



HOUSE of REPRESENTATIVES

STATE OF MICHIGAN

Appropriations Requests for Legislatively Directed Spending Items

1. The sponsoring representative's first name:
Greg
2. The sponsoring representative's last name:
Alexander
3. The cosponsoring representatives' names. All cosponsors must be listed. If none, please type 'n/a.' A signed letter from the sponsor approving the co-sponsorship and a signed letter from the member wishing to co-sponsor are required. Attach letters at question #9 below.
N/A
4. Name of the entity that the spending item is intended for:
Village of Cass City
5. Physical address of the entity that the spending item is intended for:
6506 Main Street, Cass City, MI 48726
6. If there is not a specific recipient, the intended location of the project or activity:
Village of Cass City Wastewater Treatment Plant, 3998 Doerr Road, Cass City, MI 48726
7. Name of the representative and the district number where the legislatively directed spending item is located:
Greg Alexander, District 98
8. Purpose of the legislatively directed spending item. Please include how it provides a public benefit and why it is an appropriate use of taxpayer funding. Please also demonstrate that the item does not violate Article IV, S 30 of the Michigan Constitution. This project will provide a sustainable and reliable wastewater treatment system that will serve the community for decades to come. The new plant will meet state and federal water quality standards which will protect the environment and local waterways. The project is sustainable through the rates paid by utility customers.

The Cass City Wastewater Treatment Plant does not violate Article IV, S 30 of the

Michigan Constitution, as it would appropriate public money for public infrastructure.

9. Attach documents here if needed:

Attachments added to the end of this file.

10. The amount of state funding requested for the legislatively directed spending item.

1600000

11. Has the legislatively directed spending item previously received any of the following types of funding? Check all that apply.

["Federal"]

12. Please select one of the following groups that describes the entity requesting the legislatively directed spending item:

Local unit government

13. For a non-profit organization, has the organization been operating within Michigan for the preceding 36 months?

Not applicable

14. For a non-profit organization, has the entity had a physical office within Michigan for the preceding 12 months?

Not applicable

15. For a non-profit organization, does the organization have a board of directors?

Not applicable

16. For a non-profit organization, list all the active members on the organization's board of directors and any other officers. If this question is not applicable, please type 'n/a.'

N/A

17. "I certify that neither the sponsoring representative nor the sponsoring representative's staff or immediate family has a direct or indirect pecuniary interest in the legislatively directed spending item."

Yes, this is correct

18. Anticipated start and end dates for the legislatively directed spending item:

Start Date: July 1, 2025 | End Date: September 29, 2027

19. "I hereby certify that all information provided in this request is true and accurate."

Yes

Village of Cass City Wastewater Treatment Plant

Project Scope and Design

Preliminary Treatment Improvements

To improve screening success, it is proposed that the existing screen be replaced in-kind and the existing grinder will be replaced with a 1/2-inch screen.

Primary Clarifier Modifications

Eliminating the primary clarifiers and sizing the secondary treatment process for the additional load will allow for simplified operations, simplified solids handling operation, and limited improvements to the existing anaerobic digester. It is recommended that the clarifier tanks remain in place to function as additional equalization for septage and collection influent flows. While the structure is in overall good condition, spot concrete repair will be needed to mitigate weeping experienced during high flows. Once concrete repairs are made, the tank should be recoated.

Biological Treatment Improvements

It is proposed that the existing RBCs will be decommissioned, and biological treatment be accomplished with extended aeration. The oxidation ditch treatment can treat higher and more variable loading than RBCs, and is less energy consumptive than conventional activated sludge.

The scope of work involved with this project includes the following items:

- ☐ Demolition of the existing sludge drying beds
- ☐ Construction of new sludge drying beds
- ☐ Construction of a concrete oxidation ditch
- ☐ New mixing mechanisms
- ☐ Process piping including lines from the control building, primary clarifiers, and around the ditch
- ☐ Electrical and instrumentation upgrades

The extended aeration basin (oxidation ditch) will be sized to treat the proposed rated average day flow of 0.3 MGD and a max day flow of 1.0 MGD.

Final Clarifier Rehabilitation

The existing final clarifiers are in good shape and will continue to be used. The tank wall will be extended to meet minimum 12-foot height requirement. The internal mechanisms of both Clarifier Nos. 1 and 2 are to be replaced. This includes replacement of existing mechanisms, drives, weirs, baffles, troughs, bridge, and associated equipment. Before installation of anchors and supports, concrete damaged during demolition or showing other cracks should be repaired. Install liner coating to inside of tanks. The grating, bridges, and all handrails are also to be replaced.

Tertiary Filter Building Upgrades

Since the existing tertiary filters are not currently in use, it is recommended that those remain unchanged until they are needed. However, to ensure continued operability the media and underdrains are going to be replaced in-kind.

Outfall

Wastewater effluent will continue to be discharged through the same outfall.

Digestion Improvements

The new WWTP improvements will include replacing the existing anaerobic system with aerobic digestion equipment. The digester tanks are to be emptied to inspect and repair the concrete as needed before being recoated. The solids piping, gas piping, pumps, metering equipment, heat exchange equipment, and associated parts will be removed and replaced with aerobic digestion equipment in the connecting digester building. The gas handling system, including the flare located outside of the building, will also need to be removed or abandoned in place. The digester building will have all windows, doors, and roof replaced.

