which is scheduled to commence at 6:30 pm on Monday, December 3, 2018, at the City Hall Council Chambers, 115 2nd Street SE. Following the close of that public hearing, the City Council expects to take formal action regarding the proposed rate increases.

If you have any questions and/or cannot make it to these meetings please feel free to contact City Hall.

Thank you,

Rick Norby
Mayor

NOTICE OF WATER RATE INCREASE AND PUBLIC HEARING

Item a.

NOTICE IS HEREBY GIVEN that on November 5, 2018, the City Council of the City of Sidney, Montana (the "City"), adopted a Resolution of Intention of the City of Sidney, Montana to Increase Rates for the Users of the Municipal Water System.

The City currently charges users of the Water System a monthly base rate charge and a monthly usage charge for the use or availability of water on all connections to the Water System (the "Monthly Water Rate Charge") as follows:

RESIDENTIAL AND COMMERCIAL – WATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
3/4"	1	3,000	\$18.00	\$1.80/1,000 gallons over base
1"	1.79	5,370	\$32.22	\$1.80/1,000 gallons over base
1 1/2"	4	12,000	\$72.00	\$1.80/1,000 gallons over base
2"	7.14	21,420	\$128.52	\$1.80/1,000 gallons over base
3"	16	48,000	\$288.00	\$1.80/1,000 gallons over base
4"	28.57	85,710	\$514.26	\$1.80/1,000 gallons over base

In addition, the City charges users of the Water System in North Meadow the same base rates and usage charges as shown above per user per month, plus a repayment fee of \$13.70 per user per month. For a user with a 3/4" meter size, the monthly base rate, which includes the repayment fee of \$13.70 per month, is \$31.70 (the "North Meadow Water Rate").

[The City also charges a bulk water fee of \$1.00 per 100 gallons of water.]

Effective for the January 2019 usage, the City proposes that the water bill reflects an increase to the Monthly Water Rate Charge as shown below:

PROPOSED RESIDENTIAL AND COMMERCIAL – WATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Proposed Base Rate</u>	<u>Proposed Usage Charge</u>
3/4"	1	3,000	\$21.98	\$3.63/1,000 gallons over base
1"	1.79	5,370	\$39.34	\$3.63/1,000 gallons over base
1 1/2"	4	12,000	\$87.92	\$3.63/1,000 gallons over base
2"	7.14	21,420	\$156.94	\$3.63/1,000 gallons over base
3"	16	48,000	\$351.68	\$3.63/1,000 gallons over base
4"	28.57	85,710	\$627.97	\$3.63/1,000 gallons over base

In addition, the City proposes to increase simultaneously the North Meadow Water Rate by using the same rates and charges as shown above plus a \$13.70 per EDU per month repayment fee. For a North Meadow user with a 3/4" meter size, the monthly base rate would be \$35.68. In addition, the usage charge is proposed to be increased to \$3.63 per 1,000 gallons of water used over the gallons of water used per month in the applicable Base Rate.

The City also proposes to increase the bulk water fee by \$.21/100 gallons of water.

For a standard residential or commercial user with a 3/4"-meter using 4,000 gallons of water per month, the proposed Monthly Water Rate Charge represents an increase of approximately 29% over the current Monthly Water Rate Charge. For a user in North Meadow using 4,000 gallons of water per month, the proposed North Meadow Water Rate represents an increase of approximately 17% over the current North Meadow Water Rate.

The Council also proposes to implement an annual increase to the then-current standard Water Base Rate and the then-current North Meadow Water Rate and to add thereto a capital expenses charge over each of the next four fiscal years (beginning in fiscal year June 30, 2020). The Usage Charge would remain unchanged.

PROPOSED ANNUAL WATER RATE INCREASES
FOR FISCAL YEARS 2020, 2021, 2022, AND 2023

	2020	2021	2022	2023
Base Rate per EDU	\$ 21.98	\$ 25.49	\$ 27.57	\$ 29.82
Capital Expenses per EDU	\$ 3.51	\$ 2.08	\$ 2.25	\$ 6.60
Total	\$ 25.49	\$ 27.57	\$ 29.82	\$ 36.42

Meter Size	EDU				
3/4"	1	\$ 25.49	\$ 27.57	\$ 29.82	\$ 36.42
1"	1.79	\$ 45.63	\$ 49.35	\$ 53.38	\$ 65.19
1 1/2"	4	\$ 101.96	\$ 110.28	\$ 119.28	\$ 145.68
2	7.14	\$ 182.00	\$ 196.86	\$ 212.92	\$ 260.04
3	16	\$ 407.85	\$ 441.13	\$ 477.14	\$ 582.72
4	28.57	\$ 728.26	\$ 787.70	\$ 851.99	\$ 1,040.52

