

Draft W₂ASACT MEETING MINUTES
August 9th, 2011
10 a.m.-2 p.m.
USDA Rural Development
2229 Boot Hill Court, Bozeman, MT

MEMBERS PRESENT INCLUDED:

Pam Higgins	MAP	Steve Troendle	USDA/RD
Karen Sanchez	USDA/RD	Janet Held	USDA/RD
Matt Jones	USDA/RD	Anna Miller	DNRC
Zach Owen	DNRC/RRGL	Alice Stanley	DNRC/RDB
Pam Smith	DNRC/RRGL	Diana Hoy	DNRC
Rick Duncan	DNRC	Jay Sinnott	EPA
Bob Fischer	DNRC/RRGL	Barbara Burkland	EPA
Dan Kramer	MRWS	Jake Crosby	EPA
Todd Rydquist	IHS	Gus Byrom	DOC/CDBG
John Weikel	MRWS	Kali Wicks	DOC/QS
Jennifer Olsen(phone)	DOC	Louise Welch(phone)	DOC/InterCap
Kate Miller(phone)	DOC	Brianne Dugan	SEN. BAUCUS
Major Robinson	Redstone Consulting		

CALL TO ORDER, SIGN-IN SHEET, AGENDA CHANGES

Pam Smith, Chair, called the scheduled meeting of the Water, Wastewater, and Solid Waste Action Coordinating Team (W₂ASACT) to order at 10:10 a.m. on August 9, 2011. A sign-in sheet, agenda, and minutes of the last meeting were made available to those in attendance. Gus Byrom moved to approve the minutes; Anna Miller seconded the motion; the minutes were approved and adopted.

GUEST SPEAKER, Matthew Jones, USDA Rural Development, Montana

Matt updated the group about Rural Development and federal funding issues.

This year RD funded close to what was usual, pre-recovery act. House approps keeps funding about the same. Proposed to reduce admin budget 22%. Will mean significant changes. If program funding remains the same and staffing cut.

He explained the Congressional “super committee” that is currently being appointed will determine what changes to the federal budget will be made. Rural Development may go through changes based on the recommendations of that committee. There is a lot of recognition in Congress of the need for water and wastewater programs.

Matt also suggested to the group that an “outreach committee” be formed as part of WASACT. This group’s focus would be to educate people as to the value of public infrastructure and what would the cost be to a community without the funding agencies.

Discussion was held as to how best to accomplish this. All of the following were suggested: Op Ed pieces in the newspapers, radio spots, brochures mailed in water/wastewater bills, work with the Chamber of

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Commerce, civil service clubs, etc... convey to the public that dollars invested in infrastructure translates to jobs.

Pam said that she would send out email and ask who would like to be on the outreach committee. Every agency does not necessarily have to sit on the committee.

Major Robinson added that it is very important that the tribes be included in outreach. Tribes are not always aware of funding opportunities.

ITEMS FOR REVIEW AND DISCUSSION
UPDATES FROM SUBCOMMITTEES

WORKSHOPS - Bob Fischer- Fall workshop dates are as follows: October 6th at the Billings Hilton Garden Inn, hosted by Commerce; October 11th at the Helena Colonial Hotel, hosted by SRF; October 20th at the Holiday Inn in Missoula, hosted by RRGL. He said that the committee would meet in the next couple of weeks to put together an agenda for the workshops.

UNIFORM APPLICATION/STANDARD DOCUMENTS – Gus gave the report on behalf of Kate Miller. There are no changes to the outline and very minor changes are being made to the application.

Discussion was held on the cost of preliminary engineering reports and the committee's report at the last meeting. Bob Fischer said that no changes will be made in the requirements of the Uniform Application based on the findings of the committee. It was stated that communities can minimize the cost of the PER by gathering and putting together a lot of the information needed by themselves, instead of paying an engineering firm to do it.

Pam reported that the DNRC, Dept. of Agriculture and DOC are currently purchasing a grant management database. The Uniform Application should be available in the next grant cycle for the May 15, 2012 deadline.

INTERNET WEBSITE – Pam Smith: told the group to make sure to report any broken links or any updates that need to be made. Email Pam with these for right now because Lindsay is on maternity leave for the next few months.

INCOME SURVEY – committee has not met. There were no updates. Steve Troendle was appointed chairman to coordinate the committee. Steve will schedule a meeting before the next W2ASACT meeting. Steve did tell the group that their agency has found an error rate in the income data from the Census Bureau, of up to 40% in smaller communities.