VILLAGE OF CASS CITY
WASTEWATER TREATMENT PLANT
FUNDING REQUEST

Phase 1 – Control Building, Oxidation Ditch, RAS Pump Building, and Digesters:

item	Cost
Demolition	\$794,600
Concrete	\$1,112,700
Masonry	\$53,800
Metals	\$156,700
Wood, Plastics, and Composites	\$15,100
Building Materials and Finishes	\$290,300
Plumbing and HVAC	\$402,800
Electrical	\$2,111,600
Earthwork and Exterior Improvements	\$519,800
Utilities	\$195,700
Process Integration	\$1,239,600
Process Handling Equipment	\$508,800
Water and Wastewater Equipment	\$531,800
Construction Subtotal	\$7,934,000
Contingency (6%)	\$476,000
GM/CM OH and General Conditions (4%)	\$337,000
General Conditions	\$1,468,000
Construction Contingency (10%)	\$1,055,000
Construction Budget	\$11,270,000
Permits (1.5%)	\$168,000
Bonding (0.75%)	\$84,000
Engineering	\$1,468,000
Project Budget	\$12,990,000

VILLAGE OF CASS CITY
WASTEWATER TREATMENT PLANT
FUNDING REQUEST

Phase 2 – Final Clarifiers and RAS Suction Site Piping

item	Cost
Demolition	\$58,900
Concrete	\$235,400
Metals	\$77,100
Earthwork and Exterior Improvements	\$260,100
Utilities	\$156,300
Process Integration	\$62,100
Water and Wastewater Equipment	\$941,600
Construction Subtotal	\$1,792,000
Contingency (6%)	\$108,000
GM/CM OH (4%)	\$76,000
Contractor General Conditions	\$332,000
Construction Contingency (10%)	\$198,000
Construction Budget	\$2,506,000
Permits (1.5%)	\$39,000
Bonding (0.75%)	\$20,000
Engineering	\$332,000
Project Budget	\$2,897,000

Total Project Cost: \$15,887,000

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
WATER RESOURCES DIVISION
PERMIT FOR CONSTRUCTION OF WASTEWATER SYSTEMS

SITE NAME:	Cass City WWTP
CONTACT NAME:	Dennis McCabe
CONTACT PHONE:	989-798-8836
CONTACT EMAIL:	ccwater@casscity.org
PROJECT COUNTY:	Tuscola

PERMIT NUMBER:	P41005156 v. 1
ISSUED DATE:	March 25, 2025
ISSUED TO:	Village of Cass City WWTP
PROJECT NAME:	Village of Cass City WWTP Improvements
PROJECT LOCATION:	Cass City


APPLICATION SUBMISSION ID: HQ4-6WWJ-WGV3W

REQUIRED NOTIFICATIONS: The permittee shall submit a Construction Startup Notification (just prior to excavation) and a Construction Completion Notification (upon project completion) using the permit schedules in MiEnviro Portal.

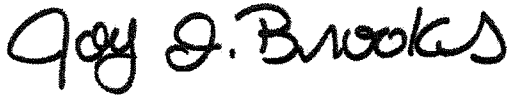
☒ If this box is checked, please see the SPECIAL CONDITIONS on page 2.

**ISSUED UNDER THE AUTHORITY OF THE DIRECTOR OF
THE DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY (EGLE)**

Issued By:


Charles Hill, P.E. Wastewater Engineering Specialist

Reviewed By:


Joy I. Brooks, P.E. Environmental Engineer

cc: Tuscola County Health Department
Amanda Laramie, Fishbeck
Brian VanZee, Fishbeck

GENERAL CONDITIONS

- a. This PERMIT only authorizes the construction, alteration, addition, or improvement of the wastewater system as described herein and is issued solely under the authority of Part 41, Sewerage Systems, of Act 451.
- b. This PERMIT expires two (2) years after the above date of issuance unless construction starts prior to the expiration date in accordance with R 299.2939(2) of the Part 41 Administrative Rules.
- c. Any portion of the herein-described proposed wastewater project constructed prior to the date of issuance is not authorized by this PERMIT and is a violation of Part 41 of Act 451.
- d. No sewer shall be placed into service unless and until the outlet sewer has been constructed, tested, and placed into service.
- e. Failure to meet any condition of this PERMIT or any requirement of Act 451 constitutes a violation of Act 451.
- f. Issuance of this PERMIT does not authorize any violation of federal, state, or local laws or regulations, nor does it obviate the need to obtain other permits or approvals from EGLE or other units of government as required by law.
- g. The applicant must provide notice of impending construction to public utilities and comply with the requirements of the Underground Facility Damage Prevention and Safety Act, PA 174 of 2013, as amended (MISS DIG).
- h. All earth-changing activities must be conducted in accordance with Part 91, Soil Erosion and Sedimentation Control, of Act 451.
- i. All construction activity, including groundwater dewatering, impacting wetlands shall be conducted in accordance with Part 303, Wetlands Protection, of Act 451.
- j. If water withdrawal, via dewatering activities, is associated with this project, authorization under Part 327, Great Lakes Preservation, of Act 451, is required for new or increased large quantity withdrawals over 100,000 gallons per day (70 gallons per minute). A Part 327 permit is required for new or increased large quantity withdrawals over 2,000,000 gallons per day.

SPECIAL CONDITIONS

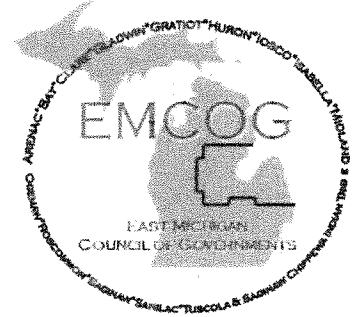
1. The permittee shall obtain a modified NPDES Permit No. MI0022594 to include an authorized discharge of 0.3 MGD prior to placing the upgraded WWTP resulting from this project into service.

PROPOSED WASTEWATER PROJECT DESCRIPTION

A 0.30 MGD rated average facility located on the north bank of the Cass River at the south end of the Village of Cass City. Existing process to remain are the mechanical bar screens, grit removal and washer system, equalization basin, final clarifiers, tertiary filters, sludge drying beds, and chlorine gas disinfection. The existing biological treatment process (RBC)s will be replaced with an extended aeration system (oxidation ditch) and the existing anaerobic digesters will be converted to an aerobic digester and sludge storage tank that are capable of maintaining a Class B biosolid designation.

EAST MICHIGAN COUNCIL OF GOVERNMENTS

3144 DAVENPORT AVENUE, SUITE 200, SAGINAW, MI. 48602
PHONE: 989-797-0800, FAX: 989-797-0896
WWW.EMCOG.ORG



April 9, 2025

The Honorable Representative Greg Alexander
State Representative 98th District
S-1287 House Office Building
P. O. Box 30014
Lansing, MI 48909-7514

Re: FY 2026 State Funding Request – Village of Cass City Wastewater Treatment Plant

Dear Representative Alexander:

On behalf of the East Michigan Council of Government, we respectfully request your consideration of one-time State funding to support the construction of a new wastewater treatment plant for the Village of Cass City. This project is essential to ensuring compliance with environmental regulations, protecting public health, and fostering sustainable growth in our region.