PROPOSED ANNUAL NORTH MEADOW WATER RATE INCREASES
FOR FISCAL YEARS 2020, 2021, 2022, AND 2023

	2020	2021	2022	2023
Base Rate per EDU	\$ 35.68	\$ 39.19	\$ 41.27	\$ 43.52
Capital Expenses per EDU	\$ 3.51	\$ 2.08	\$ 2.25	\$ 6.60
Total	\$ 39.19	\$ 41.27	\$ 43.52	\$ 50.12

Meter Size	EDU				
3/4"	1	\$ 39.19	\$ 41.27	\$ 43.52	\$ 50.12
1"	1.79	\$ 70.15	\$ 73.87	\$ 77.90	\$ 89.71
1 1/2"	4	\$ 156.76	\$ 165.08	\$ 174.08	\$ 200.48
2	7.14	\$ 279.82	\$ 294.67	\$ 310.74	\$ 357.86
3	16	\$ 627.05	\$ 660.33	\$ 696.34	\$ 801.92
4	28.57	\$ 1,119.67	\$ 1,179.11	\$ 1,243.40	\$ 1,431.93

On December 3, 2018, commencing at 6:30 p.m., at the City Hall located at 115 2nd Street SE, in Sidney, Montana, the Council will conduct a public hearing and pass upon all protests against the proposed water rate increase.

Further information about the proposed rate increase may be obtained by contacting Greg Anderson, City Utilities Manager of the City of Sidney, at (406) 433-2809.

Done by Order of the City Council of the City of Sidney, Montana, this 5th day of November, 2018.

/s/ Jessica Redfield
City Clerk-Treasurer

Publish: November 14, November 21, and November 28, 2018
Mail: November 14, 2018

NOTICE OF WASTEWATER RATE INCREASE OR ADJUSTMENT AND PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on November 5, 2018, the City Council of the City of Sidney, Montana (the “City”), adopted a Resolution of Intention of the City of Sidney, Montana to Increase or Adjust Rates for the Users of the Municipal Wastewater System.

The City currently charges users of the Wastewater System a monthly base rate charge and a monthly usage charge on all connections to the Wastewater System (the “Monthly Wastewater Rate Charge”) is as follows:

RESIDENTIAL – WASTEWATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
5/8” -3/4”	1	3,000	\$36.50	27 cents/100 gallons over base
1”	1.79	5,370	\$65.34	27 cents/100 gallons over base
1 1/2”	4	12,000	\$146.00	27 cents/100 gallons over base
2”	7.14	21,420	\$260.61	27 cents/100 gallons over base
3”	16	48,000	\$584.00	27 cents/100 gallons over base
4”	28.57	85,710	\$1,042.81	27 cents/100 gallons over base

COMMERCIAL – WASTEWATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
5/8” -3/4”	1	3,000	\$39.50	30 cents/100 gallons over base
1”	1.79	5,370	\$116.95	30 cents/100 gallons over base
1 1/2”	4	12,000	\$261.34	30 cents/100 gallons over base
2”	7.14	21,420	\$466.49	30 cents/100 gallons over base
3”	16	48,000	\$1,045.36	30 cents/100 gallons over base
4”	28.57	85,710	\$1,128.52	30 cents/100 gallons over base

Effective for the January 2019 usage, the City proposes that the sewer bill reflects an increase or adjustment to the Monthly Wastewater Rate Charge as shown below:

PROPOSED RESIDENTIAL – WASTEWATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Proposed Base Rate</u>	<u>Usage Charge</u>
5/8” -3/4”	1	3,000	\$44.22	27 cents/100 gallons over base
1”	1.79	5,370	\$79.15	27 cents/100 gallons over base
1 1/2”	4	12,000	\$176.88	27 cents/100 gallons over base
2”	7.14	21,420	\$315.73	27 cents/100 gallons over base
3”	16	48,000	\$707.52	27 cents/100 gallons over base
4”	28.57	85,710	\$1,263.37	27 cents/100 gallons over base

PROPOSED COMMERCIAL – WASTEWATER RATES

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in base rate)</u>	<u>Proposed Base Rate</u>	<u>Usage Charge</u>
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5/8" -3/4"	1	3,000	\$47.22	30 cents/100 gallons over base
1"	1.79	5,370	\$84.52	30 cents/100 gallons over base
1 1/2"	4	12,000	\$188.88	30 cents/100 gallons over base
2"	7.14	21,420	\$337.15	30 cents/100 gallons over base
3"	16	48,000	\$755.52	30 cents/100 gallons over base
4"	28.57	85,710	\$1,349.08	30 cents/100 gallons over base

For a standard residential or commercial user with a 5/8" or 3/4" meter, the Proposed Base Rate would increase \$7.72 per EDU, which represents an increase of approximately 21% over the current residential Monthly Base Rate and approximately 19% over the current commercial Monthly Base Rate.

