

EXHIBIT 12

CDBG PUBLIC MEETINGS



AGENDA

**PUBLIC HEARING # 1
OCTOBER 8, 2019. 6:00 PM
CITY OF COSHOCTON
WEST LAFAYETTE WATER LINE EXTENSION PROJECT**

- I. INTRODUCTION

- II. DESCRIPTION OF CDBG PROGRAM

- III. STATE CDBG PROGRAMS

- IV. RESIDENTIAL PUBLIC INFRASTRUCTURE GRANT PROGRAM

- V. PROPOSED ACTIVITY

- VI. CITIZENS VIEWS AND COMMENTS

- VII. CONCLUSION



PUBLIC HEARING NO. 1

CDBG RESIDENTIAL PUBLIC INFRASTRUCTURE GRANT PROGRAM

CITY OF COSHOCTON

Date: October 8, 2019
Time: 6:00 p.m.
Location: Kirk Street Events Center
113 South Kirk Street
West Lafayette, Ohio 43845

INTRODUCTIONS

DESCRIPTION

The Community Development Block Grant (CDBG) program is authorized under Title I of the Housing and Community Development Act of 1974 and is administered by the U.S. Department of Housing and Urban Development (HUD). The Office of Community Development, a division of the Ohio Development Services Agency, administers the CDBG program for the state of Ohio.

HUD regulations require that, if a community is applying for CDBG funds, two public hearings must be held: the first to discuss the CDBG program in general and the second to discuss the specific funding program for which the application is being prepared.

NATIONAL OBJECTIVES

- Benefit persons of low to moderate income (at least 51% LMI)
- Prevent or eliminate slum and blight
- Meet an urgent community development need (serious and immediate threat to the health and welfare of the community)

Based on 2011-2015 American Community Survey data, the percentage of Low and Moderate Income Persons for the Village of West Lafayette is 53.48%. Therefore, the Village of West Lafayette meets the National Objective for CDBG funding assistance.

CDBG PROGRAMS

To meet the goals and objective, there are a variety of CDBG programs that will:

1. Create and/or retain jobs for persons of low to moderate income
2. Improve housing and neighborhoods for persons of low to moderate income
3. Upgrade and provide infrastructure for persons of low to moderate income
4. Resolve serious and immediate threats to the health and welfare of the community
5. Revitalize downtowns
6. Implement fair housing programs

Statewide funding levels and goals for the Affordable Housing, Homeless and Supportive Housing, Community and Economic Development, and other programs are summarized in the sections which follow. These funding levels and goals are based upon the PY 2019 Draft Consolidated Plan prepared by the Ohio Development Services Agency, Community Services Division, and Office of Community Development.

Affordable Housing

Community Housing Improvement Program: Community-wide approach to the preservation, improvement, and provision of affordable housing for low and moderate income persons and to help develop local capacity; Approximately \$23.5 million available (including \$8.5 million CDBG and \$15 million HOME).

Housing Development Assistance Program: Support the capacity of housing development organizations and provide financing for eligible housing projects to expand the supply of decent, safe, affordable housing for very low to moderate income person; Approximately \$7.2 million available from HOME Program (\$0 CDBG).

CHDO Competitive Operating Grant Program: Provide limited operating support to organizations to continue affordable housing development and to provide capacity building opportunities for new organizations; Approximately \$150,000 available (\$0 CDBG).

Homeless and Supportive Housing

Homeless Crisis Response Program: Provide services to prevent persons from becoming homeless by homelessness prevention services and assistance; move persons from homelessness to permanent housing by housing placement, emergency shelter, direct housing, and transitional housing; and provide long-term supportive housing to persons with disabilities; Approximately \$5.3 million available from Emergency Solutions Grant (ESG) funds (\$0 CDBG).

Housing Opportunities for Persons with AIDS (HOPWA): Devise long-term, comprehensive strategies for meeting the housing and supportive service needs of persons with AIDS or HIV-related diseases; Approximately \$1.6 million available from federal HOPWA funds (\$0 CDBG).

