

**THE ERWIN BOARD OF COMMISSIONERS
OCTOBER 2021 REGULAR WORKSHOP
MONDAY, OCTOBER 25, 2021 @ 6:00 P.M.
ERWIN MUNICIPAL BUILDING BOARD ROOM**

AGENDA

1. **MEETING CALLED TO ORDER**
 - A. Invocation
 - B. Pledge of Allegiance
2. **AGENDA ADJUSTMENTS /APPROVAL OF AGENDA**
3. **OLD BUSINESS**
 - A. Erwin Depot
5. **ADJOURNMENT**

Erwin Board of Commissioners

REQUEST FOR CONSIDERATION

To: The Honorable Mayor and Board of Commissioners

From: Snow Bowden, Town Manager

Date: October 25, 2021

Subject: Erwin Depot

In order for the Town to borrow money, we will have to get approval from the Local Government Commission. There are a number of steps that we have to take to get this process started. I have continued to look for grant opportunities when I have the time as well. We cannot use the funds from the American Rescue Plan for this project.

At the moment, the current USDA interest rate is 2.125% which would be a fixed rate for the life of the loan. With the proper documentation, USDA could offer a 30-year term loan. The annual payment on a one million dollar loan would be \$45,450.00. That annual payment breaks down to \$3,787.50/month.

Please keep in mind these costs are just to take the loan and complete the building. This does not include the annual operating costs for the building. A safe estimate to operate this building (insurance, utilities, etc..) would be \$20,000. With the potential loan from USDA, and the annual operating expenses of the building I would estimate you are looking at needing to raise an additional \$65,450.00 a year for this project.

The Town collects \$2,172 a month in rent from the cell tower. This rent does go up every year but it is not guaranteed income. At any moment, the company that is on that tower could decide to pull off that tower, and the rent payments would stop. Their buyout option is still on the table they offered \$435,000 to buy the contract out. But if you take that option you are losing any revenue that would exceed that amount. Our current lease with American Tower goes until 2069. If the lease continued until 2069 the estimated revenue would be 2.7 million dollars.

Attachments:

- State and Local Government Finance Guidelines on Debt Issuance
- Erwin Train Station Revenue Costs
- Bank Accounts
- USDA Community Facilities Direct Loan & Grant Guidelines



Dale R. Folwell, CPA

STATE AND LOCAL GOVERNMENT FINANCE

GREGORY C. GASKINS
DEPUTY TREASURER

September 4, 2019

Guidelines on Debt Issuance (Revised)

The Local Government Commission (LGC) is authorized to adopt rules and regulations and to issue memoranda, statements and other publications intended as guidelines, all in order to carry out its powers and duties, and to assist units of local government and public authorities (a unit) in complying with North Carolina General Statutes (G.S.) Chapter 159. In an effort to assist applicants in receiving timely approval of financing requests by the LGC, the staff has prepared these guidelines and suggestions. These are intended to indicate steps applicants may take to expedite approval and to point out pitfalls that may delay or complicate the approval process and are to be avoided. The items are divided into two broad categories, A. Fiscal Management and B. Debt Management and the Project and are generally related to the statutory findings required of the LGC, as found in G.S. Chapter 159.

LGC Consideration of Unit's Fiscal Management

- 1) Adequate and timely responses to issues raised in a unit letter sent by LGC staff must have been received. All concerns regarding the financial management of the Unit must be addressed, such as low General Fund balance (below eight percent (8%) of the prior year's expenditures), low tax collection rate (below 90%), receipt of a qualified audit opinion, habitual violations of G.S. Chapter 159, Article 3, (The Local Government Budget and Fiscal Control Act), inadequate internal controls, weakness in an enterprise fund or an enterprise fund that is not self-supporting and similar concerns. Although LGC staff may perform a site visit, this visit does not eliminate the requirement for the unit to provide a written response to the concerns identified in the unit letter. In addition, depending on the issues identified, LGC staff may determine that a site visit **must** be completed prior to the targeted LGC meeting date. The results of the site visit may result in the consideration of the debt application being postponed and all results will be made available to LGC members for their consideration in advance of the targeted meeting date.
- 2) The Unit should be operating under a legally-adopted budget which includes the project to be financed – preferably through a capital project ordinance for multi-year projects.
- 3) Current audited financial statements must be available on a timely basis. For units of local government, this would mean that the audited financial statements have been received by October 31. For public authorities with a calendar year or fiscal year not ending on June 30, audited financial statements should be received within four months of year-end. Financing applications for LGC approvals after October 31 will require the audited financial statements of the immediately preceding fiscal year, and the audited statements should be submitted at least three weeks prior to the targeted LGC meeting date to allow adequate time for staff review and Unit follow-up.



