

July 19, 2007

Brian J. Foster
BG Consultants, Inc.
2508 W. 15th Ave.
Emporia, KS 66801

Dear Mr. Foster,

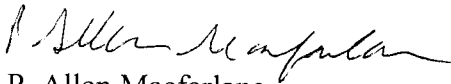
I have reviewed the proposed project to construct a new water tower and make waterline improvements for the City of Olpe, Kansas.

Based on the documents attached to your request, it does not appear that there are any potential geologic hazards worth noting that might impact this project.

The above discussion represents our best assessment based on the information that the Kansas Geological Survey has about this locality and/or proposed project at the time of this writing. Other geologic conditions, not discussed herein, or for which the Kansas Geological Survey has no knowledge, may affect the viability or safe operation of this facility or property. The information provided in this letter is from regional or countywide studies and should not be used as a substitute for detailed site characterization by a licensed geologist or engineer. It is the responsibility of the applicant to provide any required site characterizations.

If you have questions please do not hesitate to contact me at my office (785 – 864-2068).

Sincerely yours,



P. Allen Macfarlane

AGENCY REVIEW TRANSMITTAL FORM

Comments by: _____

Transmittal Date _____

PROJECT TITLE: _____

Notification of Int

Preapplication

CONTACT PERSON: _____

Final Application

Direct Development

This form provides notification and the opportunity for your agency to review and comment on this proposed project as required by Executive Order 12372. Please complete Parts II & III as appropriate. Your prompt response will be appreciated.

RETURN TO: _____

PART I

REVIEW AGENCIES/COMMISSIONS

☐ Aging	☐ Education	☐ State Forester,
☐ Agriculture - DWR	☒ Geological Survey, KS	☐ Transportation
☐ Biological Survey, KS	☐ Health & Environment	☐ Water Office, KS
☐ Conservation Comm.	☐ Historical Society	☐ Wildlife & Park
☐ Corporation Comm.	☐ Human Resources	_____
☐ Commerce	☐ Social & Rehab. Serv.	_____

PART II (To be completed by review agency and returned to contact person)

AGENCY REVIEW COMMENTS

COMMENTS:

See attached

PART III (To be completed by review agency and returned to contact person)

RECOMMENDED ACTION COMMENTS

☒ Clearance of the project should be granted.	☐ Clearance of the project should not be delayed but the Applicant should (in the final application) address
☐ Clearance of the project should not be granted.	☐ clarify the questions or concerns indicated above.
☐ Clearance of the project should be delayed until the issues or questions have been clarified	☐ Request the opportunity to review final application prior to submission to the federal funding agency

☐ Request a State Process

Recommendation in concurrence with above comments.

DIVISIONS/AGENCY/COMMISSION

Reviewer's Name *Pr Allen Macfarlane KG*

Date *7/19/07*

July 13, 2007

Kansas Geological Survey
University of Kansas
1930 Constant Ave.-Campus West
Lawrence, KS 66047-3726

RE: Environmental Review – Olpe, KS – Water System Improvements

Dear Sirs:

The City will be applying for a Rural Development Loan of approximately \$1,237,500 and a Rural Development Grant of approximately \$1,012,500 from the United States Department of Agriculture along with a \$400,000 Department of Commerce Block Grant to upgrade the City's water distribution system. The waterline improvements will be situated within City right of way. A new tower is proposed to be constructed in the north portion of the Olpe City Park.

The improvements will be in the City of Olpe located in Section 34 & 35, Township 20S, Range 11E, and in Section 2, Township 21S, Range 11E, Lyon County, Kansas.

I am attaching the Explanation of Alternatives and an aerial map of the proposed line replacement.

Please submit you response to BG Consultants, Inc., 2508 W. 15th Avenue, Emporia KS 66801.

Please contact me at (620) 343-7842 with any questions you might have.

Sincerely,



Brian J. Foster, E.I.T.

Enc.



Also

Lawrence, Ks. • Hutchinson, Ks. • Manhattan, Ks.

