

**Biggs Service District
Water System Improvements Project Meeting
Minutes
June 29, 2016**

Opened meeting: 10:05 a.m.

Present: Judge Gary Thompson; Commissioner Tom McCoy; Commissioner Mike Smith; Administrative Assistant Lauren Hernandez; District Administrator Jeff Holliday; Mid-Columbia Economic Development District Project Manager Jessica Metta; Anderson Perry & Associates President Brad Baird.

Water System Improvements Project Update

Present: John Zalaznik, North Central Public Health District; Marc Niva, Bishop Towing & Repair; Randy Dyche, Bishop Towing & Repair, Biggs Landowner; Terry Sanderson, Biggs Junction; David Wentz, Linda's Restaurant/Grand Central; Gerry Kindrick, 76/Circle K; Shawn Payne, Emergency Services; Robert Norris, Emergency Services.

The Court met as the Biggs Service District Board of Directors. Judge Thompson explained he serves as the chair of the Biggs Service District Board of Directors, and Commissioner Smith and Commissioner McCoy serve as members of the decision making body for the district. The purpose of the meeting is to provide new information on the proposed water system improvements in Biggs.

Brad Baird, Anderson Perry & Associates, gave a project description. The project entails a complete municipal water system for Biggs, including supply, storage, distribution, and metering. The project includes a new 400,000 gallon storage reservoir, a new water supply well with the potential for a backup supply source, a twelve-inch water line large enough to provide fire flow capacities, and service lines to each building. Fire hydrants will be located to provide significantly improved fire protection.

Brad passed out the proposed water system map from a study done in 2003 and a visual of the most recently proposed reservoir and well site. The reservoir and well will be located behind Jack's Mini Mart. The Biggs Service District has entered into an agreement with Pat and Lori Beers to secure the reservoir and well site. The placement of the reservoir provides elevation for water pressure. Access to the site will be across Terry and Teri Sanderson's property. The existing road on the property will be revised to provide better access.

The 2003 study shows water lines up and down the road extending to the boundaries on each side of Biggs. The water lines will provide water service now and for future growth. Existing systems will go away, as the goal is to have everyone served through one municipal water system.

Randy Dyche, Bishop Towing & Repair and Biggs Landowner, asked the size of the water line crossing the bridge. Brad replied it will be a 12-inch diameter, and reducing the size of the pipe would reduce water flow for fires.

Terry Sanderson, Biggs Junction, asked about the supply well on the west side. Brad replied that location is from the 2003 study, and well placement has been moved to a better spot.

John Zalaznik, North Central Public Health District, asked if a well has been designated as a backup. Two are being considered, and after exploring both options, the best one will be chosen. Some funding has been included

in the budget for rehabilitating the chosen backup well if it is not up to municipal standards. John asked if geological studies have been conducted and what the range is of the production of the well. The well has been estimated to be in the 200-300 gallon range. Existing wells receive this on a regular basis.

Randy explained he has property on both sides of the highway. The old 2003 map shows a trailer park, but that has been torn down. Randy asked how much water will be available to the site. The newer visual does not show the property. Randy explained if he were to develop the site, it will likely need several water meters and multiple hook ups. He asked if there is a limit to the capacity. Brad explained there is a limit, but the capacity is very high. The twelve inch water line will provide a flow of approximately 2,200 gallons per minute in the event of a fire. Under normal conditions, all current and future development will be easily met by the 12-inch pipe. The system is being designed with as many connections to different lots as possible, but Brad will look in to property connections. This is being thought of ahead of time to minimize disturbances.

John asked if the reservoir will run off of pressure. The pressure will be in the mid-to-high 50 pounds. The tank has been designed to be tall and narrow, reaching a height of 40 feet, which helps gain elevation and pressure.

Brad explained the cost of the project was recently updated. The total estimated project cost is \$2,112,100. Because funding will be pursued for the project, a cost estimate is required and includes all engineering, permitting, easements, land acquisition, legal fees, construction, and a 10% contingency. Randy asked about land acquisition and right-of-ways. The project will be completed in the Oregon Department of Transportation's (ODOT) right-of-way, and all land needed for the project site and access has been secured.

Sherman County has funded work completed to date to make sure progress was made on the project. The topographic design surveying is complete aside from the access road. Design engineering is underway. Well and reservoir site and access is in place. ODOT has approved hanging the pipe on the bridge, the well permit is finished and awaiting submission, and the reservoir site tentative plan is underway. The partition process will begin shortly. Brad estimated if everything falls into place, the project could begin in the fall of 2016. Depending on securing funding, the water system could be completed next year.

