

July 15, 2019
Public Hearing

The Eaton Town Council met in a public hearing. Present are Blankenship, DeWees and Hicks, absent are Reese and Welsh.


Council President Blankenship called the meeting to order.

Minutes were facilitated by Neil Brook, Kleinpeter Consulting Group, LLC

Please see attached papers.



Daniel Blankenship, Council President



Bridgett DeWees, Deputy Clerk-Treasurer

PUBLIC HEARING
Water Utility Urgent Need Grant
Construction Project

Town of Eaton
Monday July 15, 2019

Town of Eaton
600 E. Harris St.
Eaton, IN 47338

1. Call to Order: Daniel Blankenship, Town Council President called the Public Hearing to order at 6:00 PM
2. Facilitator: Neil Brook, Kleinpeter Consulting Group, LLC
3. Discussion:

Neil Brook stated that this was a public hearing to discuss the Town of Eatons application for grant funding through the Indiana Office of Community & Rural Affairs (OCRA). Notice of the public hearing was posted in the Star Press on 6/26/2019.

The Town is applying specifically for a water utility improvement grant in the amount of \$700,000. The town will be contributing \$259,000 with a General Obligation Bond. The application will be submitted this Friday, July 19, 2019. Neil Brook stated that we want to make sure that the citizens of the Town are fully informed and have the opportunity to voice concerns and support for the project and ask any questions they may have. This project will result in no displacement and the amount benefitting low to moderate income residents is \$310,170. Neil then turned the meeting over to Al Stong with Commonwealth Engineering.

Al began by telling the citizens that this was an urgent need grant. These urgent need grants are very rare, but the Town Council President and the board presented a strong case to OCRA to obtain the grant.

Al explained to the attendees that the reason for this emergency grant is that while working on the current wastewater utility improvement project they have run into difficulties. When installing the new sewers, the construction company is breaking water lines. The new sewer lines are generally placed 15-foot underground, the current water lines are five-foot underground. Because the water lines are over 50 years old, they break very easily. Al explained that these pipes are asbestos and cement and anytime they are touched they immediately break. When these lines do break, we must pay the contractor to fix the pipes. Al stated that the Town does not have the money and are currently at their maximum bonding capacity. Therefore, we sought alternative funds and we received the OCRA Urgent Need Grant for \$700,000. Al indicated that

more than \$700,000 will be needed, to complete the whole project and OCRA has said we can apply for another \$700,000 grant later this year.

Because there are no guarantees on the next \$700,000, Commonwealth has prepared a Preliminary Engineering Report (PER) and began the process of also looking at other sources of financing, including the State Revolving Loan Fund, Rural Development and the Indiana Bond Bank. At this time the meeting was opened for public comment.

A participant asked if there is calcium in the water. Al indicated this will be addressed when work at the treatment plant is started but this project doesn't have anything to do with calcium in the water.

A resident stated that on Facebook someone said that water rates would go up to \$44.00. Of course, this was a rumor, rates are not going up \$44.00. Another stated that without the additional \$700,000 WDW grant funding from OCRA, rates could go up 20.00. Currently rates are \$23.00 which means that rates could go up to \$44.00. A question was asked when the next round is that the town could apply. Neil Brook stated that applications would be due November 30, 2019.

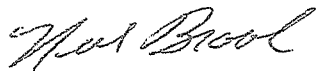
A resident asked how bad are the asbestos cement pipes? Al explained that the asbestos just crumbles, there is no way to fix it. Also, when it crumbles it is a hazardous material that has to be dealt with.

A resident asked if we could still use contingency money from the wastewater project to fix the water lines? Rural Development said contingency funds could not be used. Another follow up question was is there still enough contingency money to complete the wastewater project? Al indicated there was and that RD would assist if additional contingency funds were needed.

A question was asked, if we don't get the next \$700,00 grant what happens. Al stated that rates could go up. Al stated that Commonwealth and the town are also working on another grant from Rural Development. They won't know for a couple months if the funds are available. If they are, it would only be 75% of what is needed. Then the town would then have to look to other sources for the additional 25%.

A lot of discussion centered around rate increases. Several expressed concern that it would be a terrible burden if rates were to go up. One participant said they know there is really no other options, and everyone just wants to prevent the town from raising rates. Al Stong restated that Commonwealth is doing everything possible and we just need to take things one step at a time.

Being no other questions, the meeting was adjourned at 7:20 PM.



Neil Brook, Grant Administrator
Kleinpeter Consulting Group LLP