The total estimated cost of the project is \$16 million, and the municipality is seeking \$1.6 million in federal funding to bridge the project's financial gap. Without this critical investment, residents will be subject to a minimum 33% increase in sewer utility rates to cover the cost of necessary upgrades. Cass City has secured funding through a loan and grant administered by the USDA Rural Development, ensuring the project's viability.

Cass City's existing wastewater treatment plant was originally designed for a 30-year operating life, and due to diligent maintenance, it has served the community for 45 years. Despite these efforts, the facility is now beyond its intended lifespan and is increasingly prone to inefficiencies and failures.

The proposed new wastewater treatment plant will:

- Ensure Compliance with Environmental Regulations
- Increase Efficiency in Wastewater Management
- Enhance Public Health and Safety and
- Support Sustainable Growth

As the federally designated sub-state regional clearinghouse for the fourteen-county planning Region under E.O. 12372, EMCOG has identified a variety of infrastructure, workforce, innovation, place-making and economic Development sustainability, and resiliency strategies as part of its long-term Goals, Objectives, and Action Strategies of our 5-year 2021-2025 Comprehensive Economic Development Strategy (CEDS). The CEDS can be found at www.emcog.org.

This project is consistent with the Goals, Strategies and Actions within the CEDS, in particular as it relates to the following:

Infrastructure Goal Strategy 1.4.2:

Ensure the region's waterfront infrastructure meets the needs of residents, businesses, and developers to support healthy downtowns, and attractions.

We appreciate the opportunity to comment as well as offer our support. If we may be of future assistance, please do not hesitate to contact the office at any time.

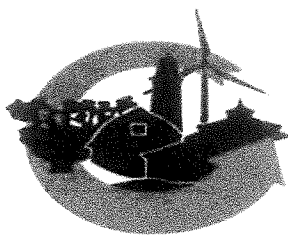
Sincerely,

A handwritten signature in cursive script that reads "Sue Fortune".

Sue Fortune
Executive Director

/sf

Cc: Bill Ernat, Program Manager/Economic & Community Development Programs



TUSCOLA COUNTY ECONOMIC DEVELOPMENT CORP

141 S Almer St, Caro, MI 48723 • (989) 673 - 2849 • www.tuscolacountyedc.org • tkeyes@tuscolaedc.org

State Representative Greg Alexander

Anderson House Office Building
Lansing, Michigan

Re: Community Project Funding Request – Village of Cass City Wastewater Treatment Plant

Dear Representative Alexander,

On behalf of the Tuscola County Economic Development Corporation (EDC), I am writing to express strong support for the Village of Cass City's request for Community Project Funding to assist in the construction of a new wastewater treatment plant. Reliable infrastructure is the foundation of economic development, and this project is essential to sustaining and expanding opportunities for businesses and residents in our region.

The total cost of this project is \$16 million, and Cass City is seeking \$1.6 million in gap financing through State of Michigan funding. The Village has secured additional funding through a loan and grant administered by the USDA Rural Development, demonstrating a guaranteed commitment to ensuring this project moves forward.

The proposed new wastewater treatment plant will:

- * **Ensure Compliance with Environmental Regulations:** Upgrading the system to meet state and federal water quality standards, protecting local ecosystems and watersources.
- * **Increase Capacity for Economic Growth:** Supporting business expansion and attracting new industries by providing reliable wastewater infrastructure.
- * **Enhance Public Health and Safety:** Reducing contamination risks and improving quality of life for residents.

Investing in infrastructure is investing in the future of our communities. The Tuscola County EDC fully supports this request, recognizing the critical role this project will play in sustaining local businesses, attracting new investment, and ensuring a strong foundation for economic growth. We appreciate your consideration and hope to have your support with this project.

Sincerely,

Jim McLoskey

Tuscola County Economic Development Corporation

The mission of the Tuscola County EDC is to work to retain and create jobs for the citizens of Tuscola County through the promotion of the entrepreneurial spirit. We foster, encourage, and assist new and existing businesses and entrepreneurs in starting, expanding, and growing, and making Tuscola County a great place to live, work and play.

The vision statement of the Tuscola County EDC is to provide continuous improvement in the quality of life in Tuscola County through Economic Development.

141 S Almer St, Caro, MI 48723 • (989) 673 - 2849 • www.tuscolacountyedc.org • tkeyes@tuscolaedc.org

September 23, 2022

Village of Cass City
Debbie Powell, Village Manager
6506 Main Street
Cass City, MI 48726

SUBJECT: Wastewater Treatment Plant Improvements
Loan \$ 8,294,300; 2.00% Poverty Interest Rate; 40 Years
Grant \$ 7,605,723.36

Dear Ms. Powell:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant, must be reported to and approved by USDA, Rural Development, by written amendment to this letter. If significant changes are made without obtaining such approval, Rural Development may discontinue processing of the application.

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds", is mailed to you.

Please complete, sign, and return the following forms if you agree to meet these conditions and desire that further consideration be given to your application:

Form RD 1942-46, "Letter of Intent to Meet Conditions,"
Form RD 1940-1, "Request for Obligation of Funds,"

Within 180 days of this letter, you must meet all the conditions set forth which can be met prior to calling for construction bids. If you have not done so, Rural Development reserves the right to discontinue the processing of your application.

The Loan/Grant Combo will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is signed by the approving official. Thus, this letter in itself does not constitute loan and/or grant approval, nor does it ensure that funds are or will be available for the project.