On December 3, 2018, commencing at 6:30 p.m., at the City Hall located at 115 2nd Street SE, in Sidney, Montana, the Council will conduct a public hearing and pass upon all protests against the proposed water rate increase.

Further information about the proposed rate increase may be obtained by contacting Greg Anderson, City Utilities Manager of the City of Sidney, at (406) 433-2809.

Done by Order of the City Council of the City of Sidney, Montana, this 5th day of November, 2018.

/s/ Jessica Redfield
City Clerk-Treasurer

Publish: November 14, November 21, and November 28, 2018
Mail: November 14, 2018

Water Rates as of January 2019

Residential and Commercial Rates:

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in Base Rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
3/4"	1	3,000	\$21.98	\$0.363/100 gallons over base
1"	1.79	5,370	\$39.34	\$0.363/100 gallons over base
1 1/2"	4	12,000	\$87.92	\$0.363/100 gallons over base
2"	7.14	21,420	\$156.94	\$0.363/100 gallons over base
3"	16	48,000	\$351.68	\$0.363/100 gallons over base
4"	28.57	85,710	\$627.97	\$0.363/100 gallons over base
Bulk Water				\$1.21/100 gallons

North Meadow is charged an additional \$13.70 per EDU per month repayment fee.

Future Approved Water Rate Increases

	2020	2021	2022	2023
Base Rate per EDU	\$21.98	\$25.49	\$27.57	\$29.82
Capital Expenses per EDU	\$3.51	\$2.08	\$2.25	\$6.60
New 3/4" Base Rate	\$25.49	\$27.57	\$29.82	\$36.42

Sewer Rates as of January 2019

Residential Rates:

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in Base Rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
3/4"	1	3,000	\$44.22	\$0.27/100 gallons over base
1"	1.79	5,370	\$79.15	\$0.27/100 gallons over base
1 1/2"	4	12,000	\$176.88	\$0.27/100 gallons over base
2"	7.14	21,420	\$315.73	\$0.27/100 gallons over base
3"	16	48,000	\$707.52	\$0.27/100 gallons over base
4"	28.57	85,710	\$1,263.37	\$0.27/100 gallons over base

Commercial Rates:

<u>Meter Size</u>	<u>EDU Multiplier</u>	<u>Gallons (included in Base Rate)</u>	<u>Base Rate</u>	<u>Usage Charge</u>
3/4"	1	3,000	\$47.22	\$0.30/100 gallons over base
1"	1.79	5,370	\$84.52	\$0.30/100 gallons over base
1 1/2"	4	12,000	\$188.88	\$0.30/100 gallons over base
2"	7.14	21,420	\$337.15	\$0.30/100 gallons over base
3"	16	48,000	\$755.52	\$0.30/100 gallons over base
4"	28.57	85,710	\$1,349.08	\$0.30/100 gallons over base

ARPA WATER & SEWER INFRASTRUCTURE GRANT APPLICATION

Table 2. Project Budget

Applicant Entity:

City of Sidney

Project Title:

Phase III Water Improvements - Original

	ARPA - MINIMUM ALLOCATION GRANT	ARPA - COMPETITIVE GRANT	ARPA - LOCAL FISCAL RECOVERY FUNDS	State Revolving Fund Loans	WRF-22493	Local Contribution	Additional Funding - OTHER	Total
Grant Management		\$ 10,000			\$ 6,500	\$ 10,000		\$ 26,500
Bond Counsel						\$ 20,000		\$ 20,000
Legal						\$ 2,000		\$ 2,000
Loan Reserves (Estimated)						\$ 40,000		\$ 40,000
Audit (REQUIRED)		\$ 20,000						\$ 20,000
TOTAL ADMINISTRATION	\$ -	\$ 30,000	\$ -	\$ -	\$ 6,500	\$ 72,000	\$ -	\$ 108,500
Design Engineering					\$ 133,000			\$ 133,000
Construction Engineering				\$ 242,000				\$ 242,000
Geotechnical Investigation					\$ 10,000			\$ 10,000
Construction (original)		\$ 1,202,200		\$ 890,000	\$ 55,000	\$ 53,800		\$ 2,201,000
Construction (new)								\$ -
Contingency (REQUIRED)		\$ 230,100						\$ 230,100
TOTAL ACTIVITY	\$ -	\$ 1,432,300	\$ -	\$ 1,132,000	\$ 198,000	\$ 53,800	\$ -	\$ 2,816,100
TOTAL PROJECT BUDGET	\$ -	\$ 1,462,300	\$ -	\$ 1,132,000	\$ 204,500	\$ 125,800	\$ -	\$ 2,924,600

ARPA WATER & SEWER INFRASTRUCTURE GRANT APPLICATION

Table 2. Project Budget

Applicant Entity:

City of Sidney

Project Title:

Phase III Water Improvements - *Schedules I - III (OPTION 1)*

	ARPA - MINIMUM ALLOCATION GRANT	ARPA - COMPETITIVE GRANT	ARPA - LOCAL FISCAL RECOVERY FUNDS	State Revolving Fund Loans	WRF-22493	Local Contribution	Additional Funding - OTHER	Total
Grant Management		\$ 10,000			\$ 6,500	\$ 10,000		\$ 26,500
Bond Counsel						\$ 20,000		\$ 20,000
Legal						\$ 2,000		\$ 2,000
Loan Reserves (Estimated)						\$ 40,000		\$ 40,000
Audit (REQUIRED)		\$ 20,000						\$ 20,000
TOTAL ADMINISTRATION	\$ -	\$ 30,000	\$ -	\$ -	\$ 6,500	\$ 72,000	\$ -	\$ 108,500
Design Engineering					\$ 133,000			\$ 133,000
Construction Engineering				\$ 242,000				\$ 242,000
Geotechnical Investigation					\$ 10,000			\$ 10,000
Construction (original)		\$ 1,202,200		\$ 890,000	\$ 55,000	\$ 53,800		\$ 2,201,000
Construction (new)							\$ 349,922	\$ 349,922
Contingency (REQUIRED)		\$ 230,100						\$ 230,100
TOTAL ACTIVITY	\$ -	\$ 1,432,300	\$ -	\$ 1,132,000	\$ 198,000	\$ 53,800	\$ 349,922	\$ 3,166,022
TOTAL PROJECT BUDGET	\$ -	\$ 1,462,300	\$ -	\$ 1,132,000	\$ 204,500	\$ 125,800	\$ 349,922	\$ 3,274,522