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- 4) If a power agency is involved, it must comply with the policy approved by the governing body of the Unit regarding transfers from the electric system to the General Fund.

LGC Consideration of Unit's Debt Management and the Proposed Project

- 1) The Unit should make a point of discussing its capital improvement plans with the LGC staff as they are being developed. Ideally, this will be at the initial determination of required/desired improvement needs and opportunities. The plans may be based on preliminary project and financing cost estimates and historical financial information to allow the staff to assess the financial capacity of the unit and any other possible issues. Please be aware that the LGC must approve retained professional members of a financing team if one is used. Early notification of the staff will allow any related options or concerns to be addressed. Follow-up meetings or phone calls are encouraged when major changes occur.
- 2) LGC staff should be contacted very early in the planning stage regarding the proposed debt issuance. This early contact is necessary to make sure the process gets off to a good start. Having to "back up and restart" can significantly delay the process. This is especially important if an innovative financing is contemplated which may require consideration of unusual covenants, special justifications of necessity or cost, private activity usage, special interlocal agreements, unusual amortization schedules and other innovations.
- 3) The Unit should have a reasonable debt burden. A heavy debt burden may be evidenced by a ratio of General Fund Debt Service to General Fund Expenditures exceeding 15%, or Debt per Capita or Debt to Appraised Property Value exceeding that of similar units. (See Local Government Commission "Analysis of Debt" available on the DST website under Local Fiscal Management, Financial Analysis Tools, under Reports for "County and Municipal Debt Analysis").
- 4) The request to borrow must be for capital expenditures, not operating expenses.
- 5) The project must be "ready." Construction bids required major permits and Phase I Environmental Studies should be received before the approval or, at the latest, before the sale of the debt. Other required sources of funding must be committed.
- 6) Any threat or existence of litigation related to the project or the financing must be satisfactorily resolved. Litigation could affect either the marketability of the debt or the borrower's ability to repay the debt.
- 7) Community support for the project is important, especially for non-voted debt. Lack of community support may be evidenced by comments at meetings of the governing body or public hearings, correspondence, newspaper articles, etc.



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- 8) The repayment plan presented must be complete and consistent regarding the maturity of debt, life of assets financed, terms of related agreements, etc. In addition, the repayment plan must be consistent with the financial projections provided by the Unit. Amortization of principal should be level for all general fund projects. Use of level principal and interest payments for an enterprise fund may be appropriate.
- 9) Financial projections should be presented that demonstrate feasibility and are clearly reasonable in comparison to prior financial performance. Appraisals, feasibility studies and comfort letters (if required) must be prepared by parties that are both independent to the transaction and possessing adequate expertise.
- 10) There should be no outstanding concerns or unresolved matters relating to a prior bond issue, such as incomplete or late filing of rebate reports, failure to meet continuing disclosure obligations, violations of covenants in other obligations, or other matters of concern. Such unresolved matters may prevent or delay the issuance of future debt.
- 11) Documentation must be provided showing that covenants in outstanding obligations will be satisfied if the proposed debt is issued, i.e., additional debt tests, restrictive covenants regarding additional debt, etc.
- 12) The ability to secure an investment grade rating should be documented. Enhancements including letters of credit, bond insurance, a parent guarantee, etc., should be considered.
- 13) A complete application should be filed four weeks prior to the LGC meeting date when the item is to be considered (the LGC meets the first Tuesday of every month), including documentation of all required resolutions being adopted by the governing body. This provides adequate time for staff review of the application and for compiling any additional information that may be necessary.
- 14) Bond or loan documents must be in substantially final form before presentation at the LGC meeting.
- 15) If a refunding is contemplated, the present value of the savings should exceed three percent (3%) of the refunded bonds. Generally, the term of the original debt should not be extended when bonds are refunded.
- 16) The sale date should be requested as early as practical. This provides some flexibility in selection of a date that should not compete with another previously scheduled sale or a bond market holiday. This assures that the most favorable interest rate is obtained for each issuer.

