

**SEELEY LAKE SEWER DISTRICT**  
**PUBLIC HEARING**  
**May 3, 2018**

**Attendance:**

Mike Boltz	President	<b>ABSENT</b>
Mike Lindemer	Vice President	<b>ABSENT</b>
Bob Skiles	Director	<b>PRESENT</b>
Mark Butcher	Director	<b>PRESENT</b>
Davy Good	Director	<b>PRESENT</b>
Greg Robertson	Missoula Co	<b>ABSENT</b>
Felicity Derry	Secretary	<b>PRESENT</b>
Kim Myre	Missoula Co	<b>PRESENT</b>
Amy Deitchler	Great West Eng.	<b>PRESENT</b>

**OPENING:**

The meeting was brought to order at 5:18pm by Bob Skiles at The County Offices, located at 3360 Highway 83 N, Seeley Lake.

**PUBLIC COMMENTS:**

None

**NEW BUSINESS:**

Submittal of Grant Application for Phase II of the Seeley Lake Wastewater Project

Amy Deitchler, Great West Engineering noted that the Preliminary Engineering Report (PER) update for the Phase II collection system was being prepared for submittal to TSEP & RRGL over the next two months.

A PER was required by the funding agencies for grant applications and the most recent PER was completed in 2012. The District was established in 1992. The initial concern in the late 1990s was shallow groundwater. The monitoring wells showed elevated nitrate and chloride levels. The water studies from the Bureau of Mines showed degradation of the groundwater. The septic density was high with no area for replacement systems. A PER was completed in 2004. Several grants were awarded but they were not enough to fund a full project. There had been environmental concerns with the lagoons. An income survey was completed in Phase I. The 2004 PER proposed lagoons at the airport site. The FAA would not allow lagoons that close to the airport; therefore, in 2008 the project started over. In 2008 there was an amendment to the 2004 PER. New locations were reviewed and a USFS site was identified. The USFS required that the District pursue the townsite act. The USFS would not allow lagoons so various treatment alternatives and sites were reviewed again. Additional funding was pursued. The town site act had failed and the USFS would not allow the District to have any kind of treatment on their land. In 2012 the funding agencies required that the District start over again. Between 2008 and 2012 Missoula County became involved with the project.

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Three potential sites were identified and the current DNRC site was chosen. Numerous grants were secured as well as a loan from Rural Development (RD). The collection system design was 90% complete. The forcemain route was being reviewed. The Sequencing Batch Reactor (SBR) design was 45% complete. It was scheduled to go out for bid this winter, with construction to start in the spring.

The 2012 PER identified all of the permitted septic systems in the area and the District surrounds the core density. The property sizes were small and had no replacement areas. Seepage pits were being installed. Septic systems were continuing to leak into the ground. Studies from the Bureau of Mines, the Clearwater Research Council and the District's ongoing monitoring were referenced. The groundwater flowed into Seeley Lake and the Clearwater River. The Board reviewed the well and lake testing sites and discussed their position. Felicity Derry said that she would send Amy Deitchler the testing site map.

Amy Deitchler noted that the nitrate level in well#1 continued to climb and had almost reached the EPA maximum concentration limit. Well#3 was also climbing. Well#2 remained flat. The treatment plant effluent was required to be a maximum of 7.5mg/L on an average day. The plant would be designed for 5mg/L. In 2004 well#1 tested above the level that the treatment plant would be designed to discharge. The Bureau of Mines study concluded that the nitrates and chlorides were degrading the groundwater as well as the surface water. The level was increasing. The District did put in the monitoring wells as requested by the Bureau of Mines and these are the wells they continue to test.

The benefits of a wastewater treatment facility would be to stop the groundwater and surface water degradation, the recreational value of the lakes and streams, as well as public health. Satisfying regulations and protecting the watershed.