ARPA WATER & SEWER INFRASTRUCTURE GRANT APPLICATION

Table 2. Project Budget

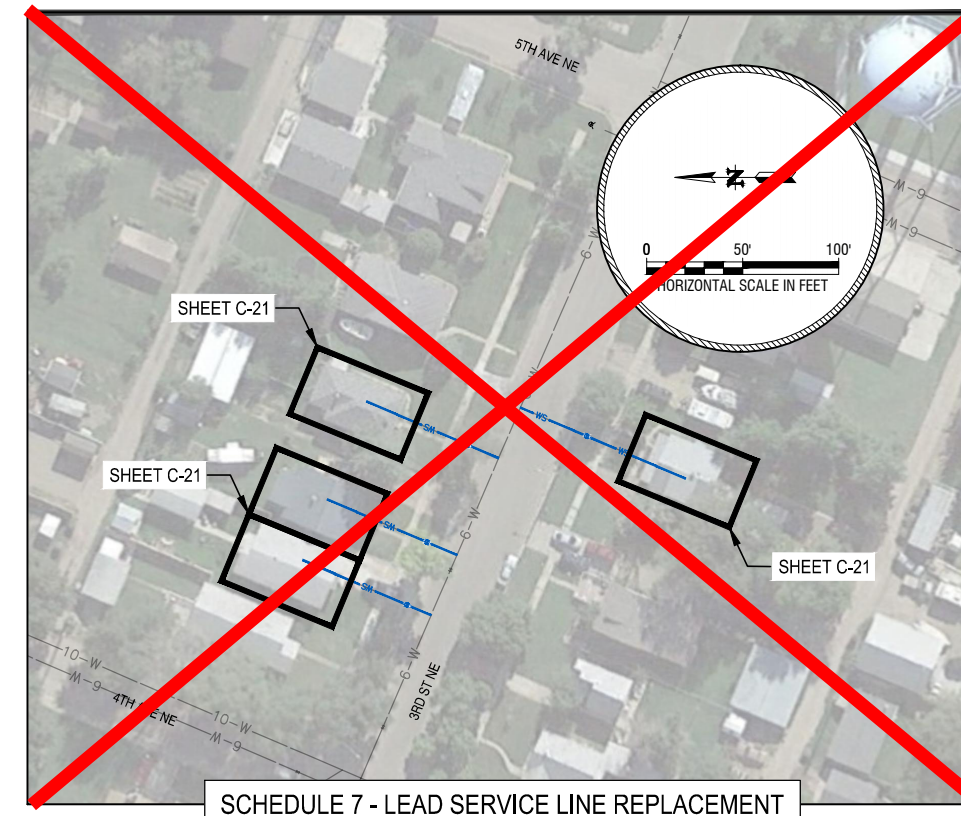