Community & Economic Development Programs

Community Development Program: Address locally identified needs that are eligible CDBG activities and qualify under the national objective to benefit persons of low to moderate income or to eliminate slum and blight; Approximately \$23 million in CDBG available which includes the Allocation Program and three competitive set-asides; Neighborhood Revitalization Grants, and Critical Infrastructure Grants. Approximately \$11 million of the Community Development Program will be allocated for the Allocation Program, with the remaining allocated to competitive and open-cycle Community Development Programs.

Allocation Program: Non-competitive biennial program for 78 non-entitlement counties and 23 small cities with a population 15,000 or greater and LMI population of at least 15,000 and an LMI population of at least 30%; minimum biennial allocation is \$150,000. Applications were due on June 14, 2019.

Neighborhood Revitalization Grant: Competitive program for public facility improvements in targeted areas; maximum grant, \$750,000. Only Allocation Counties and Direct Cities are eligible to apply. Grant program must include at least three different activities. Applications were due on June 14, 2019.

Critical Infrastructure Grant: Competitive program to assist communities with funding for high priority, single component projects, such as roads and bridge, sidewalks, flood and drainage, water and sanitary sewer; maximum grant \$500,000. Only Allocation Counties and Direct Cities are eligible to apply; however, Counties may apply on behalf of non-direct cities, villages, and unincorporated areas. Applicants are required to submit a Letter of Interest, Open Cycle Application.

Economic Development and Public Infrastructure Program: The Economic Development Program includes Small Business Loans, Off-Site Infrastructure, and Residential Water and Sewer Projects. Approximately \$10 million in CDBG dollars available state-wide for the combined programs (Economic Development and RPIG) for Program Year 2019.

Economic Development Loan and Grant Program: Create and retain permanent, private-sector jobs, principally for low and moderate income persons through the expansion and retention of business and industry. Maximum of \$500,000 for direct loans and off-site infrastructure grants. Open Cycle Application. Applicants required to submit a pre-application.

Residential Public Infrastructure Grant Program: Create safe and sanitary living environment through the provision of safe and reliable drinking water and proper disposal of sanitary waste. Maximum grant assistance: \$750,000 for water and sanitary sewer projects. Applicants required to submit a Letter of Interest. Open Cycle Application.

OTHER PROGRAMS

Target of Opportunity Grant Program: To provide a means to fund worthwhile “targets of opportunity” projects and activities that do not fit within existing program structures, and to

provide supplemental resources to resolve immediate and unforeseen needs. In PY 2019, the Target of Opportunity Grant Program will include the following grants:

- **Economic and Community Development Target of Opportunity**
Grants will fund community and economic development projects that are not eligible or feasible for funding through other state CDBG programs. No maximum grant. Open Cycle Application.
- **Downtown Revitalization Target of Opportunity**
Grants up to \$250,000 will be available to rehabilitate up to three buildings in central business districts that are in substandard condition. Open Cycle Application.
- **New Horizons Fair Housing Assistance Program – Set Aside**
Provides funds to further Fair Housing Programs. \$50,000 CDBG allocated for PY 2019. Maximum grant per jurisdiction is \$15,000. Open Cycle Application.

Total funding for Targets of Opportunity in PY 2019 includes \$2 million from CDBG Program.

Training and Technical Assistance Funds: Provide funds for the state to conduct training and provide technical assistance activities; \$385,000 CDBG available in PY 2019.

CDBG Residential Public Infrastructure Grant Program

Maximum Grant: \$750,000 for public infrastructure, includes up to \$100,000 to assist qualifying homeowners with connections and abandonment of septic systems.