The conditions referred to above are as follows:

Project Description –

Funds will be used for Influent Screen Replacement, installing a Grit & Screening Conveyor System, Replacement blowers and valves operating the Equalization Basin. Upgrading final clarifier drives,

Carrie Williamson-Moody | 1075 Cleaver Road, Caro MI 48723 | PH: 989-673-8173 x125
| Fax: 855-643-5266 | TDD 517-324-5200 | micaro.communityprograms@usda.gov

USDA is an equal opportunity provider, employer and lender.

motors, weirs, baffles, and rehabilitating the structures. Architectural building upgrades to the Tertiary Filter Building and the Digester Building.

Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER) as concurred with by the Agency.

If, during the design engineering phase, the scope of the project is revised, the Preliminary Engineering Report will need to be also revised with the following items:

1. Revised project budget
2. Addendum to the Preliminary Engineering Report with narrative outlining revisions

Project Funds - Project funding is planned from the following sources:

- USDA Loan \$8,294,300
- USDA Grant \$7,605,723.36

Any changes in funding sources following obligation of RUS funds must be reported to the processing official. Prior to advertisement for construction bids, you must provide evidence of applicant contributions and approval of other funding sources. This evidence should include a copy of the commitment letter.

American Iron and Steel Requirement (RUS Bulletin 1780-35) –

"Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) applies a new American Iron and Steel requirement to obligations made after May 5th, 2017, for FY17. If the Agency is subject to these requirements beyond FY17, the requirements as outlined in RUS Bulletin 1780-35 would be in effect as long as statutory requirements are mandated:

(1) No Federal funds made available for this fiscal year for the rural water, wastewater, waste disposal, and solid waste management programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1926 et seq.) shall be used for a project for the construction, alteration, maintenance, or repair of a public water or wastewater system unless all the iron and steel products used in the project are produced in the United States.

(2) The term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(3) The requirement shall not apply in any case or category of cases in which the Secretary of Agriculture (in this section referred to as the "Secretary") or the designee of the Secretary finds that—

- (a) applying the requirement would be inconsistent with the public interest.
- (b) iron and steel products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- (c) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent."

(1) Additional Language (not to be included in purchase agreements)

"Owners are ultimately responsible for compliance with AIS requirements and will be responsible for the following:

- (a) Signing Grant Agreements and Letters of Conditions, Agreements for Engineering Services and Executed Construction Contracts which include AIS language.
- (b) Signing change orders (i.e., C-941 of EJCDC) and partial payment estimates (i.e., C-620 of EJCDC) and thereby acknowledging responsibility for compliance with American and Iron Steel requirements.
- (c) Obtaining the certification letters from the consulting engineer upon substantial completion of the project and maintaining this documentation for the life of the loan.
- (d) Where the owner provides their own engineering and/or construction services, providing copies of engineers', contractors', and manufacturers' certification letters (as applicable) to the Agency to insert into the Agency file. All certification letters must be kept in the engineer's project file and on-site during construction. For Owner Construction (Force Account), all clauses from Section 17 must be included in the Agreement for Engineering Services.
- (e) Where the owner directly procures iron and steel products, including AIS clauses in the procurement contracts and obtaining manufacturers' certification letters and providing copies to consulting engineers and contractors.

Construction Completion Timeframe – This project should be completed within 5 years of obligation with all loan and grant funds disbursed. Construction of this project should begin within one year of obligation. You must keep the area office informed if there will be delays to this timeline due to property title work, weather delays, equipment ordering lead times, etc. If funds are not disbursed within five (5) years of obligation, you must submit to the Agency a written request for extension of time with adequate justification of circumstances beyond your control. Waiver requests for a time extension, beyond this 5-year period, is not guaranteed.

Disbursement of Funds – Agency funds will be disbursed into the borrower's depository account through an electronic transfer system. SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form," must be completed and submitted to the Agency prior to advertising for bids.

Any applicant contribution will be the first funds expended, followed by other funding sources. Agency loan funds will be expended after all other funding sources unless a written agreement is reached with all other funding sources on how funds are to be disbursed prior to start of construction or loan closing, whichever occurs first. The Grant Agreement must not be closed, and funds must not be disbursed prior to loan funds except as specified in RUS Instruction 1780.45(d). In the unlikely event the Agency mistakenly disburses funds, the funds will be remitted back to the Agency.

You must establish a construction account for all funds related to the project. Construction funds will be deposited with an acceptable financial institution or depository that meets the requirements of 31 CFR Part 202. A separate account will not be required for Federal funds and other funds; however, the recipient must be able to separately identify, report, and account for all Federal funds, including the receipt, obligation, and expenditure of funds. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral, in accordance with 31 CFR Part 202. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the construction account at any one time. Your financial institution can provide additional guidance on collateral pledge requirements.

Grant funds are to be deposited in an interest-bearing account (exception provided below) in accordance with 2 CFR Part 200 and interest in excess of \$500 per year remitted to the Agency. The funds should be disbursed by the recipient immediately upon receipt and there should be little interest accrual on the Federal funds. Recipients shall maintain advances of Federal funds in interest-bearing accounts, unless:

1. Federal grant awards (includes all federal funding sources) are less than \$120,000 per year.

2. The best available interest-bearing account would not be expected to earn in excess of \$500 per year will be submitted to the Agency at least quarterly as required in 7CFR3016.
3. The depository would require a minimum balance so high that it would not be feasible.
4. A foreign government or banking system prohibits or precludes interest-bearing accounts.

Cost Overruns – If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding or other means will be considered prior to commitment of subsequent funding by the Agency. Any requests for subsequent funding to cover cost overruns will be contingent on the availability of funds. Cost overruns exceeding 20% of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.

Excess Funds - If bids are lower than anticipated at time of obligation, excess funds must be deobligated prior to start of construction except in the cases addressed in this paragraph. In cases where the original PER for the project included items that were not bid, or were bid as an alternate, the State Office official may modify the project to fully utilize obligated funds for those items. In all cases, prior to start of construction, excess funds will be deobligated, with grant funds being deobligated first.