PICNIC COMMITTEE – The Picnic/Party committee (Zach Owen and Anna Miller) told the group that a gathering will be held after the next meeting, October 4th. Zach will let folks know where we will meet after the meeting. We may need to change the time of the meeting.

UPDATES ON ONGOING TOPICS

EMERGENCY GRANTS - Bob Fischer and Richard Knatterud:

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Bob Fischer – Bob has heard very little from communities with emergency public infrastructure problems. He heard from Denton and Stanford because their lagoons experienced issues with high groundwater and flooding.

He asked Brianne Dugan if FEMA has a list of funding requests to their agency. Brianne will check and get back to Bob.

TRIBAL ISSUES - General Discussion.

Discussion was held on the town of Poplar. Their water supply is being threatened by a contamination plume from the oil fields. The city has a RD grant/loan package. They have completed a distribution and storage project and are currently out to bid for a test well. Poplar is set to hook up to Regional Water in November of 2011. Poplar wants to keep their options open and have a potential new source of water should the Regional System not be ready by November.

Major Robinson reported that a water project on the Northern Cheyenne reservation is currently under construction. A new water line between the town of Lame Deer west to Muddy Cluster is being constructed. This will supply about 70 households on the reservation. Currently about half of those households have wells that are either dried up or are contaminated. This project is having a major positive impact on the reservation. Rural Development has awarded this project about \$6.2 million in funds. Bids came in low enough that over \$1 million of the Rural Development grant was recinded. He specifically thanked Pam Higgins and the MAP program for their assistance in organizing this project.

Gus reported that the engineering contract for wastewater system improvements for the town of Lodge Grass has been approved by Rural Development. Conference calls are held every Friday morning on this project.

Browning's water project is almost complete. The tank is under construction. East Glacier is set to hook into the system, but need substantial flushing and cleaning of their current system before they hook in.

REGIONAL WATER – Rick Duncan-DNRC Regional Water Systems Update

Fort Peck- Dry Prairie

Final phase of the Fort Peck Tribes' regional water treatment plant (WTP) continues on schedule for completion in August 2011.

Photos are available at <http://fortpecktribesmni.org/water-treatment-plant.htm> .

The ceremony for ribbon-cutting and WTP dedication previously scheduled for Friday, September 2nd has been postponed to a date to be determined in late September or early October. Flooding on the Missouri this spring and summer resulted in delays in construction of the raw water supply pipeline from the intake facility on the Missouri to the WTP. If anyone is planning to attend, please be sure to notify the Tribes. DNRC will provide contact info.

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As stated in previous reports, the WTP-to-Poplar pipeline segment has been bid, and was awarded last fall. The contractor has taken delivery of pipe line materials, with segments being staged. Construction is currently under way, with an estimated completion date of November 2011.

For on-reservation pipeline segments currently under design, engineer's estimates are as follows: \$5.8 million for the WTP-to-Wolf Point main project, and is scheduled for bidding this spring; \$9 million for the Wolf-Point-to-Frazer main segment; and \$3.1 million for area service lines between Wolf Point and Poplar. The first two of those three segments are currently out for bid.

Dry Prairie contractors are concluding construction on the North Bainville and Valley County Phase 2 segments. Construction on the North Bainville project pipelines is 100% complete, with service connections (meter vaults, etc.) and disinfection of portions of the pipeline remaining to be completed. Disinfection is approximately 45% complete. The segment could be in service by September 1, 2011.

Dry Prairie was approved for a Treasure State Endowment Regional Water System (TSRWS) grant for East Medicine Lake Phase 1A, in the amount of \$2.49 million in May. These funds constituted the remaining balance of the \$15 million authorized for regional water system construction funding by the 2009 Legislature. The Authority awarded contracts on bids for a booster pump station and a storage reservoir during July in the near future. The pipeline contract for all of East Medicine Lake Phase 1 is being bid in August. That work will include pipeline for East Medicine Lake Phase 1B, which application for \$720,000+ received in mid-June is in the final review and evaluation stages.

The initial components of a Supervisory Control and Data Acquisition (SCADA) system for Dry Prairie have been designed, and portions have been advertised for bids. Low bid for the first set of components, including a 200+-foot freestanding tower north of Culbertson, came in at about \$100,000 over the engineer's estimate of \$209,000. The decision has been made to award that contract to the low bidder, with revisions of costs possible due to proposed changes in design for the foundation from a 100-yard monolithic concrete slab to 3 larger-diameter boreholes. Updates on progress with SCADA are forthcoming.

