

EXHIBIT 5
DATE 1/13/05
HB 11,6

CITY OF CHOTEAU
TESTIMONY FOR TSEP AND RRGL GRANTS
JOINT LONG-RANGE PLANNING SUBCOMMITTEE
THURSDAY, JANUARY 13, 2005

Dear Committee Members:

Due to the weather, we are not able to attend the hearings. We apologize for missing the opportunity to speak with you in person.

As noted in the introduction, one portion of this project is replacing old cast iron main lines due to leaking excessive amounts of water. When our preliminary engineering report was written in May 2004, we were losing 54% of the water that was pumped. This has increased to approximately 75% in December 2004 (we pumped 13 million gallons, but only 4 million reached our customers).

Our needs are real and they are urgent. Our water system is old and it is failing. Repairs are beyond the scope of routine maintenance. The City is committed to upgrading the water system to continue to provide safe drinking water for our community. Upon securing funding, we plan to finish the engineering design and begin construction later this year.

This project has wide-spread support from our community. Residents realize that our problems are not going to go away and that they need to be addressed. As with many communities across the state, we are grappling with economic development issues. Without sound infrastructure, we will not be able to reach the goals we have established.

While our community members are supporting our proposed project, they are also asking that the City seek funding to reduce the financial impact of the project. In a recent income survey, it was determined that over 52% of our households are low to moderate income. Our water rates are currently above the target rates and without assistance, the increase needed to fund the project would be a burden to these residents.

The City has worked hard in recent years to improve our water and sewer systems. While our rates were at one time very low, they have been steadily increased to begin building reserves and to accomplish improvements. We have recently completed two sewer main rehabilitation projects and we have installed water meters in every home and business. We have identified this project as the highest priority in our capital improvements plan and we ask that you give us your fullest consideration when appropriating funds for the TSEP and RRGL programs.

Thanks you for your time. We appreciate your efforts on this committee and in the legislature.

Sincerely,

Daniel W. Clark
Mayor, City of Choteau