Use of Remaining Funds – When the sewer project is substantially complete, and it appears that there will be remaining loan and/or grant funds after all approved costs are paid, it is the policy of Rural Development (§1780.45(f)) to close out the project as follows:

1. Remaining funds may be used for eligible loan or grant purposes as approved in the Preliminary Engineering Report and subsequent addendums, provided the use will not result in major changes to the facility(s) and the purpose of the loan and grant remains the same.
2. RUS loan funds that are not needed will be applied as an extra payment on the RUS indebtedness unless other disposition is required by bond ordinance, resolution, or State statute.
3. RUS grant funds not expended for authorized purposes will be cancelled within 30 days of project completion. Prior to actual cancellation, you and your attorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.

Security – The loan will be secured by a Revenue bond as authorized under PA 94 of 1933, as amended. The bond will be fully registered as to both principal and interest in the name of the "United States of America".

The bond and any ordinance or resolution relating thereto must not contain any provision in conflict with the RD Loan Resolution, applicable regulations, and law. In particular, there must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 USC 1983 (c).

Additional security requirements are contained in [RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," and RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)."] A draft of all security instruments, including draft bond resolution, must be reviewed, and concurred in by the Agency prior to advertising for bids. The bond resolution and Loan Resolution must be duly adopted and executed prior to loan closing. The Grant Agreement must be fully executed prior to the first disbursement of grant funds.

Qualified Status under Section 303(3) of Public Act 34 of 2011 – Prior to bidding, you and/or your bond counsel must verify that "Qualified Status" has been obtained or is ready to file an application with the Local Audit and Finance Division, Michigan Department of Treasury.

Loan Repayment – Your loan will be scheduled for repayment over a period of 40 years at the interest rate of 2.00%. The first interest payment will be scheduled no later than six months from the bond closing date.

The interest during construction will not be capitalized nor included in the loan. Principal repayment will not be deferred.

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, whichever is less, unless you choose otherwise.

Payments will be made on the day your payment is due through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, "Authorization Agreement for Preauthorized Payments," for all new and existing indebtedness to the Agency prior to loan closing. It will allow for your payment to be electronically debited from your account on the day your payment is due.

Reserves – Reserves must be properly budgeted to maintain the financial viability and sustainability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs and assist with debt service thru a debt service reserve should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including but not limited to operation and maintenance and customer deposits.

The annual bond reserve requirement is determined to be **\$30,321**. This will accumulate at the rate of one-tenth of one annual payment per year until the balance is equal to **\$303,210**.

The annual Repair, Replacement, and Improvement (RRI) reserve requirement is determined to be **\$13,067**.

Users – This letter of conditions is based upon you providing evidence or a certification that there will be at least 915 residential users and 164 commercial users on the system when construction has been completed. Rural Development funding commitment is based on providing service to a total of 1,079 users. Before the Agency can agree to the project being advertised for construction bids, you must provide evidence or a certification that the total required number of users are currently using the system or signed up to use the system.

Mandatory Hookups - If relying on mandatory connection requirements, you must provide evidence of the ordinance and a certification attesting to the number of users that will be required to connect to the proposed system prior to advertisement for construction bids.

Proposed Operating Budget and User Rate Analysis - You must maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance, debt service, and reserves. You will be required to submit a copy of your proposed annual operating budget and rate analysis to the Agency which supports the proposed loan repayment prior to the Agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow after completion of the construction phase. Form RD 442-7, "Operating Budget" attached or similar form may be utilized for this purpose. The rate analysis will be required to show the number of users, their average consumption based on a twelve-month consecutive average, and rate structure to support the necessary revenue to make the operating budget cash flow. It is expected that O&M will change over each successive year and user rates will need to be adjusted on a regular basis.

Assistance is available from technical assistance resources to help you evaluate and complete a rate analysis on your system. This assistance is available free to your organization. If you are interested,

please contact our office for phone numbers and contacts of these organizations

Insurance and Bonding Requirements - Prior to loan closing or start of construction, whichever occurs first, you must acquire the types of insurance and bond coverage shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained. Insurance types described below are required to be continued throughout the life of the loan.

1. **General Liability Insurance** – Include vehicular coverage.
2. **Workers' Compensation** - In accordance with appropriate State laws.
3. **Position Fidelity Bond(s)** - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. You should have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to the Agency will be for each position to be bonded for an amount at least equal to one annual installment on your Agency loan(s). **The amount of coverage needed for this loan is \$302,246.** The amount of coverage should be discussed and approved by the Agency. Form RD 440-24, "Position Fidelity Bond" may be used for this purpose.
4. **National Flood Insurance** - If the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of loan closing.
5. **Real Property Insurance** – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines, and other structures if such structures are not normally insured and subsurface lift stations except for the value of electrical and pumping equipment. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

System Management/System Management Agreements – If the project or system will be managed or operated by someone other than the applicant, a management agreement must be approved by Rural Development. A draft, unsigned agreement must contain items listed in RUS Bulletin 1780-8 "Minimum Suggested Contents of Management Agreements" and be submitted to Rural Development for concurrence prior to execution of contract.

Conflict of Interest Policy – Prior to closing of loan, you must certify in writing that your organization has in place an up-to-date written policy on conflict of interest. The policy will include, at a minimum: (1) a requirement for those with a conflict or potential conflict to disclose the conflict/potential conflict; (2) a clause that prohibits interested members of the applicant's governing body from voting on any matter in which there is a conflict, and (3) a description of the specific process by which the governing body will manage identified or potential conflicts.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant's official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy," at <http://www.irs.gov/pub/irs-pdf/f1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Restrictions on Lobbying - In order to comply with 2 CFR Part 400, Subtitle B, Chapter IV, Part 418, (Authority - 31 U.S.C. 1352, 5 U.S.C. 301), which prohibits applicants and recipients of Federal contracts, grants, and loans from using Federal appropriated funds for lobbying, the Federal Government in connection with the award of a specific contract, grant or loan, the **Applicant**, and all contractors and subcontractors must:

1. Execute RD Instruction 1940-Q, "Certification for Contracts, Grants and Loan."
2. Complete Standard Form LLL, "Disclosure of Lobbying Activities", if they have made, or agreed to make payment, using funds other than Federal appropriated funds, to influence or attempt to influence a decision in connection with the contract.
3. The Certification (and, if appropriate, the Disclosure) must be provided to USDA, Rural Development.