Project name	19-036 Erwin Depot
Labor rate table	Standard
Equipment rate table	Standard
Job size	2867 sf
Report format	Sorted by 'Location/Group phase/Phase' 'Detail' summary Allocate addons

Item	Description	Takeoff Qty		Total Amount
Existing Depot				
2.200	DEMOLITION			
2.205	<i>Gen. Demolition Sub</i>			
----	General Demolition	1.00	ls	<u>11,250</u>
	<i>Gen. Demolition Sub</i>			11,250
2.875	<i>Remove Misc.</i>			
	10 Lead Paint Removal And Abatement	1.00	each	<u>18,000</u>
	<i>Remove Misc.</i>			18,000
	128.00 Labor hours			
	96.00 Equipment hours			
	DEMOLITION			29,250
	128.00 Labor hours			
	96.00 Equipment hours			
5.000	STEEL			
5.510	<i>Stair Railing</i>			
	10 Stair Railing	406.00	Inft	<u>44,406</u>
	<i>Stair Railing</i>			44,406
	135.333 Labor hours			
	67.67 Equipment hours			
	STEEL			44,406
	135.333 Labor hours			
	67.67 Equipment hours			
6.000	WOOD & PLASTICS			
6.100	<i>Rough Carpentry</i>			
lab	Carpentry Labor	1.00	mh	<u>7,500</u>
	<i>Rough Carpentry</i>			7,500
	1.00 Labor hours			
	0.50 Equipment hours			
6.145	<i>Misc Small Framing</i>			
	10 Exterior Decks and Ramp	1,704.63	sf	<u>29,832</u>
	<i>Misc Small Framing</i>			29,832
	68,185.20 Labor hours			
	34,092.60 Equipment hours			
6.210	<i>Plywood Subfloor</i>			
ply5	SUL Underlayment 5/8"	2,280.00	sqft	<u>2,850</u>
	<i>Plywood Subfloor</i>			2,850
	114.00 Labor hours			
	28.50 Equipment hours			
6.230	<i>Plywood Sheathing</i>			
	12 Plywood Wall Sheathing 1/2"	2,220.00	sqft	<u>3,552</u>
	<i>Plywood Sheathing</i>			3,552
	111.00 Labor hours			
	37.00 Equipment hours			
6.235	<i>Roof Sheathing</i>			
----	2 x 6 T & G Wood Roof Deck	3,564.00	sqft	11,275

Item	Description	Takeoff Qty	Total	
				Amount
	<i>Roof Sheathing</i>			11,275
6.410	<i>Wood Siding</i>			
	10 Wood Siding	2,220.00 sqft		10,989
	10 Decorative Brackets and Trim	14.00 ea		2,310
	<i>Wood Siding</i>			13,299
	186.17 Labor hours			
	558.50 Equipment hours			
6.418	<i>House wrap</i>			
	10 Tyvek Vapor Barrier wrap	3.00 roll		1,200
	<i>House wrap</i>			1,200
	12.00 Labor hours			
	1.50 Equipment hours			
6.428	<i>Finish Carpentry</i>			
	10 Carpentry Sub (Interior)	1.00 lsum		10,500
	<i>Finish Carpentry</i>			10,500
6.801	<i>Fastners & Misc</i>			
	10 Fastners & Misc	1.00 each		1,200
	<i>Fastners & Misc</i>			1,200
	WOOD & PLASTICS			81,208
	68,609.37 Labor hours			
	34,718.60 Equipment hours			
7.000	THERMAL-MOIST PROTECTION			
7.120	<i>Waterproof /Dampproof</i>			
	10 Crawl Space Vapor Barrier System	1.00 ls		6,000
	<i>Waterproof /Dampproof</i>			6,000
7.201	<i>Insulation</i>			
sub	Spray Foam Insulation	1,935.00 lsum		6,095
	<i>Insulation</i>			6,095
7.210	<i>Batt Insulation</i>			
	10 R38 Batt Insulation - Floor	1,900.00 sqft		2,584
	<i>Batt Insulation</i>			2,584
	38.00 Labor hours			
	12.67 Equipment hours			
7.215	<i>Board Insulation</i>			
----	4" Nail Base Insulation	3,564.00 sqft		11,583
	<i>Board Insulation</i>			11,583
7.404	<i>Gutters</i>			
	60 Gutters and downspouts - Sub	1.00 ls		5,400
	<i>Gutters</i>			5,400
7.821	<i>Fiberglas Shingles</i>			
	10 Fiberglass Roof Shingles	38.00 sq		13,300
	<i>Fiberglas Shingles</i>			13,300
	76.00 Labor hours			
	25.333 Equipment hours			
7.835	<i>Roofing Felt</i>			
	10 Roofing Felt	38.00 SQ		534
	<i>Roofing Felt</i>			534
	9.50 Labor hours			
	3.17 Equipment hours			
7.920	<i>Caulking & Sealants</i>			
sub	Caulk & Sealants	1.00 Inft		2,750