The PER reviewed the alternatives. Many factors were considered, including Board input. Over the years many treatment alternatives and treatment sites were considered. Amy Deitchler then reviewed the treatment alternatives that had been considered. Finally, the District had a site, a drainfield and the SBR would keep the District in compliance.

The preferred treatment alternative in the 2012 PER was the SBR. It would have reliable nitrogen removal to meet the 7.5mg/L requirement. It was a relatively compact site which could be operated remotely. A permit had been granted for the groundwater disposal. The O&M cost was lower than most mechanical plants.

Amy Deitchler reviewed the District's phase map, noting that the elementary school was in Phase II. The different collection system alternatives had been reviewed and a combination of a small pressure system and a gravity system was chosen. Gravity would be utilized as much as possible decreasing the O&M cost. The collection system had been laid out and there was the possibility of grinder pumps.

Nathan Bourne noted that the main ran up Hickory Street. Most of the homes had their septic systems behind the houses. There were utility easements along the property lines, so wouldn't it make more sense to run the mains between the property lines? That would also pick up the grade school's septic system. Was there a reason to pick the roads? Amy Deitchler replied that the preliminary design did not have a budget to pull the easements. If a line was placed on private property in a PER public hearing people would freak out if they were unaware of the easement. Also, gravity flow had to

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be considered. That kind of design would come after the grants were secured and Phase I had been constructed. During design topographic maps would be reviewed to see what made the most sense. The phase map was reviewed.

Mark Butcher asked if it was up to the owner to hook up to the main. Amy Deitchler replied that she was not sure if that decision had been made but thought that Greg Robertson was drafting a policy. It was part of the RD's letter of conditions.

Amy Deitchler said that the District would apply for a \$125,000 RRGL grant. WRDA was being pursued. Phase I had STAG funds, if the program returned the District would apply for as much as possible. Currently the District did not meet the Community Development Block Grant (CDBG) income requirements to be able to apply for their funding. CDBG assistance for the low income folks in Phase I was being pursued, and the same would be done in Phase II. If the property owner did not provide the information for the survey, they would probably not receive the CDBG assistance. The District would be applying for a \$750,000 TSEP grant in June. State Revolving Fund (SRF) was a potential funding partner, but RD had awarded the District larger grants and had better loan interest rates. There was also the potential for some congressional appropriation.

Amy Deitchler explained that the Department of Commerce set a target rate, and the grant amount was dependent on that. In 2015 the District's Median Household Income (MHI) was \$40,813. This resulted in a combined target rate for water and sewer of \$78.22, and a wastewater only of \$30.61. Phase II's Low & Moderate Income (LMI) was 46.55%. CDBG required a number greater than 51%. An income survey was tried in 2009 but the response rate was low.

Many funding scenarios were run for Phase II, but it was uncertain what congressional grant might be secured. WRDA was listed at \$500,000. There were the TSEP and RRGL grants. RD indicated that their funds would be 25% grant and 75% loan. Phase I had more grant funds than loan. GWE had been very successful with RD and had ten projects that had closer to 50% grant than 25%. They were looking at a variety of rate increases. The lowest with a 50% grant with no federal funding, because it could not be predicted even though it was anticipated that the District would receive federal funding, was \$75.

Nathan Bourne noted that was an increase on top of O&M and the treatment facility. Amy Deitchler replied that was correct. The total amount for Phase II including the plant and O&M was \$139.15. There was a good possibility that other grant funds could be secured, but they could not be listed in the grant application.

Nathan Bourne questioned that Phase I had the LOR Foundation and the Tester grant, what else was there. Amy Deitchler replied that there was STAG, congressional appropriations, and maybe ARRA funds with the infrastructure bills. With a completed PER it would be a strong contender for ARRA. The funding agencies required realistic numbers. People should not be alarmed because the District was not done finding grant funds. The 260-400 % of target showed a very strong financial need to get the grants, and then continue to build on the grant funding. That was not what the rate would be. It was an estimate until a construction bid came in. The construction costs were projected to 2020 numbers. Currently there were not many big construction projects out there. Contractors were itching to get these projects. With the competition they might come in under the engineers estimate.