Accounting Services - You may be required to obtain the services of an independent licensed Certified Public Accountant (CPA). When permitted by state statutes or with the approval of the Agency, a state or Federal auditor may perform the audit in lieu of a CPA.

Audit Agreement - You must enter into a written audit agreement with the auditor and submit a copy to the Agency prior to advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit or financial statements to be completed, the time frame in which the audit or financial statements will be completed, what type of reports will be generated from the services provided and how irregularities will be reported.

Annual Financial Report/Audit Requirements - You are required to submit an annual financial report at the end of each fiscal year. The annual report will be certified by the appropriate organization official and will consist of financial information and a rate schedule. Financial statements must be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) and must include at a minimum a balance sheet and income and expense statement. The annual report will include separate reporting for each water and waste disposal facility, and itemize cash accounts by type (debt service, short-lived assets, etc.) under each facility. All records, books and supporting material are to be retained for three years after the issuance of the annual report.

The type of financial information that must be submitted is specified below:

1. **Audits** – An annual audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from www.ecfr.gov. It is not intended that audits required by this part be separate and apart from audits performed in accordance with State and local laws. To the extent feasible, the audit work should be done in conjunction with those audits. The audit must be prepared by an independent licensed Certified Public Accountant, or a State or Federal auditor if allowed by State law.

Filing Date Requirements:

Annual Audit Reports: – 6 months after the fiscal year end to State of Michigan Treasury Department and USDA, Rural Development.

Single Audit Reports: – Within 30 calendar days after receipt of the auditor's report, but no later than nine (9) months after the end of the audit period.

2. **Financial Statements** – If you expend less than \$750,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit which include at a minimum a balance sheet and an income and expense statement. You may use Form RD 442-2, "Statement of Budget, Income and Equity," and 442-3, "Balance Sheet," or similar format to provide the financial information. The financial statements must be signed by the appropriate borrower official and submitted within 60 days of your fiscal year end.
3. **Quarterly Reports** – Quarterly Income and Expense Statements will be required until the processing office waives this requirement. You may use Form RD 442-2 or similar format to provide this information, and the reports are to be signed by the appropriate borrower official and submitted within 30 days of each quarter's end. The Agency will notify you in writing when the quarterly reports are no longer required.

Annual Budget and Projected Cash Flow - Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow to this office. With the submission of the annual budget, you will be required to provide a current rate schedule, a current listing of the Board or Council Members and their terms.

System for Award Management (www.sam.gov) - You will be required to maintain a Dun and Bradstreet Data Universal Numbering System (DUNS) number and maintain an active registration in the System for Award Management (SAM) database from the time of application to the final disbursement of loan and/or grant funds. Renewal can be done on-line at: <https://www.sam.gov> This registration must be renewed and revalidated every twelve (12) months for as long as there are Agency funds to be expended. To ensure the information is current, accurate and complete, and to prevent the SAM account expiration, the review and updates must be performed within 365 days of the activation date, commonly referred to as the expiration date. The registration process may take up to one month to renew.

Litigation - You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

Applicable State Statutes and Requirements – Evidence must also be provided indicating your system has a licensed operator, meeting State requirements, will be available prior to the system becoming operational or a suitable supervisory agreement with a licensed operator is in effect.

Technical, Managerial and Financial Capacity - It is required that the applicant possesses the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. Technical assistance providers are available to provide this training for your organization, often at no cost.

Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance.
- b. **Civil Rights Act of 1964** – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.

- c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 *et seq.*) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
- d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 *et seq.*) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled, "Improving Access to Services by Persons with Limited English Proficiency" and further affirmed in the USDA Departmental Regulation 4330-005, "Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA."
- f. **Controlled Substances Act (CSA)** – The Agency is prevented from financing projects that are involved in the manufacture importation, possession, use and distribution of substances considered illegal under Federal Law. Further, the Agency cannot knowingly take revenues generated from illegal activities.

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor your compliance with these requirements during regular compliance reviews.

Initial Compliance Review - The Agency will conduct an initial compliance review of the borrower prior to loan closing or start of construction, whichever occurs first, in accordance with 7 CFR 1901, Subpart E.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black, or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

Property Rights - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation and Real Property Acquisition Act. Such evidence of control over the lands and rights must be in the following forms:

Property Acquisitions - Applicants are responsible for acquisition of all property rights necessary for the project and will determine that prices paid are reasonable and fair.

Right-of-Ways - A rights-of-way map will be required showing clearly the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof. A certification and legal opinion relative to title to rights-of-way and easements is required. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way", and Form RD 442-21, "Rights-of-Way Certificate" are to be used. These forms may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or loan closing, whichever occurs first, new forms must be provided which do not provide for any exceptions.

Legal Services - You have been required to execute a legal services agreement with your attorney, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, with a "not to exceed" amount for the services, including reimbursable expenses. RUS Bulletin 1780-7, "Legal Services Agreement," or similar format may be used. The Agency will provide concurrence prior to advertising for bids. Any changes to the fees or services spelled out in the original agreement must be reflected in an amendment to the agreement and have prior Agency concurrence.

Title Work - All title opinions and/or title commitments should be coordinated with the color-coded right-of-way map. An opinion of title is required on all land essential to the successful operation of the system. This includes land owned, optioned, or easements where major structures, other than pipe material or small on-site pumps or tanks, exist or are to be built.

1. (Preliminary Title Opinions) Form RD 1927-9, "Preliminary Title Opinion" along with copies of deeds, contracts or options for any lands needed other than rights-of-way, may be used for each property currently owned or to be acquired. The title search period must cover a minimum of 40 years, be unqualified, and not contain any restrictions, including reverter clauses, which will adversely affect the system.
(Title Commitments) A title insurance commitment will be required on all real estate now owned and property to be acquired in connection with this project. Title insurance commitments must be owner's policies and equal the value of the property as improved. The commitment will name the borrower as the proposed insured. Any exceptions must be reviewed by the attorney, who must provide certification that the exceptions will not adversely affect the operation and maintenance of the facility.
2. (Final Title Opinion) Form RD 1927-10, "Final Title Opinion" - On the day of loan closing, your attorney must furnish a separate final title opinion on all existing land(s) and those to be acquired on the day of loan closing.
(Final Title Policy) - At or immediately after loan closing, a Title Insurance Policy showing no exceptions that would adversely affect the use of the real property in connection with the proposed project must be provided.