Item	Description	Takeoff Qty		Total Amount
	<i>Caulking & Sealants</i>			2,750
	THERMAL-MOIST PROTECTION			48,246
	123.50 Labor hours			
	41.17 Equipment hours			
8.000	DOORS & WINDOWS			
8.150	<i>Misc Door Items</i>			
----	Refinish and Rehang Rolling Doors	4.00	each	4,500
	<i>Misc Door Items</i>			4,500
8.610	<i>Wood Windows</i>			
10	Wood Windows	8.00	each	6,750
	<i>Wood Windows</i>			6,750
	32.00 Labor hours			
	16.00 Equipment hours			
	DOORS & WINDOWS			11,250
	32.00 Labor hours			
	16.00 Equipment hours			
9.000	FINISHES			
9.860	<i>Resilient Tile & Carpet</i>			
10	Commercial Carpet	1,900.00	sf	5,985
	<i>Resilient Tile & Carpet</i>			5,985
9.922	<i>Paint Beams</i>			
10	Clean and Seal Existing Beams	1,900.00	sqft	7,500
	<i>Paint Beams</i>			7,500
9.950	<i>Paint Subcontractor</i>			
70	Paint Subcontract - Lump Sum	1,900.00	ls	7,600
	<i>Paint Subcontractor</i>			7,600
	FINISHES			21,085
15.000	MECHANICAL			
15.010	<i>HVAC</i>			
10	HVAC Subcontractor	1.00	sqft	35,000
	<i>HVAC</i>			35,000
15.300	<i>Sprinkler</i>			
05	Sprinkler System - Sub	2,640.00	sf	5,940
	<i>Sprinkler</i>			5,940
	MECHANICAL			40,940
16.000	ELECTRICAL			
16.001	<i>Electrical</i>			
sub	Electrical	1,900.00	sqft	24,000
	<i>Electrical</i>			24,000
16.175	<i>Install Fire Alarm System</i>			
10	Install Fire Alarm System	1.00	each	7,619

Item	Description	Takeoff Qty	Total Amount
	<i>Install Fire Alarm System</i>		7,619
	2.00 Labor hours		
ELECTRICAL			31,619
	2.00 Labor hours		
Existing Depot			308,004
	1,900.00 sf		
	69,030.20 Labor hours		
	34,939.433 Equipment hours		

New Building

Item	Description	Takeoff Qty	Unit	Amount
3.000	CONCRETE			
3.020 sub	<i>Lump-Sum Concrete</i> Lump Sum Concrete Slab & Foundations <i>Lump-Sum Concrete</i>	967.00	sf	5,802
				5,802
CONCRETE				5,802
6.000	WOOD & PLASTICS			
6.100 sub	<i>Rough Carpentry</i> Framing (Sub) <i>Rough Carpentry</i>	1,452.00	sf	4,356
				4,356
6.110 ----	<i>Wall Framing 2x4</i> Interior Wall Framing <i>Wall Framing 2x4</i>	780.00	lf	3,510
				3,510
6.115 ----	<i>Wall Framing 2x6</i> Exterior Wall Framing <i>Wall Framing 2x6</i>	1,770.00	sf	7,965
				7,965
6.125	<i>Wood Trusses</i> 10 Wood Trusses (all sizes) <i>Wood Trusses</i>	1.00	each	2,350
	2.00 Labor hours			2,350
	0.67 Equipment hours			
6.130	<i>Truss Bracing</i> 10 2 x 4 x 16 Truss Bracing <i>Truss Bracing</i>	75.00	ea	1,670
				1,670
6.235	<i>Roof Sheathing</i> 58 Roof Sheathing 5/8" <i>Roof Sheathing</i>	1,984.00	sqft	1,107
	19.84 Labor hours			1,107
	6.613 Equipment hours			
6.410	<i>Wood Siding</i> 10 Wood Siding 10 Decorative Brackets and Trim <i>Wood Siding</i>	1,248.00	sqft	6,300
		15.00	ea	3,975
	105.25 Labor hours			10,275
	315.75 Equipment hours			
6.430	<i>Interior Paneling</i> 10 1 x 6 T&G Bead Board	3,330.00	sqft	9,600