Brad attended a one-stop meeting in Salem in November 2015 to explore potential funding scenarios. A potential funding package could include \$512,100 from Sherman County, a \$1,100,000 loan from United States Department of Agriculture (USDA), and a \$500,000 grant from USDA, totaling \$2,112,100. The county agreed to put \$500,000 into the project and to utilize county road crews for construction road alignment and earthwork. Funding agencies have a required monthly cost before an entity is considered for grant funds. The required monthly cost is currently in the \$50/month range per Equivalent Dwelling Unit (EDU). Each user's monthly bill would be based on metered water use.

Randy stated he has been involved in many different water agencies, and the price associated with water not only pays for water use on property but also for fire control. Lower insurance rates, fire control, consistent water, and potential future growth justify the cost. Brad added the water project will offer a municipal-type designed system with consistent water service, chlorination, health protections, a certified operator, and more. Fire insurance rates were discussed. Randy stated the current Biggs fire insurance rating is high, around classification 10.

Brad explained current sewer bills in terms of EDUs will likely raise to approximately \$50 per EDU. This cost offers fire protection and consistent water supply. In the event of a power outage, no pressure will be lost, and water will be available until the tank is drained.

Randy stated the restaurant and motel in Biggs have to constantly test the water to make sure it is safe for public consumption. John explained there will still be ongoing testing requirements depending on if the water system is classified as a non-transient, non-community system or a community system. If a system has more than 25 users for more than six months of the year, the system will be classified as a community water system. Brad added monthly water rates will cover all testing, maintenance, and debt for the project, and no random monthly fees will be charged in addition to the monthly water fee.

If the water project is not pursued, individuals in Biggs could still encounter high costs due to water. John explained the State of Oregon revised rules on well testing. The consequences of a positive E. coli test include the possibility of being required to find a new water source and/or reconstructing a well. If no action is taken now, in the event of a positive E. coli test, individual business owners would be responsible for covering the fees associated with finding a new water source and/or reconstructing a well. Brad added a new water system is much safer for public health because it is designed to municipal standards. There will be no contamination from shallow water or runoff.

The water project brings many benefits to Biggs. Fire flow will be considerably improved, up to 2,000 gallons per minute. There will be a higher likelihood of new development and existing business expansion. Building permits can more easily be granted due to a water system being in place. The system will be professionally designed and operated with a certified operator. A reliable water system will be able to provide reliable water service even when the power is out. Lastly, the system will be centrally chlorinated and controlled, which will provide improved health protection.

Brad asked the business owners present at the meeting if they knew if business owners not present were or were not in favor of the project. The general reply was yes, business owners and landowners not present seem to be in support of the project. Gerry Kindrick, 76/Circle K, stated a new water system holds big advantages when the electricity is down.


The reservoir will be made of steel. Randy asked how much capacity is left in the sewer district for development. Judge Thompson replied he believes the sewer district was designed to handle at least three times the capacity being used now. Randy has plans to develop a business that will produce gray water. Brad suggested there may be a way to use a bypass to put the gray water into an evaporation pond instead of running it through the system.

Brad stated the district is going to pursue funding for the project. If a favorable package is awarded by USDA, the plan can move forward. Commissioner Smith stated the County Court/Biggs Service District Board of Directors wished to present the project to Biggs business owners to get approval of moving forward with the project. Brad added there seemed to be a majority of consensus from business owners. Randy stated Biggs business owners would be hurting themselves by not supporting the water system, as it will provide opportunity for the future growth Biggs is interested in encouraging.

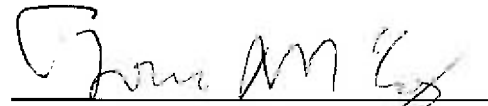
Dave Wentz, Linda's Restaurant, asked when the decision to move forward with the project will be made. Brad replied the Court is ready to move but wanted to consult the business owners first. Brad and Jessica Metta, Mid-Columbia Economic Development District, will begin to pursue funding for the project. Randy thanked the county for contributing funding to the project. The consensus of all those present at the meeting was to move forward with the project.

The meeting adjourned at 10:55 a.m.

Biggs Service District Board



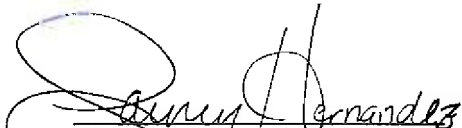
Judge Gary Thompson



Commissioner Tom McCoy

Commissioner Michael Smith

ATTEST:



Lauren Hernandez
Administrative Assistant