

SPECIAL COUNCIL MEETING
Village Hall Council Chambers
7227 Huron Avenue, Lexington, MI 48450

AGENDA

DATE OF MEETING: MONDAY JULY 20, 2020
TYPE OF MEETING: SPECIAL COUNCIL MEETING
TIME OF MEETING: 6:30 P.M.

PLEDGE OF ALLEGIANCE

CALL TO ORDER / SPECIAL COUNCIL MEETING

ROLL CALL BY CLERK

PUBLIC COMMENT

BUSINESS:

ADMINISTRATION Pages 1-7

A. USDA PROJECT

CORRESPONDENCE

PUBLIC COMMENT

COUNCIL PERSON COMMENTS

ADJOURNMENT



Lexington Water Project

Gromak, Paula - RD, Caro, MI <paula.gromak@usda.gov>
To: Holly Tatman <htatmanvillagemgr@gmail.com>

Tue, Jul 14, 2020 at 6:39 AM

Holly,

Hello.

With the new interest rate of 1.125% the grant on the Water project went down to \$1,335,000. The user rates stayed the same, the difference is the lower interest rate. Do you still want to proceed?

The new breakdown is:

Loan: \$3,659,000

Grant: \$1,335,000

Total: \$4,994,000

If you want to proceed then we will issue the Letter of Conditions. .

Please let me know ASAP how you want to proceed on the water project.

If you have any questions or need further assistance, please feel free to contact me.

Sincerely,

Paula Gromak

Area Director | Caro Area Office

United States Department of Agriculture

Rural Development

1075 Cleaver Road | Caro MI 48725

Phone: 989-673-8173 x 120 | TDD: 517-324-5200 | Fax: 855-643-5266

www.rd.usda.gov

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United States Department of Agriculture

Rural Development
Caro Area Office
1075 Cleaver Road
Caro, MI 48723

May 12, 2020

Village of Lexington
Holly Tatman, Village Manager
7227 Huron Avenue
Suite 100
Lexington, MI 48450

htatmanvillagemgr@gmail.com

RE: Village of Lexington Water System Improvements – Revised Eligibility

Dear Ms. Tatman:

We have reviewed your application for funding for the above referenced project. Based on our review, we find the Village of Lexington eligible for funding from USDA - Rural Utilities Service (RUS). We have determined the level of financial assistance for the project is a **loan of \$3,494,000 and grant of \$1,500,000**. The loan term would be **40 years**, proposed at the **poverty interest rate**. If the Village decides not to proceed with the proposed project or there are significant changes to your application, please notify this office immediately.

We anticipate that funding for this project will be available in 1-3 months.

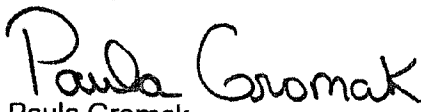
The RUS Bulletin 1780-1 Water and Waste Project Selection Criteria indicates the Village received a project selection criteria score of **100 points** for the project. A copy is attached for your records.

This is not a commitment or approval of any funds from RUS. These terms or amounts could change if the information in the application is revised, updated or if RUS program conditions change. Funds may not be available for one to three months.

You are advised against taking any actions or incurring any obligations, which would either limit the range of alternatives to be considered, or which would have an adverse effect on the environment.

If you have any questions or need further assistance, please feel free to contact me.

Sincerely,


Paula Gromak
Area Director

Caro Area Office | PH: 989-673-8173 | Fax: 855-643-5266 | TDD 517-324-5200

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Cc: Chris Townley – Townley Engineering (email)
Janal Mossett – Kelly Law Firm (email)
Steve Mann – Miller Canfield (email)
State Office, Community Programs (email)

**WATER & WASTE
PROJECT SELECTION CRITERIA**

Name of Applicant : Lexington Village of

Service to be Provided: 2020 Water system improvement

PRIORITIES	POINTS	
Population priorities:		
1. Project primarily serves a rural area equal to or less than 1,000 population.	25	
2. Project primarily serves a rural area between 1,001 and 2,500 population.	15	25
3. Project primarily serves a rural area between 2,501 and 5,500 population.	5	
B. Health priorities		
1. Project alleviates emergency situation, corrects unanticipated diminution or deterioration of a water supply or to meet Safe Drinking Water Act requirements which pertain to a water system.	25	
2. Project to correct inadequacies of a wastewater disposal system or to meet health or sanitary standards which pertain to a wastewater disposal system.	25	25
3. Projects which are required to meet administrative orders issued to correct local, State or Federal violations pertaining to solid waste.	15	
C. Median household income (MHI) priorities.		
1. MHI less than the poverty line if the poverty line is less than 80% of state nonmetropolitan household income (SNMHI).	30	
2. Less than 80% of the SNMHI.	20	20
3. Equal to or more than the poverty line and between 80% & 100% inclusive, of the SNMHI.	15	

D. Other priorities:

- | | | |
|--|----|----|
| 1. Project to merge ownership, management, and operations of smaller systems for more efficient management and economic service. | 15 | |
| 2. Project to enlarge, extend, or otherwise modify existing facilities to serve additional rural residents. | 10 | |
| 3. Applicant is a public body or Indian tribe. | 5 | 5 |
| 4. Amount of other funds committed to project is: | | |
| a. 50% or more | 15 | |
| b. 20-49% | 10 | |
| c. 19% | 5 | |
| 5. Project will serve an Agency identified target area. | 10 | |
| 6. Project will primarily recycle solid waste products thereby limiting the need for solid waste disposal. | 5 | |
| 7. The proposed project will serve an area that has an unreliable quality or supply of drinking water. | 10 | 10 |

E. State Program Director's discretionary points.
 Up to 15 Points may be awarded to projects to improve compatibility/coordination between RUS's and other agencies' selection systems and to assist those projects that are most cost effective and that provides for effective RUS fund utilization.

15

F. SECD Loan

G Total Points.

100

H. Administrator's discretionary points.

State Program Directors should recommend and provide written justification for assignment of Administrator's point under this paragraph.

Christine M. Maxwell

Digitally signed by Christine M. Maxwell
 Date: 2020.05.12 10:40:47 -04'00'

STATE PROGRAM DIRECTOR

Date

Name of Applicant Lexington Village of

Justification for Discretionary Points