Item	Description	Takeoff Qty		Total Amount
	<i>Interior Paneling</i>			9,600
	166.50 Labor hours			
	83.25 Equipment hours			
6.801	<i>Fastners & Misc</i>			
10	Fastners & Misc	1.00	each	2,150
	<i>Fastners & Misc</i>			2,150
	WOOD & PLASTICS			42,983
	293.59 Labor hours			
	406.28 Equipment hours			
7.000	THERMAL-MOIST PROTECTION			
7.210	<i>Batt Insulation</i>			
10	Batt Insulation	2,347.00	sqft	1,994
	<i>Batt Insulation</i>			1,994
	46.94 Labor hours			
	15.65 Equipment hours			
7.404	<i>Gutters</i>			
60	Gutters and downspouts - Sub	1.00	ls	1,750
	<i>Gutters</i>			1,750
7.821	<i>Fiberglas Shingles</i>			
10	Fiberglass Roof Shingles	22.00	sq	7,700
	<i>Fiberglas Shingles</i>			7,700
	44.00 Labor hours			
	14.67 Equipment hours			
7.835	<i>Roofing Felt</i>			
10	Roofing Felt	22.00	SQ	309
	<i>Roofing Felt</i>			309
	5.50 Labor hours			
	1.833 Equipment hours			
7.920 sub	<i>Caulking & Sealants</i>			
	Caulk & Sealants	1.00	lnft	1,100
	<i>Caulking & Sealants</i>			1,100
	THERMAL-MOIST PROTECTION			12,853
	96.44 Labor hours			
	32.15 Equipment hours			
8.000	DOORS & WINDOWS			
8.116 ----	<i>Wood Doors</i>			
	Wood Doors	9.00	each	13,050
	<i>Wood Doors</i>			13,050
8.610	<i>Wood Windows</i>			
10	Wood Windows	10.00	each	4,750
	<i>Wood Windows</i>			4,750
	40.00 Labor hours			
	20.00 Equipment hours			
	DOORS & WINDOWS			17,800
	40.00 Labor hours			
	20.00 Equipment hours			
9.000	FINISHES			

Item	Description	Takeoff Qty	Total	
				Amount
9.130	<i>Acoustical Ceilings</i>			
s-ls	Lump sum - subcontractor	967.00	ls	<u>4,835</u>
	<i>Acoustical Ceilings</i>			4,835
9.330	<i>Drywall Sub</i>			
sub	Drywall	3,330.00	sf	<u>5,775</u>
	<i>Drywall Sub</i>			5,775
9.700	<i>Ceramic/Marble</i>			
lsum	Lump Sum Ceramic Tile	200.00	ls	<u>2,400</u>
	<i>Ceramic/Marble</i>			2,400
9.860	<i>Resilient Tile & Carpet</i>			
----	Flooring Allowance	967.00	sub	<u>4,835</u>
	<i>Resilient Tile & Carpet</i>			4,835
9.950	<i>Paint Subcontractor</i>			
70	Paint Subcontract - Lump Sum	967.00	ls	<u>3,385</u>
	<i>Paint Subcontractor</i>			3,385
	FINISHES			21,230
10.000	SPECIAL CONDITIONS			
10.160	<i>Toilet Partition</i>			
20	Toilet Partitions (Solid Plastic)	2.00	each	<u>1,800</u>
	<i>Toilet Partition</i>			1,800
	5.00 Labor hours			
	1.67 Equipment hours			
10.810	<i>Lump Sum Toilet Accessory</i>			
10	LS Toilet Access	16.00	each	<u>1,200</u>
	<i>Lump Sum Toilet Accessory</i>			1,200
	384.000 Labor hours			
	128.00 Equipment hours			
	SPECIAL CONDITIONS			3,000
	389.000 Labor hours			
	129.67 Equipment hours			
15.000	MECHANICAL			
15.001	<i>Plumbing</i>			
10	Plumbing Subcontractor (fixture count)			<u>15,400</u>
	<i>Plumbing</i>			15,400
15.010	<i>HVAC</i>			
10	HVAC Subcontractor	1.00	sqft	<u>11,604</u>
	<i>HVAC</i>			11,604
15.300	<i>Sprinkler</i>			
05	Sprinkler System - Sub	1,452.00	sf	<u>3,267</u>
	<i>Sprinkler</i>			3,267
	MECHANICAL			30,271
16.000	ELECTRICAL			
16.001	<i>Electrical</i>			
sub	Electrical	967.00	sqft	10,500