Deadline: Open cycle

Leveraging Ratio: 1:1 minimum

Low to Moderate Income: 51% minimum

Water and Sewer Rates: Combined user fees 2% of median income or \$60.00/month, whichever is less

Requirements: Address public health and safety issues
Financial capacity and system sustainability
Letter of Interest submitted

Proposed Project: Waterline Extension Project (Coshocton to West Lafayette)

Schedule: Submit CDBG application in November 2019 after Ohio EPA Plan Approval is received

Estimated Total Project Cost: \$7,403,000 (\$2,772,000 for improvements in West Lafayette)

| | | |
|----------------------|---------------------------------|--------------------|
| Local Funds | Ohio EPA Loan | \$3,403,000 |
| State Funds | Ohio EPA Principal Forgiveness | \$3,000,000 |
| Federal Funds | CDBG RPIG Grant | \$750,000 |
| Federal Funds | Appalachian Regional Commission | <u>\$250,000</u> |
| Total | | \$7,403,000 |

A second public hearing for the grant application will be held before the CDBG application is submitted to the state.

CITIZENS VIEWS AND COMMENTS

Any comments will be responded to in writing within 15 days of receipt. Copies of comments and responses will be on file at Coshocton City Hall and at the Ohio Mid-Eastern Governments Association (OMEGA).

Comments should be addressed to:

Alan Knapp
ARC Program Manager
Ohio Mid-Eastern Governments Association
326 Highland Avenue, Suite B
Cambridge, OH 43725
(740) 439-4471, ext. 211
alank@omegadistrict.org



AGENDA
PUBLIC HEARING NO. 2
CDBG RESIDENTIAL PUBLIC INFRASTRUCTURE GRANT PROGRAM
CITY OF COSHOCTON

Date: **November 6, 2019**
Time: **6:00 p.m.**
Location: **Kirk Street Events Center**
113 South Kirk Street
West Lafayette, OH 43845

- Introduction
- Need for Project
- Review of Alternatives
- Review of Proposed Project
- Schedule
- Environmental Review
- Public Comments

INTRODUCTION

This is the second public hearing for the City of Coshocton's grant application for CDBG Residential Public Infrastructure Grant (RPIG) for the West Lafayette Waterline Extension Project. The first public hearing was held on October 8, 2019 at the Kirk Street Events Center in West Lafayette and provided citizens with information about the CDBG Program. This public hearing will provide additional information to the public about the proposed CDBG Project.

NEED FOR PROJECT

The aquifer that supplies drinking water to the West Lafayette wellfield is susceptible to contamination. This determination was made because of the following reasons: The sand and gravel aquifer has a depth to water of approximately 40 feet below the ground surface; The sand and gravel aquifer material is continuous to the surface and is very sandy; A water quality evaluation indicates that volatile organic compounds (VOCs) have been detected in both the raw and treated water, implying that a pathway exists from the ground surface to the aquifer; A documented VOC plume exists immediately to the southeast and downgradient of the wellfield; and Potential significant contaminant sources exist within the protection area. Water quality data collected to meet public water supply requirements provide a direct measurement for the presence of contamination in drinking water. Water quality data were evaluated using the drinking water compliance database available at the Ohio EPA. The available data indicate the presence of several volatile organic compounds in the aquifer at West Lafayette's wellfield. Results of this sampling indicate that from 1991 through 2000, vinyl chloride has been consistently detected in both raw and treated samples ranging from 0.50 µg/L to 2.18 µg/L. This determination is limited by the sampling that is performed for the water system. The Maximum Contaminant Level (MCL) for vinyl chloride is 2 µg/L. A documented contaminant plume consisting of trichloroethylene and its breakdown products exists immediately southeast of West Lafayette's wellfield. Vinyl chloride is a breakdown product of trichloroethylene.

The project will connect City of Coshocton waterline service to West Lafayette, resulting in a lower water rate for West Lafayette customers, eliminating the concern of treating the contamination plume near the West Lafayette well field, and providing a higher water quality than currently being provided. West Lafayette residents will benefit from lower water rates and Coshocton will benefit from additional water revenue. In addition to the waterline connection between Coshocton and West Lafayette, some waterlines in West Lafayette that are undersized will be replaced as they are causing low pressures. The transmission line that the project hinges on runs through areas not shown to be LMI, but the vast majority of beneficiaries are in the Village of West Lafayette where the LMI is 53.4%.

