If you agree to meet the conditions set forth in this letter and desire further consideration be given to your application, please complete and return the following forms within 7 days:

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

All parties may access information and regulations referenced in this letter at our website located at: Water and Environmental Programs | Rural Development (usda.gov)

The conditions are as follows:

SECTION I - PROJECT SCOPE

1. Project Description – Funds will be used to replace the sanitary sewer collection and water distribution system with new pipe installed along with manholes, and a new lift station.

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), prepared by Bolton & Menk on 03/29/2021 and amended 01/29/2024, as concurred with by the Agency.

2. Project Funding – The Agency is offering the following funding for your project:

Agency Loan -	$ 4,505,000.00
Agency Grant -	$ 5,860,000.00

This offer is based upon the following additional funding being obtained.

PFA/WIF -	$ 2,210,000.00
RD Street Loan -	$ 1,881,000.00
TOTAL PROJECT COST -	**$ 14,456,000.00**

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Prior to loan closing, any increase in non-Agency funding will be applied first as a reduction to Agency grant funds, up to the total amount of the grant, and then as a reduction to Agency loan funds.

The applicant must certify that they have exhausted all other funding avenues and have no pending funding considerations from any other sources. Further, the applicant must certify that they do not intend to apply anywhere else for funding for this project. If, after obligation of Agency funds, other funding becomes available, the Agency reserves the right to deobligate any and all funding for this project and to re-underwrite. This may result in the offering of a different funding package to for this project.