

No: 25-  
Date: January 8, 2025

RESOLUTION  
OF THE CITY COUNCIL  
CITY OF SANDPOINT

**TITLE: DIRECTING SUBMISSION OF A LETTER OF INTEREST (LOI) TO IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY FOR FUTURE FUNDING OF WWTP REPLACEMENT**

WHEREAS: The City of Sandpoint owns and operates one wastewater treatment plant, which discharges into the Pend Oreille River;

WHEREAS: Portions of this plant date back to the 1940s, with many components now obsolete, deteriorated, or undersized, making operations difficult, where, although operators generally maintain treated water quality that meets discharge requirements, potential component failures could lead to excess pollutant discharge;

WHEREAS: Reconstructing this plant is a high priority for the City;

WHEREAS: In 2019, the City adopted a Wastewater Facility Plan, outlining the need for a new facility with a capacity of approximately 10.7 million gallons per day (mgd), estimated to cost over \$60 million, where this Plan, along with the 2023 Wastewater Collection Evaluation Plan, comprehensively assessed the performance of the existing collection system and informed the revenue requirements for the utility rate study;

WHEREAS: To finance this project, the City plans to leverage multiple funding sources, including a recent increase in wastewater utility rates, which marked an initial step toward securing funds, as well as a mix of additional funding sources, such as loans and bonds, and actively pursuing grant funding to minimize the burden on ratepayers;

WHEREAS: One potential funding source is the State Revolving Loan Fund (SRF), administered by the Idaho Department of Environmental Quality (DEQ), offering 20-year loans at below-market rates, potentially covering 100% of drinking water and wastewater facility improvement project costs, to include planning, design, and construction; and

WHEREAS: DEQ opens the opportunity to submit a Letter of Interest (LOI) for this funding at the beginning of each year, with this year's deadline for LOI submission set for January 10, 2025.

NOW, THEREFORE, BE IT RESOLVED THAT: City staff is hereby directed, on or before the prescribed deadline, to submit a Letter of Interest to the Idaho Department of Environmental Quality for funding from the State Revolving Loan Fund for the purpose of funding improvements to the City's wastewater treatment plant.

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Jeremy Grimm, Mayor

ATTEST:

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Melissa Ward, City Clerk