Coshocton water treatment plant is rated to deliver up to 15 million gallons per day (MGD) of water and is currently producing an average of 3 million gallons per day. The Coshocton water treatment plant utilizes a lime softening process to lower the hardness from its groundwater supply. The treatment process includes softening, stabilization (recarbonation), filtration, disinfection, and fluoridation of the City's well water supply. The County Home Booster Station supplies water to the northeast area of the City and pumps from Hardscrabble Reservoir. The booster station has one pump with a capacity of 150 GPM and two pumps with a capacity of 650 GPM. The Hardscrabble Reservoir has a capacity of 3,000,000 gallons with an overflow elevation at 1008.

REVIEW OF ALTERNATIVES

Alternatives for this project are described in the Preliminary Engineering Report for the West Lafayette Waterline Extension Project prepared in February 2019 by Engineering Associates, Inc. The report reviewed the two major alternatives for providing potable water for the residents of West Lafayette. The “No Action” alternative would not solve the problem with the contamination plume and the threat to the drinking water supply for the residents and businesses of West Lafayette. Therefore, the no action alternative is unacceptable.

Alternative #1 consists of upgrading the existing West Lafayette Water Treatment Plant. The treatment plant process currently consists of the removal of iron and manganese by oxidation and manganese greensand pressure filters, disinfection and corrosion control by phosphate addition. The existing treatment plant has adequate capacity, so only upgrades to the treatment would be required, and plant expansion would not be necessary. The estimated cost of this alternative is approximately \$2,000,000, but it does not address existing undersized waterlines in West Lafayette, nor would it provide any public water to unserved households and businesses in Tuscarawas or Lafayette Townships, some of which have poor quality water wells.

Alternative #2 consists of extending the City of Coshocton water system to the Village of West Lafayette with water meeting Ohio EPA requirements. This alternative requires the construction of a water supply line approximately 22,100 linear feet from the City of Coshocton eastward to the Village of West Lafayette along County Road 16. The city will provide water to the village, and the village’s existing water wells and water treatment plant will be abandoned. This alternative also includes serving residents and businesses along the waterline route in the townships with public water. In addition, the alternative includes replacing undersized waterlines in the village to improve water pressure and fire protection. The estimated cost of this alternative is approximately \$7,421,500.

Although the cost of Alternative #2 is significantly higher than Alternative #1, it is still the preferred alternative recommended by the project engineer. The City of Coshocton was able to obtain an Ohio EPA loan and principle forgiveness for most of the project costs, and are applying for additional grants, including the CDBG RPIG grant. The alternative meets a high priority of the Ohio EPA, to regionalize water systems in Ohio. The project will not increase water rates for residents and businesses in West Lafayette, which would have needed to borrow \$2,000,000 to upgrade its water plant. The project will also improve water pressure and water quality for residents and businesses in West Lafayette, and also serve residents and businesses in the township who have poor quality water wells.

REVIEW OF PROPOSED PROJECT

Activities include laying a waterline to connect West Lafayette to Coshocton (estimated 22,100 feet of 12" main), abandoning West Lafayette three source water wells to resolve the VOC plume threat, adding approximately 108 new customers between Coshocton and West Lafayette, some of which have contaminated private drinking wells, replacing undersized water mains to address flow and pressure troubles (13,000 feet of 4" main with 8" main) and installing 900 new water meters in West Lafayette. The City of Coshocton and the Village of West Lafayette have agreed to regionalize their systems with the City of Coshocton assuming ownership of the Village’s water utility assets. The agreement was executed by the Village and City 2019. The expected activation date of the connection of the systems in January 2021.