Item	Description	Takeoff Qty	Total Amount
	<i>Electrical</i>		10,500
16.175	<i>Install Fire Alarm System</i>		
10	Install Fire Alarm System	1.00 each	3,878
	<i>Install Fire Alarm System</i>		3,878
	2.00 Labor hours		
	ELECTRICAL		14,378
	2.00 Labor hours		
	New Building		148,317
	967.00 sf		
	821.030 Labor hours		
	588.093 Equipment hours		

Site Work

2.000	SITWORK			
2.002	<i>Site Demolition</i>			
----	Demo Existing Curb & Gutter	1.00 sub	3,200	
	<i>Site Demolition</i>		3,200	
2.003	<i>Site Grading</i>			
10	Site Grading - Sub	1.00 ls	7,500	
	<i>Site Grading</i>		7,500	
2.011	<i>Bulk Fill</i>			
10	Bulk Fill	1.00 ls	15,100	
	<i>Bulk Fill</i>		15,100	
	0.033 Labor hours			
	0.033 Equipment hours			
2.025	<i>Asphalt Paving</i>			
05	Asphalt Paving - Sub	356.00 sy	7,476	
	<i>Asphalt Paving</i>		7,476	
2.027	<i>Concrete Curb</i>			
20	Concrete Curb - Sub	460.43 lf	6,906	
	<i>Concrete Curb</i>		6,906	
2.036	<i>Parking Lines</i>			
Isum	Parking Lines	1.00 ls	1,100	
	<i>Parking Lines</i>		1,100	
2.040	<i>Site Utilities</i>			
10	Site Utilities - Water	1.00 ls	21,750	
10	Site Utilities - Sewer	1.00 ls	6,000	
	<i>Site Utilities</i>		27,750	
2.112	<i>Site Furnishings</i>			
10	Site Furnishings - Bench	2.00 each	750	
10	Trash Receptacles	1.00 each	500	
10	Site Dedication Plaque	1.00 each	1,500	
	<i>Site Furnishings</i>		2,750	
2.115	<i>Termite Treatment</i>			
sub	Soil Poisoning	2,934.00 sqft	294	

Item	Description	Takeoff Qty		Total Amount
	Termite Treatment			294
2.140	Landscaping			
sub	Landscaping & Irrigation	1.00	ls	15,500
	Landscaping			15,500
2.190	Site Concrete			
10	Site Walks	5,608.79	sf	28,885
20	Concrete Dumpster Pad	100.00	sf	750
	Site Concrete			29,635
2.195	Site Electrical			
----	Site Lighting	1.00	ls	10,000
----	Site Wiring	1.00	ls	9,500
	Site Electrical			19,500
	SITWORK			136,711
	0.033 Labor hours			
	0.033 Equipment hours			

10.000 SPECIAL CONDITIONS

10.350	Flagpoles			
10	Flagpoles	2.00	each	13,000
	Flagpoles			13,000
	6.000 Labor hours			
	2.00 Equipment hours			
	SPECIAL CONDITIONS			13,000
	6.000 Labor hours			
	2.00 Equipment hours			
	Site Work			149,711
	2,867.00 sf			
	6.033 Labor hours			
	2.033 Equipment hours			

Estimate Totals

Description	Amount	Totals	Hours	Rate			
	606,033	606,033					
Building Permits	3.636			0.420 %	T	1.268 /sf	0.42%
Builder's Risk Insurance	1.645			0.190 %	T	0.574 /sf	0.19%
General Conditions	70.000				L	24.416 /sf	8.09%
	75,281	681,314				237.640 /sf	8.70
Overhead	68.131			10.000 %			
	68,131	749,445				261.404 /sf	7.87
Profit	37.472			5.000 %			
Contingency	78.692			10.000 %	T	27.447 /sf	9.09%
Total		865,609					

Bank Account(s) August 2021 approved at our October Town Board Meeting

Account	Amount
CASH MANAGEMENT	\$1,967,203.61
BB&T CASH IN BANK	\$111,679.38
FIRST FEDERAL BUSINESS MONEY MARKET	\$856,877.71
FIRST FEDERAL MONEY MARKET	\$136,591.42
TOTAL	\$3,072,352.13

