

Public Hearing – Sanitary Sewer Improvements Phase 4
December 13, 2021

Mayor Lehman called the public hearing regarding Sanitary Sewer Improvements Phase 4 to order at 6:30pm. Weston Blasius with Banner Associates addressed the proposed project, the proposed finance, and the source of repayments for any loans the city may acquire.

Mr. Blasius explained that replacement and CIPP lining of sanitary sewer main is needed on several streets. The proposed collection system improvements will replace/rehabilitate aging sanitary sewer infrastructure that have reached their useful life or are high maintenance. He explained that inflow/infiltration are a high contributor to the treatment pond capacity, which is reducing the overall hydraulic capacity of the system. Manholes throughout the identified improvements area are scheduled for replacement.

Colton will also be considering improvements to the storm sewer system located on E 6th Street from Park Avenue to Dakota Avenue. This area experiences localized flooding and the existing system does not provide adequate drainage.

The city, along with SECOG's assistance, will be submitting an application to SD Department of Agriculture and Natural Resources (DANR) on January 1, 2022. The application will request funds that will not exceed \$2,609,000.00. The interest rate for the Clean Water SRF Loan is 2.125% for a 30-year term. The financing package, that will be announced in March, could be any combination of loan, grant and/or principal forgiveness. Should the funding package be 100% loan, the annual payments will be around \$117,387. The city expects to make repayment through a project surcharge. If the requested amount is funded at 100% via loan, the projected utility rate impact per user is approximately \$32.93. Any grants or principal forgiveness would reduce the surcharge.

With no further questions the public hearing was called to a close.

Mayor Lehman called regularly scheduled meeting to order with the following members present for roll call: Jensen, Foster, and Nesheim. Madison and Pedersen were both present for city personnel.

Due to lack of a quorum the meeting was adjourned with no city business conducted. A special meeting will be held on December 28, 2021, beginning at 5pm to move on December's business and to close out the year end.

Heather Madison

City Administrator

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