

EMMONS CITY COUNCIL WORKSHOP

Date: May 8, 2024

Time: 2:00 PM

Purpose: Conference Call with USDA-RD and ISG

IN ATTENDANCE

Mayor: Paul Henschel
Council Members: Imogene Opdahl, Eleanor Bauman, Gary Sorbo,
City Clerk, Lorry Zasada
USDA: Larie Balata; Kyle Bolter
ISG: C.J.Gross

DISCUSSION OVERVIEW

- Search Grant vs PPG Grant – both grants are used to help cities pay for the Preliminary Engineering Report (PER) and Environmental Report required for USDA funding. Both are applied for through RD Apply and ISG will process the application. These reports will include the MPCA Stipulations.
 - Search Grant offers maximum \$30,000
 - PPG Grant offers a maximum of \$60,000 but the city pays 25%.
 - Emmons will apply for the PPG as it will pay overall more than the Search Grant
 - Engineering invoices can be paid prior to applying for the grant and will be reimbursed based on invoices paid.
- Once the ISG has completed the PER and ER a second application will be processed for the overall project costs.
 - City is required to provide 5 years of Finances and Annual Audit reports
 - A Public meeting will be required in 5-6 months to advise the community
 - of the cities intent to file an application with the USDA and request funding
 - address any possible financial and environmental impacts to residents.
 - City may need to pursue interim financing to being the project
 - Must include a notice in the newspaper 10 days in advance of the meeting.
 - USDA application will require an affidavit of the newspaper clipping and minutes of the Public meeting.
- Upon receipt of the applications, USDA will review and approve the PER; provide a letter of condition; perform a legal review; send closing loan instructions; confirm final plans and specs with the State Engineer; Then the project can “go to bid”; finalize contract with grant to loan (financing approvals). If costs are more than the USDA grant can cover, USDA will submit an application for PFA funding for the city. Only once financing is all approved can construction begin. Calculation of loan amount city can afford – project cost = grant needed. If all total amount needed is unavailable, additional amount will come from PFA funding (low

cost loans to cities). First load payment would be due 1 yr after closing of the loan which will have USDA lowest rate at that time.

TEMPORARY TIME LINE (subject to change based on USDA and MPCA review)

May '24 – apply for PPG grant

May-Jun '24 – complete sewer televising

Aug '24 – complete PER

Sep '24 – begin design - requires new contract with ISG for Construction plans and specs

Respectfully submitted by:

Lorry Zasada

Clerk/Treasurer