Engineering Services - You have been required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance," or other approved form of agreement. The Agency will provide concurrence prior to advertising for bids and must approve any modifications to this agreement.

The Agency must approve any agreements and modifications to agreements for professional engineering services. The engineer must also provide Form AD-1048 "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions" and copy of all insurance.

Resident Inspector(s) - Full-time inspection is required unless a written exception is made by the Agency upon your written request. This service is to be provided by the consulting engineer or other arrangements as approved by the Agency. Prior to the pre-construction conference, a resume of

qualifications of the resident inspector(s) will be submitted to the owner and Agency for review and approval. The owner will provide a letter of acceptance for all proposed observers to the engineer and Agency. The resident inspector(s) must attend the pre-construction conference.

Suspension and Debarment Screening – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.

a. Principal –

- i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
- ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,
 3. Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

Environmental Requirements - Mitigation - At the conclusion of the proposal's environmental review process no specific actions were determined necessary to avoid or minimize adverse environmental impacts. The project as proposed has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations and or permits may apply or be required. If the project or any project element deviates from or is modified from the originally approved project, additional environmental review may be required.

Risk and Resilience Assessment/Emergency Response Plan (RRA/ERP) –The Agency requires all financed water and wastewater systems to have a RRA/ERP in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operation, and a certification that an RRA is complete must be submitted within one year of the start of operation. Borrowers with existing systems must provide a certification that an RRA/ERP has been completed prior to advertising for bids. Technical assistance is available in preparing these documents at no cost to you.

Before funds are drawn, you should have in place a cybersecurity plan, a supply chain plan, and a plan to comply with cybersecurity requirements of the National Institute of Standards and Technology and the Cybersecurity and Infrastructure Security Agency. These items should be addressed in the RRA/ERP.

The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every five years at a minimum.

Permits – The owner, contractor or responsible party will be required to obtain all required permits for the project, prior to advertising for bids. The consulting engineer must submit written evidence that all applicable permits required prior to construction have been obtained with submission to the Agency of the final plans, specifications, and bid documents.

Contract Documents, Final Plans and Specifications - The contract documents should consist of the EJCDC Construction Contract Documents as indicated in RUS Bulletin 1780-26 or other approved form of agreement.

The contract documents, final plans, and specifications must comply with RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Constructing and Inspections, and must be submitted to the Agency for concurrence prior to advertising for bids along with an updated cost estimate. The Agency may require another updated cost estimate if a significant amount of time elapses between the original submission and advertising for bids.

The use of any procurement method other than competitive bidding must be requested in writing and approved by the Agency.

The Agency requires prior agency concurrence with all Change Orders, Invoices, and Payment Estimates.

Your attorney will certify that the executed contract documents, including performance and payment, if required, are adequate and that the persons executing these documents have been properly authorized to do so in accordance with RUS Instruction 1780.61(b).

Payments – Prior Agency concurrence is required for all Invoices and Partial Payment Estimates before Agency funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service provider prior to Agency concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

Inspections - The Agency requires a pre-construction conference, pre-final and final inspections, and a warranty inspection. This office will be conducting periodic construction inspections. If, at any time, during project monitoring there is any indication that construction is not being completed in accordance with the plans and specifications, or timeframes of substantial and final completion, the processing office will notify the state engineer and also the consulting engineer.

Warranty Inspections - Your engineer will schedule a warranty inspection with the contractor and the Agency before the end of the warranty period to address and/or resolve any warranty issues. The Agency will conduct an inspection of your records management system at the same time and will continue to inspect the facility and your records system every three years for the life of the loan.

Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with the Agency, owner, resident inspector, attorney, contractor, other funders, and other interested parties, and will provide minutes of this meeting to the owner and Agency.

Bid Authorization - Once all the conditions outlined in this letter have been met, the Agency may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide the Agency with the following:

1. Bid tabulation
2. Consulting engineer's evaluation of bids and award of contract recommendation to the owner
3. Your recommendations for contract awards.
4. Revised project budget including bid award amounts.

Bid Tabulation – Immediately after bid opening, you must provide the Agency with the bid tabulation and your engineer's evaluation of bids and recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the requirements of Section III of this letter have been satisfied, the Agency will authorize you to issue the Notice of Award.

If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued to you setting forth any further requirements that must be met before a Notice of Award may be issued.

Graduation - By accepting this loan, you are also agreeing to refinance (graduate) the unpaid loan balance in whole, or in part, upon request of the Government. If at any time the Agency determines you are able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms, you will be requested to refinance. Your ability to refinance will be assessed every other year for those loans that are five years old or older.

Other Requirements – All requirements contained in the Agency's closing instructions, as well as any requirements of your bond counsel and/or attorney, must be met prior to loan closing.

Non-compliance with the conditions in this letter or requirements of your security documents will be addressed under the provisions of 7 CFR 1782 and other applicable regulations, statutes, and policies.

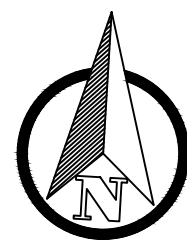
We look forward to continuing working with you to complete this project and if you have any questions, please contact our office.