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Walter Hill noted that the figures were the worst-case scenario. Amy Deitchler agreed that they were. The figures were conservative and spanned a wide range. If she was a user faced with those numbers she would cry, but that was not the funding scenario they were pursuing. The range made the grant application stronger. They were not done finding grants.

Walter Hill asked who in their right mind would shut it down. Somebody had to say it was a complete project and it had to be underwritten, to get it done. Who would do that? Amy Deitchler replied that the funding agencies all knew that Phase II was coming. The fact that all of the grant funds for Phase I had not been expended strengthened the application. The phases enabled the District to maximize the grant dollars.

The environmental assessment was part of the PER and the grant applications. All of the letters had been sent out to the various agencies. To date nothing of any concern had been received. The environmental assessment was acceptable. Moving forward all of the public comment and support would be documented. Form letters were available to sign and send in. The environmental assessment would be left with Kim Myre for review. The PER would be finalized next week. The RRGL grant application would be submitted May 15, 2018 and then the TSEP grant application would be submitted June 15, 2018. They would be reviewed and go before the legislature during the winter. There should be a contract from those agencies in July 2019. Grant funding would continue to be pursued for Phase II throughout that process. Hopefully design would start in fall 2019, be put it out for bid in the winter of 2019 and then start construction in the spring. Phase I would have to be completed, but that should be accomplished in 2019-2020.

There was a Seeley Lake infrastructure website for public information and comment: [www.seeleylakeinfrastructure.com](http://www.seeleylakeinfrastructure.com). There was also the Seeley Lake Sewer District page on the Missoula County website.

Walter Hill noted that construction had been delayed a year. Would there be a similar delay for Phase II? Amy Deitchler replied that she hoped not. Walter Hill said that there should have been final drawings for Phase I by now. Amy Deitchler replied that GWE was put on hold about this time last year. Walter Hill said that as of November they should have had a green light. Why had things not come together? GWE had been working with the District for a very long time, were they low on the list of priorities? Amy Deitchler replied that they were absolutely not. It was one of her main priorities. The treatment plant design was at 45%, and by the end of June it would be at 60%. At which point a work session would need to be scheduled with the Board. The collection system design was at 85%. Collection system drawings could be provided for the District to review. The plant had needed to be completed first, so it did take longer. Walter Hill questioned that the kind of plant was known a year ago. Amy Deitchler replied that they had just started to get into the design when they were shut down. Walter Hill wanted to express his feeling that he hoped it could go quicker. Amy Deitchler said that she would push it as fast as she could.

Nathan Bourne asked when the documents would be available. Amy Deitchler replied that she would have them on the website tomorrow morning.

Mark Butcher asked when the plant engineering would be complete. Amy Deitchler replied that it should go out to bid this fall. Design should be at 100% in September, 2018 and then it would go to DEQ for review, who had 60 days to review the plans.

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Nathan Bourne noted that the school was no longer in phase I. Amy Deitchler replied that it could be gravity fed if it was in Phase II. A few other properties had been added. The easements were being pursued. Bob Skiles noted that the Pine Drive easement was going to be resolved. The only thing that was up in the air was where the line would go under the bridge. Mark Butcher questioned about going over the bridge? Amy Deitchler added that it was an MDT bridge. MDT required that all other feasible options be explored and found to be impossible before they would allow anything to hang from the bridge. Bob Skiles added that he thought that boring under the creek was the best option.

Bob Skiles asked for any further public comment. There was none.

**NEXT SCHEDULED MEETING:**

The next Board meeting was scheduled for May 17, 2018.

**ADJOURNMENT:**

Bob Skiles adjourned the meeting at 6:07pm.

Attest:

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Bob Skiles, Director

-And-

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Felicity Derry, Secretary