

**TOWN OF SILT
SPECIAL BOARD OF TRUSTEES AGENDA
TUESDAY, MAY 30, 2023 – 7:00 P.M.
MUNICIPAL COUNCIL CHAMBERS**

ESTIMATED TIME	AGENDA ITEM	PUBLIC HEARING or ACTION ITEM	STAFF PRESENTOR
	Agenda		Tab A
7:00	Call to order		Mayor Richel
	Roll call		
	Pledge of Allegiance and Moment of Silence		
7:05	Public Comments - Persons desiring to make public comment on items not on the agenda shall activate the “raise hand” function in the meeting program. For persons who will participate in the meeting by telephone, they should send an email by 5:00 p.m. on the day of the meeting to sheila@townofsilt.org indicating their desire to make public comment. For those attending in person, a “Sign in Sheet” is available in the Council Chambers. Each speaker will limit comments to no more than three (3) minutes, with a total time of 30 minutes allotted to public comments, pursuant to Section 2.28.020 of the Silt Municipal Code		
	Conflicts of Interest		
7:25	Agenda Changes		
7:25 60 min	Resolution No. 17, Series 2023 , A RESOLUTION SUPPORTING THE APPLICATION FOR A STATE REVOLVING FUND LOAN IN THE AMOUNT OF \$28,000,000.00 FOR COSTS ASSOCIATED WITH THE ENGINEERING AND CONSTRUCTION FOR IMPROVEMENTS TO THE WATER PLANT FOR THE TOWN OF SILT, GARFIELD COUNTY, COLORADO	Action Item	Tab B Administrator Layman
8:25 5 min	Administrator and Staff Reports	Info Item	Tab c Administrator Layman
8:30 10 min	Updates from Board / Board Comments		
8:40	Adjournment		
<p>The next regularly scheduled meeting of the Silt Board of Trustees is Monday, June 12, 2023. Items on the agenda are approximate and intended as a guide for the Board of Trustees. “Estimated Time” is subject to change, as is the order of the agenda. For deadlines and information required to schedule an item on the agenda, please contact the Silt Town Clerk at 876-2353.</p>			

**TOWN OF SILT
RESOLUTION NO. 17
SERIES OF 2023**

A RESOLUTION SUPPORTING THE APPLICATION FOR A STATE REVOLVING FUND LOAN IN THE AMOUNT OF \$28,000,000.00 FOR COSTS ASSOCIATED WITH THE ENGINEERING AND CONSTRUCTION OF IMPROVEMENTS TO THE WATER PLANT FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO

WHEREAS, the Town of Silt (“Town”) is a municipal corporation, i.e., political subdivision, of the State of Colorado, and therefore is an eligible applicant for a loan to the State Revolving Fund (SRF); and

WHEREAS, the Town will submit a loan application for the amount of \$28,000,000.00 for the design, engineering and construction for improvements to the Water Plant, and

WHEREAS, the Town recognizes that it must meet Colorado Department of Public Health and Environment (CDPHE) regulations and drinking water demands for the Town and

WHEREAS, the Town will be eligible for up to \$7,000,000.00 in principal forgiveness at the time of loan execution; and

WHEREAS, the Town has already received a grant from Garfield County Federal Mineral Lease District in the amount of \$450,000.00 and a Federal Bipartisan Infrastructure Law (BIL) grant through CDPHE for \$300,000 towards the project; and

WHEREAS, the Town Board of Trustees (“Board”) supports staff in its loan application for the Water plant project: and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILT COLORADO, that:

Section 1

- 1) The above recitals are hereby incorporated as findings by the Town of Silt;
- 2) The Board strongly supports the State Revolving fund loan application in the amount of \$28,000,000.00
- 3) If the loan is awarded, the Board strongly supports the planning, engineering and construction of the Water Plant improvements.
- 4) The Board authorizes the expenditure of in-kind labor necessary to meet the terms and obligations of any loan awarded for the above project and

- 5) If a loan is awarded, the Board hereby authorizes Town Administrator Jeff Layman to sign a loan Agreement with the SRF.

Section 2

This resolution will be in full force and effect from and after its passage and approval.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 30th day of May 2023.

TOWN OF SILT

Mayor Keith B. Richel

ATTEST:

Town Clerk Sheila M. McIntyre, CMC

BOARD OF TRUSTEES REGULAR MEETING
May 30, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant Loan Application

PROCEDURE: Action Item

SUMMARY AND BACKGROUND OF SUBJECT MATTER: Dewberry engineers conducted a technical study of the Silt W/WW plants and produced master plans to be used specifically to develop short and long-term plans and costs for implementing improvements. This work was critical in order to complete the “Project Needs Assessment” (PNA) for the State of Colorado by their June 30, 2022 deadline. The PNA is required in order to be eligible for low interest loans and grants offered by the Federal government through the State. The current loan deadline for the Drinking Water Revolving Fund is June 15, 2023. The next opportunity to apply for the loan will be in January 2024.

Town Staff has been working with consultants and State of Colorado staff to document the need for the project, how to accomplish it and how to pay for it. Personnel have spent the entire time evaluating and re-evaluating strategies, costs, funding sources, rate structures, etc. in order to prepare a loan application package this year.

Our contract with Garney, our construction manager at risk (CMAR), requires them to give us a value for the work based on a 60% design completion of construction documents on June 9. That document turnover has now been completed and they are busy evaluating costs. We will make a progress report to the Board at its June 12 meeting.

RECOMMENDATION: After careful review of the information available at this time, staff and consultants recommend that the Board direct staff to apply for a Drinking Water Revolving Fund loan through the State of Colorado to cover the costs of the Silt Water Treatment Plant project.

The value of the loan package we suggest is \$28 M. We anticipate that this amount will be reduced by up to \$7 M in “principal forgiveness”, \$450,000 in an FMLD grant and potentially additionally grants that we hope to attain prior to closing on the loan in the fall. We also are slated to get an addition \$300,000 in planning and engineering assistance through our designation as a “disadvantaged community”, which will also offset a portion of the loan.

We recommend that the Board of Trustees approve the enclosed Resolution No. 17, Series of 2023 at the May 30, 2023 Special Meeting of the Board of Trustees.

Keep in mind that once approved, the loan amount can be reduced, but not increased. It is better to apply for more than we think we need at this time. There is no obligation to accept the loan by passing this resolution.

Staff and consultants will be on hand at the meeting to lead the discussion:

- Patrick Radabaugh, Dewberry
 - Rationale for the project
 - Alternatives that were considered
 - Selected alternative
 - Discussion of reduced project scope
- Jim Mann, UMB Bank
 - Projected average/median monthly rates; progress of rates/costs
 - Recommended rate structure
 - 20-year plan, as required by SRF
- Jared Baker, Garney and Patrick Radabaugh, Dewberry
 - Cost reduction efforts/results by Dewberry and Garney
- Jeff Layman, Town Administrator
 - Funding summary
 - Schedule

ORIGINATED BY:

Jeff Layman

PRESENTED BY:

Jeff Layman/Trey Fonner/Jim Mann/Patrick Radabaugh

TOWN ATTORNEY REVIEW: / / Yes /X / No

DOCUMENTS ATTACHED:

Resolution No. 17, Series of 2023

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila M. McIntyre
Sheila M. McIntyre, Town Clerk