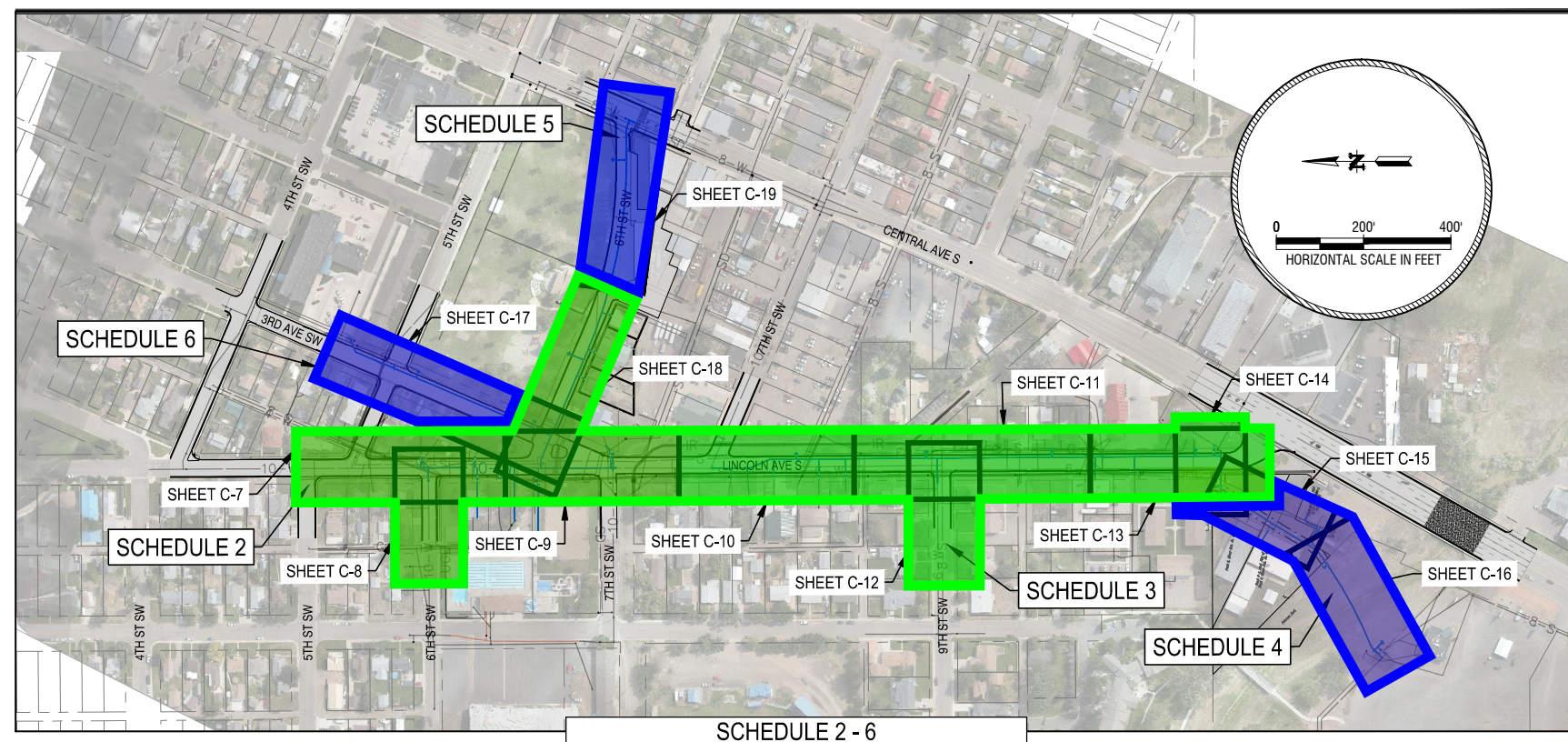
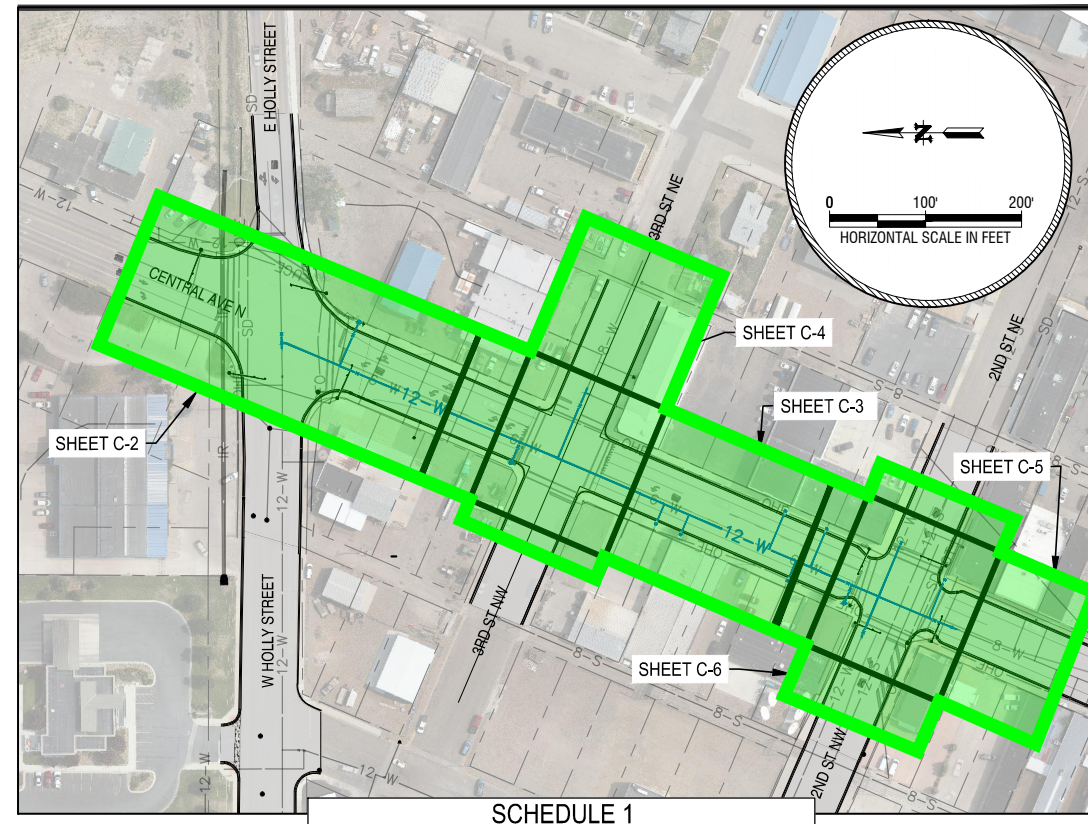
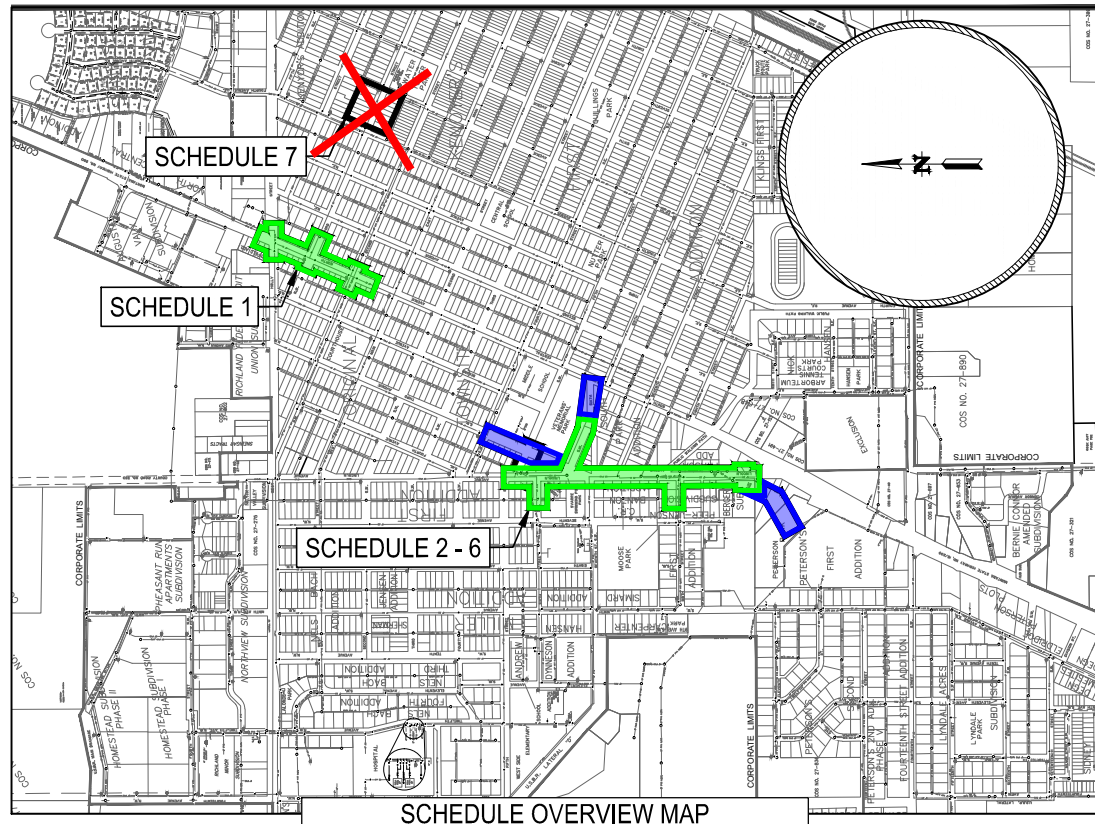
Applicant Entity:

City of Sidney

Project Title:

Phase III Water Improvements - *Schedules I - VI (OPTION 2)*

	ARPA - MINIMUM ALLOCATION GRANT	ARPA - COMPETITIVE GRANT	ARPA - LOCAL FISCAL RECOVERY FUNDS	State Revolving Fund Loans	WRF-22493	Local Contribution	Additional Funding - OTHER	Total
Grant Management		\$ 10,000			\$ 6,500	\$ 10,000		\$ 26,500
Bond Counsel						\$ 20,000		\$ 20,000
Legal						\$ 2,000		\$ 2,000
Loan Reserves (Estimated)						\$ 40,000		\$ 40,000
Audit (REQUIRED)		\$ 20,000						\$ 20,000
TOTAL ADMINISTRATION	\$ -	\$ 30,000	\$ -	\$ -	\$ 6,500	\$ 72,000	\$ -	\$ 108,500
Design Engineering					\$ 133,000			\$ 133,000
Construction Engineering				\$ 242,000			\$ 40,000	\$ 282,000
Geotechnical Investigation					\$ 10,000			\$ 10,000
Construction (original)		\$ 1,202,200		\$ 890,000	\$ 55,000	\$ 53,800		\$ 2,201,000
Construction (new)							\$ 1,005,653	\$ 1,005,653
Contingency (REQUIRED)		\$ 230,100						\$ 230,100
TOTAL ACTIVITY	\$ -	\$ 1,432,300	\$ -	\$ 1,132,000	\$ 198,000	\$ 53,800	\$ 1,045,653	\$ 3,861,753
TOTAL PROJECT BUDGET	\$ -	\$ 1,462,300	\$ -	\$ 1,132,000	\$ 204,500	\$ 125,800	\$ 1,045,653	\$ 3,970,253



Rev No		Date		Description	
10/25/2022		SWW		DEQ APPROVAL	
Drawn By:		Checked By:		Project No:	
SWW		JLM		S21-100-105	
Surveyed By:		Designed By:		Date:	
JNG/JDL		SWW		3/28/2022	

PHASE III - WATER SYSTEM IMPROVEMENTS
CITY OF SIDNEY
RICHLAND COUNTY, MONTANA
OVERVIEW

Interstate Engineering, Inc.
P.O. Box 648
2177 Lincoln Ave SE
Sidney, MT 59270-0648
Ph (406) 433-5617
www.interstateeng.com

Offices in: Minnesota, Montana, North Dakota, South Dakota and Wyoming

Professionals you need, people you trust.

SECTION
C
1
SHEET NO.

Item b.

BreeAnn Messer

From: Jessie Redfield
Sent: Tuesday, December 27, 2022 11:32 AM
To: BreeAnn Messer
Subject: FW: Sidney Ph III Water_Bid Results and Award Options
Attachments: C1_OVERVIEW_SIDPH3_20221223_Award Options.pdf; SIDPH3_Project Budget Options_Post Bid.pdf

Importance: High

From: Jordan Mayer <Jordan.Mayer@interstateeng.com>
Sent: Friday, December 23, 2022 1:21 PM
To: Jeff Hintz <publicworks@cityofsidneymt.com>; Jason Elletson <sidneyh2o@midrivers.com>; Jessie Redfield <clerktreasurer@cityofsidneymt.com>
Cc: Spencer VanWichen <Spencer.VanWichen@interstateeng.com>; S21-105_Sidney PH3 Water <Oedbe6d1.interstateeng.com@amer.teams.ms>
Subject: FW: Sidney Ph III Water_Bid Results and Award Options
Importance: High

This sender is trusted.

Jeff/Jason/Jessie—can you please review the email below along with the attachments and let me know if anything needs clarified or additional information needs to supplement the email? If none, can you please forward to the Water & Sewer Committee to review ahead of a meeting next week?

All,

In preparation of the water & sewer committee meeting, please refer to the information below and the documents attached.

In the table below, is the summary of the Phase III Water Improvements Project that was bid on Thursday, December 15, 2022. COP Construction out of Billings, MT was the low bidder.

On Friday, December 23, 2022, Jeff, Jason and I met to go over the bids and discuss award strategy. Here’s the background information with the recommendation from Jason, Jeff and I.