Rocky Boy's-North Central

The Chippewa Cree Construction Corporation (CCCC) has finished the first and second 6+-mile-long segments (Segment #1 and #2) of 36-inch steel water main of the Core pipeline to eventually transport water from the regional WTP to Box Elder. Total cost of the two segments was approximately \$17 million. In March, the Bureau of Reclamation awarded the project an additional \$7.67 million in "second round" ARRA funds, with the stipulation that the money be spent on pipeline Segments #1 and #2. Additional funds from the State of Montana and regular annual appropriations from Congress have allowed the CCCC to push the pipeline further east to within a few miles of the future connection with Hill County Water District's supply pipeline which presently runs south to the Marias River below Tiber Dam.

Work has continued on the raw water pumping plant at Tiber Dam, with that part of the work scheduled for completion by September 30, due to ARRA funding. The work completed in 2010 included substructure and foundation, in preparation for building of the superstructure. Block and brick-laying work is effectively complete, and there roof is on the facility, with plans for installing doors during August and September. Pumps will be installed during a later phase. Photos of the progress are available on the website for the system. www.rockyboynorthcentral.com

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The North Central Montana Authority's construction of the Tiber Area pipeline project, which began in mid-October, is nearly complete. The Authority's Executive Committee authorized issuance of a Notice to Proceed, the pre-construction conference took place October 12th in Havre, and construction started shortly afterwards. The low bid came in at more than \$800,000 under the engineer's estimated \$3.4 million. With the exception of approximately 10 days, the contractor worked through the winter. However, a wet spring resulted in numerous delays. Horizontal boring under the Marias River to connect Tiber County Water District and South Chester County WD on an interim basis was completed in May. The project was at 95% completion in mid-July, and there is a good prospect of project completion by August 31, depending. A TSRWS grant for \$2.49 million was approved in May, and grant requirements for partial local match funding are nearly complete.

Evaluation of several construction options under consideration by the Authority's Executive Committee and its consulting engineering firms has resulted in the advancement of a plan to bring an interim supply of water from the City of Conrad -- which receives its water from the Pondera Valley Canal Company (PVCC) -- to Brady Community Water & Sewer District. Design work has been complete, but final confirmation of that plan by the Authority Executive Committee has yet to occur. There are questions about potential funding sources for local share, but Federal dollars will cover 80% of project costs, and a DNRC hardship determination for the District would result in the State of Montana paying three-quarters of the remaining 20%, regardless of timing

Dry-Redwater

The Dry-Redwater Authority received US Bureau of Reclamation funding of \$240,000. In August the total study cost of \$480,000, Dry-Redwater had to commit \$240,000 in matching funds to complete the Feasibility Study.

Authority representatives were informed earlier this year that their authorization bill had been reintroduced a second time in Congress by Senator Baucus. A hearing on May 19th of this year before a Senate Sub-committee went nearly unnoticed by the Authority, due to an error in re-assigning duties of a former DC-based staffer.

With more work to be done on the Feasibility Study for the system, the Authority continues to work with Reclamation. The Authority and its consultants are working towards a February 2012 final submittal date, with review by Reclamation continuing after that.

The amended (April, 2011)by-laws stipulating that the Conservation Districts (CDs) of Garfield, McCone, Richland and Dawson Counties will own the system, and that there will be three representatives selected by each of those 4 CDs on the board of directors has caused further delays. As of the July meeting of the Authority, there were at least two open seats remaining out of the twelve.

On water rights issues, there is an application to the DNRC office in Glasgow, the Authority reps had to list all 532 other senior rights withdrawing from Fort Peck Lake.

Central Montana (Musselshell-Judith project)

The Central Montana Regional Water Authority received study funds from the Bureau of Reclamation in 2010, a maximum of \$200,000 for study costs. The Authority received a determination from Reclamation as to the suitability of a 2007 Draft Appraisal Report (updated to May 2010) as an appraisal

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level study. All of that work was completed, and the final reports and supporting documents were submitted to Reclamation in July.

The Authority applied for Feasibility Study funds from Reclamation through the next round of funding, with applications due in March of this year. The Authority recently learned that their Study proposal had been accepted by Reclamation. Details of that agreement will become available to the public within the next few months

The well field site northwest of Judith Gap has been secured through written agreements with the property owner. A \$300,000 Resource Development Grant combined with some of the federal monies for the next round of studies are now designated for use on the first well to be drilled at the Judith Gap field. The Authority hopes to receive permission from Reclamation to advertise for bids in the near future.

W₂ASACT TRACKING SPREADSHEET- Pam Smith has agreed to maintain the WASACT project tracking spreadsheet. Please get all changes in your agency projects into Pam. She has updated SRF data provided by Anna Miller.

