

Update on public water to serve St. Martins. 6/3/22

4/22/22: Met with the Director of The Environment, Bob Mitchell, in Snow Hill. Attended by Bill Killinger and Bill Custead. The following is what we were told:

1. The County has already begun the process with the USDA of applying for a loan/grant combination. They needed approval of the Board of commissioners to complete the application and move forward.
1. Mr. Mitchell told us that soon the Commissioners would approve moving forward with the County's plan to approve water construction and service to St. Martins. The Commissioners approved the project on May 17, 2022, in Snow Hill. Several residents were present.
1. The County is very confident St., Martins will receive some form of loan /grant for the construction, but at this time is not willing to guess as to what that ratio may be.
1. Unlike MDE loans/grants that max out at \$1.5 Million, USDA has no such upper limit.
1. The County is confident that the USDA will offer a 40-year loan term, at hopefully 2 percent.
1. The County expects a draft acceptance/offer letter from USDA 3-4 months after the May 17th approval date. Should be approximately September of this year. The final offer should follow a few months after that. Hopefully by the end of 2022.
1. The County then will contract with the Engineering firm that created the preliminary engineering reports to begin work on creating a set of civil plans, obtaining permits, and prepare a bid package for public solicitation. (Best guess is this will take 6-9 months).
1. Once it is publicly bid, it will take 3-4 months to award the lowest responsive/responsible bidder. Preliminary paperwork, and BOC approval must happen first.
1. Actual construction may begin later in 2023, or early 2024.
1. The Engineer recommended to the County construction of Alternate 4 which they "guestimate" would cost the Community 2.2 million. This price includes engineering, construction, permitting, County inspections, an equity

contribution of \$3,000.00 per EDU, and \$513.00 per EDU for future capitol improvements for such repairs as water meters and fire hydrants. Note: This \$2.2 million financed for 40 years at 2 percent would be 3.2 million, or cost \$55,000.00 per EDU or over \$110.00 per month/\$1,300 per year (not including actual water).

1. It is too early to determine approximate costs to each EDU until the loan/grant ratio is known.

1. We made Mr. Mitchell aware that Alternate 4 held a lot of potential benefits to River Run, Spring Lane, and Dolly Circle, in addition to our Community, and that St. Martins may not be able to finance a "loop" to River Run.