



CONSENT AGENDA MEMO

Needs Legal Review: No
Meeting Date: June 16, 2021
Agenda Item: Authorization to Accept Funding Package from USDA Rural Development
Presented By: Jan Brending, Clerk Treasurer

Action Required

Authorization for approval through consent agenda.

Proposed Motion

None unless pulled from consent agenda. If pulled from the consent agenda then proposed motion is as follows:

Move to authorize the Mayor to accept a funding package from USDA Rural Development in the amount of a \$2,333,000 loan for 40 years with an interest rate of 1.75% and a grant in the amount of \$999,000 with a city match of \$150,500.

Explanation of Issue

The City applied to USDA Rural Development for a construction loan for replacing a portion of the city's 14-inch main line with a project cost of \$3,482,500. USDA Rural Development has offered a funding package of a loan in the amount of \$2,333,000 for 40 years with an interest rate of 1.75% and a grant in the amount of \$999,000 with a city match requirement of \$150,500. This project will be constructed next year.

Staff Recommendation

Staff recommends authorizing the Mayor to accept the funding package offered by USDA Rural Development.