

## Project Description

The proposed project consists of approximately 11,500 linear feet of new 6" waterline along Old Chilhowee Road that will serve approximately 48 homes currently on individual wells. The proposed new line will connect between an existing 6" waterline on Cold Springs Road and an existing 2" waterline on Blair Loop Road. A project map, proposed project budget, and a description of the grant program is attached.

The Community Development Block Grant Program (CDBG) is administered by the Tennessee Department of Economic and Community Development (TNECD) who distributes and administers HUD funds that primarily benefit low to moderate income households. The provision of potable water in rural areas is a primary focus of the grant program. The grants are only available through cities and counties but are often used to finance waterline extensions by utility districts by way of intergovernmental agreements. The maximum grant amount is \$500,000.00. There is a match requirement for grants which are based upon several factors, but for Blount County, it's approximately a 60% Federal, 40% Local match.

The estimated budget for the proposed "Old Chilhowee Road Waterline Extension Project" is \$961,800.00 (please see attached Cost Estimate). TUD is asking that Blount County apply for the grant in an amount not to exceed \$500,000.00. TUD WILL PROVIDE THE REQUIRED MATCH FOR THE PROJECT AND DOES ASURE THE COUNTY THAT THE COUNTY WILL NOT BE RESPONSIBLE FOR ANY COSTS ASSOCIATED WITH THE PROJECT. TUD will also finance all costs associated with the grant application. Representatives from TUD will be presented at the next regularly scheduled meeting of the Budget and Agenda Committee on December 12<sup>th</sup> to answer any questions the Committee may have relative to the project or the grant program.