Restricted Funds August 2021 approved at our October Town Board Meeting

Account	Amount
BB&T STATE FORFETIRURE	\$4,246.64
BB&T CAPTIAL RESERVE/COMMUNITY ENHANCEMENT	\$193,389.81
FIRST FEDERAL CAPTIAL RESERVE	\$2,349,686.42
BB&T HEALTH RESERVE HRA	\$17,199.42
PRIEBE FIELD ACCOUNT	\$11,248.44
AL WOODALL PARK IMPROVEMENTS PARTF	\$349,440.85
AMERICAN RELIEF FUND	\$821,602.01
TOTAL	\$3,746,803.59

Community Facilities Direct Loan & Grant

What does this program do?

This program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial, or business undertakings.

Who may apply for this program?

Eligible borrowers include:

- **Public bodies**
- **Community-based nonprofit corporations**
- **Federally recognized Tribes**

What is an eligible area?

Rural areas including cities, villages, townships, and towns including Federally recognized Tribal lands with no more than 20,000 residents according to the latest [U.S. Census Data](#) are eligible for this program.

How may funds be used?

Funds can be used to purchase, construct, and/or improve essential community facilities, to purchase equipment, and to pay related project expenses.

Examples of essential community facilities include:

- Healthcare facilities such as hospitals, medical clinics, dental clinics, nursing homes, or assisted living facilities
- Public facilities such as town halls, courthouses, airport hangars, or street improvements
- Community support services such as child care centers, community centers, fairgrounds, or transitional housing
- Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles, or equipment
- Educational services such as museums, libraries, or private schools
- Utility services such as telemedicine or distance learning equipment

- Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs, or greenhouses

For a complete list see Code of Federal Regulations 7 CFR, Part 1942.17(d) for loans; [7 CFR, Part 3570.62](#) for grants.

What kinds of funding are available?

- Low interest direct loans
- Grants
- A combination of the two above, as well as our [loan guarantee program](#). These may be combined with commercial financing to finance one project if all eligibility and feasibility requirements are met.

What are the funding priorities?

- Priority point system based on population, median household income
- Small communities with a population of 5,500 or less
 - Low-income communities having a median household income below 80% of the state nonmetropolitan median household income.

What are the terms?

Funding is provided through a competitive process.

Direct Loan:

- Loan repayment terms may not be longer than the useful life of the facility, state statutes, the applicants authority, or a maximum of 40 years, whichever is less.
- Interest rates are set by Rural Development, contact us for details and current rates.
- Once the loan is approved, the interest rate is fixed for the entire term of the loan, and is determined by the median household income of the service area.
- There are no pre-payment penalties.
- Contact us for details and current interest rates applicable for your project.

Grant Approval:

Grant funds must be available. Applicant must be eligible for grant assistance, which is provided on a graduated scale with smaller communities with the lowest median household income being eligible for projects with a higher proportion of grant funds. Grant assistance is limited to the following percentages of eligible project costs:

Maximum of 75 percent when the proposed project is:

- Located in a rural community having a population of 5,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 60 percent of the State nonmetropolitan median household income.

Maximum of 55 percent when the proposed project is:

- Located in a rural community having a population of 12,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 70 percent of the State nonmetropolitan median household income.

Maximum of 35 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 80 percent of the State nonmetropolitan median household income.

Maximum of 15 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 90 percent of the State nonmetropolitan median household income. The proposed project must meet both percentage criteria. Grants are further limited.

Are there additional requirements?

- Applicants must have legal authority to borrow money, obtain security, repay loans, construct, operate, and maintain the proposed facilities
- Applicants must be unable to finance the project from their own resources and/or through commercial credit at reasonable rates and terms
- Facilities must serve rural area where they are/will be located
- Project must demonstrate substantial community support
- Environmental review must be completed/acceptable

How do we get started?

Contact your [local RD office](#) to discuss your specific project. Applications are accepted year round.

Who can answer questions?

Contact your [local RD office](#).

What governs this program?

- Direct Loan: 7 CFR Part 1942, Subpart A
- Grant: 7 CFR Part 3570, Subpart A

NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “What Governs This Program?” You may also contact your local office for assistance. You will find additional forms, resources, and program information at rd.usda.gov. USDA is an equal opportunity provider, employer, and lender.