ARMY CORPS OF ENGINEERS/STAG/WRDA

STAG program update - Jay Sinnott, no update

595 program update –Brianne Dugan, Senator Baucus’ office- right now all Army Corps of Engineer 595 grants are considered earmarks. Given the climate in Washington right now, anything considered an earmark will not be funded. A lot depends on the recommendations of the “super committee” that Matt Jones previously referenced. It is probable that there will be another continuing resolution this year.

Brianne will see if she can get a list of projects funded by FEMA this year.

PROGRAM/PROJECT UPDATES

Steve Troendle (RD): The Rural Development program funded about 10 projects this year, including Gallatin Gateway. Gallatin Gateway is an expensive per connection project. The community is applying to CDBG this fall. Midwest Assistance provided a critical income survey.

The town of Sheridan is struggling to put together a funding package. They did not get their TSEP grant and they also did not receive CDBG funding.

Kali Wicks (DOC, Quality Schools): They have 33 projects under contract for 2011. They are now working on 2013 biennium projects. Applications are due by August 19th, 2011. They are expecting about 50 to 60 applications. They funded about 10 public facility projects in the last grant cycle.

Todd Rydquist (Indian Health Service): Todd reported that they are working with Fort Belknap to help them with their new water treatment plant. The plant currently is under an administrative order. It does not meet the disinfection bi-products rule.

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There is question as to who is at fault, the engineer or the contractor. There were a series of problems, both in the design and construction that led to the situation.

One of the problems that this exemplifies is that there is no regulatory oversight for construction on reservations. IHS usually reviews the projects before construction, but in this case, IHS came into the project after construction had started.

Major Robinson said that he feels that tribes should be advised to obtain third party review of the plans and build that into the budget for the project.

MAP currently has an employee living at Fort Belknap to assist them with the re-establishment of their billing and collection system.

Gus Byrum (CDBG): Gus reported that the CDBG program held its workshop for FY11 grants last week. The FY12 grants are due in September 22nd, 2011.

Steve Troendle asked to meet with all funding agencies involved with the town of Brady water system improvements. He would like to be part of the discussion on what option the town will decide upon, either their own stand alone system or hooking up into the regional water system. Rural Development funds are for the least cost alternative. The PER is currently being reviewed by Rural Development.

Gus told the group that the town received both CDBG and TSEP grants. They received those grants based on their application for an upgrade to the water treatment plant. He said that their Department Director will have to make the decision whether Brady could use the funds awarded for the upgraded treatment plant for hooking into the regional water system. The regional water system option has only come about in the last three months.

Pam Higgins (Midwest Assistance Program): Pam reported that federal budget cuts did not affect the MAP program for our region. There were no staff reductions made for now.

Dan Kramer and John Weikel (Montana Rural Water Systems): Dan reported that they are working with a lot of systems right now and are getting ready for new regulations that are coming down. John told the group that their organization did receive cuts from EPA. They lost two positions in the source water protection program. Christy Cline with Farm Service Agency is the only source water protection specialist left.

Anna Miller (DNRC): Anna reported that the SRF program has been busy with projects going to bid and making initial conference phone calls for projects.

There has been a change in policy from the TSEP program that has caused some problems with funding preliminary costs for projects. TSEP will not allow a disbursement until there has been a total commitment of all funds for the project, including debt elections. This leaves communities with having to cover the front end costs of a project to get it going.

The RRGL program has more flexibility and will work with project sponsors to assist them with some of their up front costs.

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Jay Sinnott and Jake Crosby(EPA): Jake reported that he is with the EPA tribal set aside program. They have just committed 2010 grants to Hayes for water system improvements, the Confederated Salish and Kootenai tribes for metering the reservation, the Crow for a UV disinfection system, and Rocky Boy for remote monitoring for leaks.

They are currently selecting the 2011 grantees.

Pam Smith, Zach Owen, Bob Fischer and Alice Stanley- (DNRC/RRGL): The RRGL program received 78 project planning applications for \$1.4 million. They had \$600,000 available in funds. Almost every applicant who received a planning grant, had the amount requested cut back significantly. There will be another funding cycle beginning in September 2011. The planning grant applications to DNRC, are due October 1st 2011. TSEP still has planning grant money available.

We are busy contracting the grants from the 2011 Legislative session.

OTHER ISSUES

No other issues at this time.

NEXT MEETING

The next meeting will be hosted by DNRC October 4th, 2011.

ADJOURNMENT

The meeting adjourned at approximately 2:30 p.m.