SECTION 1

INTRODUCTION

1.1 REPORT OBJECTIVE

This study has been prepared for the purpose of planning improvements to the water distribution system currently serving the City of Olpe, Kansas. This study provides an analysis of the various components of the system, including supply, quality, storage, and distribution. An evaluation of the condition and capabilities of the distribution system under all potential flow conditions is included. This study will provide a program of capital improvements and upgrades considered necessary

1.2 EXECUTIVE SUMMARY

OVERVIEW: The study was conducted at the request of the City. The City is concerned about the reliability and service of their existing water distribution system. There is a possible public health concern due to the old asbestos cement waterlines throughout the City. There are also areas of the City that experience lower than recommended pressures

ALTERNATIVES: Several possible alternatives were examined and were discussed with the City. A summary of the alternatives is listed below

- **NO ACTION** – This is determined to be not an option due to the unreasonable response regarding public health and low water pressures in the northwest quadrant of the City.
- **WATERLINE REPLACEMENT ONLY** – Along with waterlines being forty five years old, the elevated storage tank has the same age and is in need of repairs. In general the City's pressure service range is lower than our recommend range, repairing the existing storage tank would not elevate this problem.
- **ELEVATED STORAGE TANK REPLACEMENT ONLY** – Due to the elevation of the proposed storage tank, pressures throughout town would increase and line improvements would be recommended in order to have a reliable distribution system.
- **WATERLINE & ELEVATED STORAGE TANK REPLACEMENT** – This is the recommended project. The City will have a reliable water system for current and future city residents.

RECOMMENDATIONS: It is recommended that the City of Olpe replace the aging asbestos water mains and replace the elevated storage tank with one that provides additional storage and increase the service pressure of the entire system. It is recommended that approximately 25,000 linear feet of waterline replacement be constructed. It is also recommended that a new water tower be constructed at a higher overflow elevation with supply pump upgrades at the same time. These upgrades are necessary to provide a reliable potable water distribution system to the citizens of Olpe.

The opinion of probable cost for the proposed project is \$2,650,000. A detailed cost description is located at the end of Section 6.

FUNDING: There are several different funding options available to the City of Olpe. The following is a brief description with the deadlines associated with each funding option.

- Community Block Development Grant (CDBG) – This grant program is a competitive program with a maximum possible grant of \$400,000. The City must attend a KIAC meeting before submitting for the grant. All grant applications must be submitted by October 15th and funds are awarded in January.
- State Revolving Loan Fund (KDHE-SRF) – This SRF loan is a 20 year loan with an interest rate and service fee of around 4%. Projects are selected for funding in May of each year and are competitive with other Cities.
- Rural Development (RD) – The Rural Development loan is a 40 year loan with an interest rate that may vary from 4%-5% and is competitive with other Cities, Counties, etc. The grants are based on a percentage of the project and will not exceed 75%. The Rural Development funding is from a federal pool of money that is awarded in October of each year.

USER RATES: The increase in consumer water rates will be dependent upon which funding option is obtained. The current water rates for the City of Olpe are as follows:

- RESIDENTIAL USERS: \$16.29 minimum for the first 1,000 gallons of water used, and 4.29 per thousand gallons used thereafter.
- BUSINESS USERS WITH ONE-INCH WATER LINES: \$32.29 minimum for the first 1,000 gallons used, and 4.29 per thousand gallons used thereafter.
- WATER SALESMAN: \$12.00 per 1,000 gallons of water purchased
- OUTSIDE CITY USERS: \$26.79 minimum for the first 1,000 gallons of water used, and \$5.34 per thousand gallons used thereafter

Currently the average user uses approx. 5,000 gallons per month. This would equate to an average monthly water bill of \$33.45

The proposed funding options are as follows with the proposed monthly bill for a 5,000 gallon per month user listed below. A detailed explanation of each option can be found in Section 8.

- CDBG & SRF Loan – With a \$400,000 CDBG grant and a 20 year SRF Loan the proposed monthly water bill for a 5,000 gallon user would be \$89.95.
- USDA Rural Development – With a 45% grant and a 40 year loan the proposed monthly water bill for a 5,000 gallon user would be \$61.70.
- CDBG & USDA Rural Development – With a \$400,000 CDBG grant, a 45% USDA grant, and a 40 year loan the proposed monthly water bill for a 5,000 gallon user would be \$57.45.





LEGEND

- Existing Waterline
- Phase 1 Improvements
- Phase 2 Improvements
- Proposed Water Tower

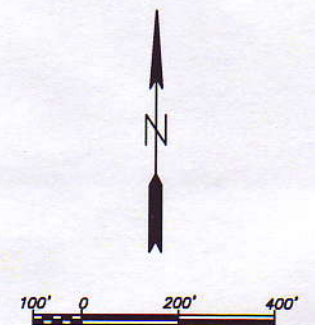


FIGURE 5

CITY OF OLPE
WATERLINE IMPROVEMENTS