The estimated total cost of the Waterline Extension Project is approximately \$7,403,000, including \$2,772,000 for improvements inside West Lafayette. Funding Sources are as follows:

| <u>Source</u> | <u>Type</u> | <u>Status</u> | <u>Amount</u> |
|---------------|-------------|--------------------------------|--------------------|
| CDBG RPIG | Grant | Application submitted Nov. '19 | \$750,000 |
| ARC | Grant | Application submitted Nov. '19 | \$250,000 |
| Ohio EPA | Loan | Approved | \$3,069,000 |
| Ohio EPA | Grant | Approved | <u>\$3,352,500</u> |
| Total | | | \$7,421,500 |

SCHEDULE

| <u>Activity</u> | <u>Date</u> |
|---|----------------|
| City submits plans and specs to Ohio EPA | September 2019 |
| Ohio EPA approves Permit to Install | October 2019 |
| City Submits RPIG and ARC grant applications* | November 2019 |
| Start Environmental Review Record (RCAP) | October 2019 |
| Complete Environmental Review Record | January 2020 |
| Publish Request for Release of Funds | January 2020 |
| Advertisement for Bids Published | January 2020 |
| Construction Bids Opened | February 2020 |
| Village Requests Ohio EPA Loan | March 2020 |
| Construction Contract Awarded** | April 2020 |
| Construction Starts | May 2020 |
| Construction Complete | January 2021 |
| All Grant Funds Drawn Down | March 2021 |
| Final Performance Report | April 2021 |

*CDBG RPIG grant application cannot be submitted until Ohio EPA approves Permit to Install for project

**The construction contract cannot be awarded until the Release of Funds is issued by the Ohio Development Services Agency for the CDBG RPIG grant.

ENVIRONMENTAL REVIEW

An environmental review record is required for every CDBG grant project. This review and the resulting findings and notices ensure that the construction of the project will not have an adverse effect on the environment. There are several different types of findings for CDBG projects, related to type and extent of the project. A Finding of Exemption from the ERR requirements can be made for non-construction projects, such as administration, planning or equipment purchases. A Finding of Categorical Exclusion can be made for construction projects that do not involve disturbing “greenfield” sites or areas not previously constructed upon, such as the replacement or repair of existing public infrastructure. A Finding of No Significant Impact on the Environment (FONSI) can be made for construction projects that will affect previously undisturbed areas, following the completion of an Environmental Assessment.

The proposed CDBG RPIG project in Coshocton County will require the preparation of a Statutory Checklist, and an Environmental Assessment. The construction project will involve the construction of new waterlines and replacement of existing waterlines. After the checklist and assessment are completed, a Finding of No Significant Impact on the Environment and a Notice of Intent to Request a Release of Funds must be published in the local newspaper to inform the public of the finding and allow citizens an opportunity to comment. After the fifteen-day comment period, the Mayor will sign a Request for Release of Funds (RROF) and Certification Form and submit it to the state. Once the state receives the signed form, there is an additional fifteen-day comment period, following which the state can grant environmental clearance for the project, and it can then commence.

The Ohio Rural Community Assistance Program (RCAP) will assist the City with the preparation of the environmental review record, including the Statutory Checklist, Environmental Assessment, newspaper notice and RROF form. RCAP has already started the process and will complete it within two months. The City will have environmental clearance from the state to proceed with the project by the time the project is ready to be advertised for bids following approval of the CDBG RPIG grant from the state.

CITIZENS VIEWS AND COMMENTS

Any comments will be responded to in writing within 15 days of receipt. Copies of comments and responses will be on file at the Municipal Building and at the Ohio Mid-Eastern Governments Association (OMEGA).

Comments should be addressed to:

Alan Knapp
ARC Program Manager
Ohio Mid-Eastern Governments Association
326 Highland Avenue, Suite B
Cambridge, OH 43725
(740) 439-4471, ext. 211
alank@omegadistrict.org