<i>Ph III Water System Improvements, Sidney, MT S2100105 (#8332697)</i> <i>Owner: City of Sidney</i> <i>Solicitor: Interstate Engineering - Sidney</i> <i>12/15/2022 02:00 PM MST</i>				
	COP Construction LLC	Western Municipal	BEK Consulting, LLC	Strata Corporation

		Construction, Inc		
Schedule I (Central Ave.)	\$1,378,324.00	\$1,294,483.70	\$1,844,024.50	\$1,644,368.00
Schedule II (Lincoln Ave. - A)	\$601,755.00	\$731,857.90	\$976,471.50	\$889,801.00
Schedule III (Lincoln Ave. - B)	\$570,843.00	\$685,538.50	\$886,978.00	\$823,887.00
Schedule IV (Peterson Park Crossing)	\$297,347.00	\$358,437.20	\$414,796.50	\$424,426.00
Schedule V (Veteran's Park)	\$195,475.00	\$236,064.00	\$287,975.00	\$289,270.00
Schedule VI (Crestwood)	\$162,909.00	\$214,333.50	\$254,388.50	\$251,694.00
Schedule VII (Lead Service Replacements)	\$69,765.00	\$110,877.00	\$112,150.00	\$204,200.00
Total Schedules I - III	\$2,550,922.00	\$2,711,880.10	\$3,707,474.00	\$3,358,056.00
Total Schedules I - IV	\$2,848,269.00	\$3,070,317.30	\$4,122,270.50	\$3,782,482.00
Total Schedules I - V	\$3,043,744.00	\$3,306,381.30	\$4,410,245.50	\$4,071,752.00
Total Schedules I - VI	\$3,206,653.00	\$3,520,714.80	\$4,664,634.00	\$4,323,446.00
Total All Schedules	\$3,276,418.00	\$3,631,591.80	\$4,776,784.00	\$4,527,646.00

Unfortunately, the current funding package is short to pay for Schedules I-III, which has been the plan to complete at a minimum, let alone the entire project. The current funding package is shown in the table below, which includes project administration, design & construction engineering, construction, and contingency. The breakdown of the original funding package is attached as Original.

Funding Source	Amount
ARPA – Competitive Grant	\$1,462,300
SRF Loan	\$1,132,000
Carry over SRF Loan	\$204,500
City of Sidney	\$125,800
Total	\$2,924,600

To award Schedules I-III, which we believe is the minimum amount to award, the funding package would have to be modified as shown below. The OTHER amount can either come from increasing the SRF loan (I'll discuss down below) or come from the water reserve account. Please refer to the Overview Map showing Schedules I-III (green). This is Option 1. The breakdown of this funding package is attached as Option 1.

Funding Source: Option 1	Amount
ARPA – Competitive Grant	\$1,462,300
SRF Loan	\$1,132,000
Carry over SRF Loan	\$204,500
City of Sidney	\$125,800
OTHER	\$349,922

Total	\$3,274,522
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Item b.

To award Schedules I-VI, which is the recommended amount to award, the funding package would have to be modified as shown below. The additional amount would come from increasing the SRF loan. Please refer to the Overview Map showing Schedules I-VI (green + blue). This is Option 2. The breakdown of this funding package is attached as Option 2.

Funding Source: Option 2	Amount
ARPA – Competitive Grant	\$1,462,300
SRF Loan	\$1,132,000
Carry over SRF Loan	\$204,500
City of Sidney	\$125,800
Additional SRF Loan	\$1,045,653
Total	\$3,970,253

Discussions have been had with SRF about what increasing the planned SRF loan would do to the City’s existing water rates. As a reminder, the City of Sidney moved forward with raising rates to cover the planned \$1,132,000 loan in January 2022.

Current calculations from SRF indicate the City of Sidney can take an additional \$9,000,000 loan without having to increase water rates. So kudos to the City and personnel for managing the water department! As a result, the City has the ability to Award Schedules I-VI by increasing the original SRF loan amount of \$1,132,000 an additional \$1,045,653 for a total of \$2,177,653. This would allow the City of Sidney to take an additional \$8,000,000 loan in the future without having to increase water rates, should needs arise.

You may also notice that we are not recommending awarding Schedule VII. This schedule is to replace 4 lead service lines near the Water Tower in their entirety from the water main into the house. The State of MT is working through a program that would help pay for this project and all the details have not been finalized yet. The State of MT is aware of Sidney’s intention to replace the 4 lead service lines and Interstate Engineering will work directly with the State, City and a local contractor to complete Schedule VII. The intent is to limit the amount the City of Sidney has to pay for Schedule VII. The maximum is a 51% cost share but the last conversation with the State indicated the City’s share could decrease. That portion of the City’s responsibility could be paid out of the SRF loan (contingency) or out of water reserves.

Should the committee agree to Jeff, Jason and I’s recommendation the following would be the motion: Recommend the council Award Schedules I-VI to COP Construction, subject to funding agency approval, with an additional \$1,045,653 SRF loan. The total project budget is \$3,970,253.

Last reminder, if we move forward with awarding Schedule IV, this will come after the initial award via Change Order 1. Strategy is to award Schedule I, II, III, V, and VI to COP Construction and have the City’s attorney draft a site title accordingly. Jason, Jeff and I will work with O’Reilly’s, 1035 brewing, The Rush, and The Merge to finalize easements prior to awarding Change Order 1 (Schedule IV). These conversations will begin ASAP.

Happy Holidays everyone!

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