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## MEMORANDUM

TO: City of Silver Lake Mayor and Council

FROM: John Rodeberg, PE (MN), Jordan Van Oort, PE (MN) and David Krueger

DATE: April 1, 2021

RE: Silver Lake Infrastructure Improvements Update  
SEH No. SILAK 152875 14.00

The project continues to move ahead as expected (meaning slowly). There are a number of items in motion:

### REPORTS

1. USDA-Rural Development (RD) has completed their first review of the Preliminary Engineering Report (PER) and Environmental Review (ER) and have submitted comments on items that they would like addressed and updated in the reports. As usual practice for RD, there are several pages of items that reflect mostly minor items. Jordan is currently working on addressing those items and resubmitting the updated documents back to RD.
2. Once the updated PER and ER are reviewed by RD they will provide an overview of funding eligibility as well as recommendations for financing (loan and grant likelihood, utility rates, phasing, etc.). At that point a meeting will be set up with RD, City, SEH and the City's financial advisor staff to discuss options for proceeding with the project. This is likely to occur in May.
3. It is expected, based on discussions with RD, that the project would be recommended to be completed in several phases to allow for multiple state and federal funding cycles. This would potentially increase both the grant and loan amounts that would be available to the City, but would also increase the overall length of time and costs to get the work completed. SEH is therefore recommending also looking at other options for project funding.

### OTHER FUNDING OPTIONS

1. SEH Community Development Specialist David Krueger is working with the City to complete an application for the 2021 State Bonding Bill. We've been successful doing this for other communities and expect that this project would compete very well for funding. The application must be completed on-line from the state-registered computer in the City offices. David would plan to complete the work later this month, and would likely need a staff and Mayor/Council person available to help answer questions and finalize the application. This could take up to 3 hours. We will coordinate the timing of this effort with the City.
2. The upcoming federal stimulus/infrastructure funding bills are expected to include earmark projects (now proposed to be known as Community Projects). As these projects would need to be "shovel-ready" (plans and specifications mostly completed), the Silver Lake project would not be ready for 2021 funding but there may be good chance of getting future project funding, through close coordination with Representative Michelle Fischbach. David and other SEH staff are working through the process and will provide updates to the City on upcoming opportunities.

Please let us know if you have any questions or comments. We can plan to provide an update at the City Council meeting on 18<sup>th</sup>. John can be reached at 651.470.2448 or [jrodeberg@sehinc.com](mailto:jrodeberg@sehinc.com).

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