Sincerely yours,

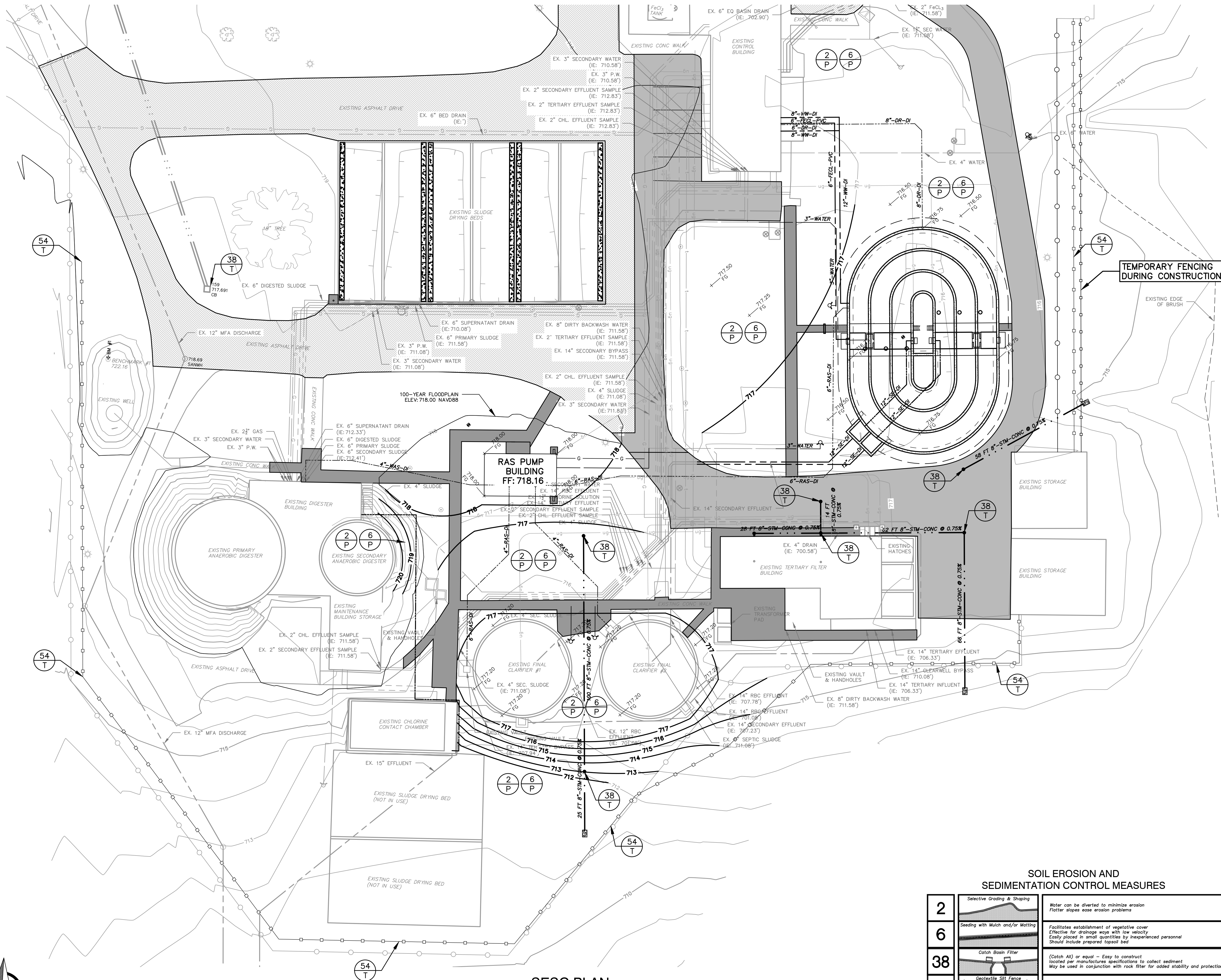

Paula Gromak
Area Director

Cc: USDA RD – State Director – Brandon Fewins
USDA RD – Community Programs Director – Valarie Handy
Attorney – O'Neill, Wallace & Doyle P.C. – Drew Jordan
Bond Counsel – Miller Canfield – Jeffrey Aronoff
Engineer – Townley Engineering – Chris Townley
Engineer – Fishbeck – Brian Van Zee
Financial Advisor – MFCI LLC – Warren

PLT: INFO: C:\USERS\ARON\ONE DRIVE - TOWNLEY ENGINEERING\LCITE SHARED\20CASSCT\WWTP\DRAWINGS\C302\SSC.DWG LAYOUT: C302_SSC DATE: 3/21/2025 TIME: 1:50:45 PM USER: ARON



SCALE 1"= 20'



SSC PLAN

SOIL EROSION AND SEDIMENTATION CONTROL MEASURES

2	Selective Grading & Shaping	Water can be diverted to minimize erosion Flatter slopes ease erosion problems
6	Seeding with Mulch and/or Matting	Facilitates establishment of vegetative cover Effective for drainage ways with low velocity Easily placed in small quantities by inexperienced personnel Should include prepared topsoil bed
38	Catch Basin Filter	(Catch All) or equal - Easy to construct located per manufacturers specifications to collect sediment May be used in conjunction with rock filter for added stability and protection
54	Geotextile Silt Fence	Use geotextile and posts or poles May be constructed or prepackaged Easy to construct and locate as necessary

XX TEMPORARY MEASURE

YY PERMANENT MEASURE

NOTES:

- 100-YEAR FLOODPLAIN
ELEVATION = 718.00 NAVD 88.

LEGEND

SANITARY MANHOLE	HYDRANT	WATER VALVE	WATER SHUT OFF	CATCH BASIN
SECTION COR.	LOT BOUNDARY	RIGHT OF WAY	EDGE OF ASPHALT	EDGE OF GRAVEL
SANITARY SEWER	WATER MAIN	STORM SEWER	OVERHEAD POWER LINES	UNDERGROUND UTILITIES
TELEPHONE LINES	GAS MAIN/SERVICE	DITCH / SWALE	FENCE LINE	PROPOSED HMA (BASE BID)
ALTERNATE 1: PROPOSED HMA				

Townley Engineering, LLC
THROUGH FAITH ALL THINGS ARE POSSIBLE

Village of Cass City

Tuscola County, Michigan

Wastewater Treatment Plant Improvements

REVISIONS

3/21/2025	PROGRESS PRINTING
1/13/2025	PROGRESS PRINTING
8/15/2024	FUNDING SUBMITTAL

Drawn By ACT
Designer ACT
Reviewer CGT
Manager BWV

Hard copy is intended to be 24"x36" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

PROJECT NO.
231612

SHEET NO.

C302

©Copyright 2025
All Rights Reserved

fishbeck
Engineers | Architects | Scientists | Constructors