



Sewer Report 4-5-2021

- We are currently uploading information electronically for the USDA application

STATUS	ITEM/ACTION
WORKING	Performance Engineering to update costs and sub-phases
WORKING	Enter financial data
COMPLETED	Upload current sewer rates
COMPLETED	Provide project information to Northeast Michigan Council of Governments (NEMCOG) for review and comment (sent 3-22-2021). Provide NEMCOG comments to USDA.
Due April 13th	Final Coordinated Environmental Report
COMPLETED	Publish public notice of intent to apply - Within 60 days of filing applications, upload copies of intent and notice to USDA
WORKING	Obtain Public Health Concern letter from District Health Dept 4

USDA again stated that Phase 2 may have to be divided to receive maximum grant amount. Costs have not been updated for a few years. PE estimates the new cost for all of Phase 2 at \$11M. Discussed division with PE.

I introduced myself to Mr. Steven Mann, Bond Counsel. He confirmed that funds received from additional REUs do not have to be applied to principal.

Completed online training for RD Apply app.

On 3/26 spoke with SEN Stabenow's office to develop support strategy for the application and issue with current USDA grant limitation of \$2 million.

Received calls from USDA, on 3-30/31-2021 who passed on new program "guidance." There is little to no grant money and very little loan money left in this fiscal year until the August nationwide redistribution. USDA wants the smallest projects possible. Discussed application strategies. He discussed naming of the project as "Phase 2" will confuse USDA reviewers and will slow down the review. Grant requirements now need a score of 90 or higher on the application to get a grant. He discussed how to get the most "points" including health department



letter. He further stated that monthly costs for a residential system could affect the commercial system.

- Rename Phase 2 to “**Sewer Improvement Project**” and refer to **EDUs (Equivalent Dowelling Units)** rather than REUs
- Divide the old Phase 2 into sub-phases as follows:
 - **Sewer Improvement Project Phase 1:** North of Indian River, west of S Straits Hwy to north of Mack Ave. (205-210 EDUs)
 - **Sewer Improvement Project Phase 2:** South of Indian River to and include Mack Ave. (205-215 EDUs)
- File first application on April 15, 2021 and second application 30 days later.

Received information from Congressman Bergman’s office on how to submit for earmarks. Deadline is Friday April 9. With only a limited period of time, members of Congress will be taking suggestions on local government projects for investment. Congressionally directed project spending, more commonly known as earmarks, were discontinued several years ago. However, due to rule changes, both parties in the House allow a new version of earmarks to return. Every member of Congress will have the opportunity to rank and submit 10 community funding requests across all subcommittee areas. Each U.S. House member is responsible for identifying their office’s own preliminary process and submission timelines.

- We can prepare an application for the earmark. The application is extremely extensive. Although our chances are remote, we can try. Support letters are required from elected officials and others. We can ask for an 80% earmark (\$15m) from the EPA through this process.

I await guidance from Senator Stabenow’s office on earmarks.