City of Saluda
Board of Commissioners

Public Hearing Meeting
USDA Loan Applicaiton
August 29, 2016 6:30pm

The Saluda Board of Commissioners met in the upstairs conference room at the Saluda Public Library for a public hearing to receive comments on the intent to file a USDA Loan Application funding the City of Saluda 20-year Capital Improvement Plan (CIP).

Mayor Baisden called the hearing to order at 6:30 PM.

Attendance was taken, and present were: **Mayor Baisden, Commissioner Walker, Commissioner Ashburn, Commissioner Morgan, Commissioner Oxtoby, City Manager Jon Cannon, and City Clerk Tola Ellis.**

City Manager Jon Cannon presented the USDA Loan financial figures prepared by Finance Officer Julie Osteen. The final costs will be $1,910,668.00, which is the official number submitted by Jonathan Hollifield of Watermark Engineering and the amount that will be presented for the loan. Interest rate will be 3.125%, slightly more than originally anticipated. Mayor Baisden asked about the next steps in the loan process and Mr. Cannon clarified that next steps include approval of the minutes from this Public Hearing and then all paperwork can be submitted. The final packet will total around 600 pages. Then, once the final terms are received, the Board can move to accept the loan at a regular Board of Commissioners meeting. Mr. Cannon went on to confirm that all projects in the CIP, as well as the addendums, will be included, except for the Dip Station. This project alone would have cost over $481,000.00 and increased the complexity of the environmental report required for the loan. The exact details of the CIP and the USDA loan figures can be read at City Hall.

Commissioner Ashburn asked how long it takes before we hear back and Mr. Cannon replied that it may take around 3 months before approval, at which point the engineering work will begin. Then, it may take another 7-9 months before the engineering work is completed and the constructions bids are allowed to be released. Mr. Hollifield has reassured Mr. Cannon that this timeframe is attainable. Mr. Cannon further stated that this presented a challenge in that Jonathan Hollified would have to start on the projects for a period of 7-9 months before the

funds from the loan will be released in order to pay him. Mr. Cannon proposes that the City consider an affordable monthly payment for Mr. Hollifield until the loan money is released. Commissioner Ashburn then asked about the chances of actually receiving the loan. Mr. Cannon said that the USDA representative felt confident that as long as there was money available, we will receive the loan.

No public comments were heard.

Mr. Baisden asked if the Laurel Drive Lift Station repair work is included for reimbursement in the USDA loan. Mr. Cannon then provided an update to the Laurel Drive Lift Station saying that Dillard Excavation has received their notice of award and are willing to make the changes requested at the corner of Ozone Drive and Laurel Drive. After some discussions with Dillard and RiverStreet, $10,000.00-$11,000.00 will be saved with RiverStreet agreeing to the boring underneath.

Mr. Cannon also informed the Board that the state inspection of the water system went very well. Discussion ensued over the previous water system, how new water lines and infrastructures work and current meters.

No other public comments were heard.

Commissioner Morgan made a motion to adjourn the public hearing. Commissioner Walker seconded motion and all were in favor.

Meeting adjourned.

Respectfully submitted by Tola Ellis, City Clerk. Adopted this 12th day of September, 2016.

Fred H. Baisden, Mayor

Tola Ellis, City Clerk