

ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING

SUBJECT: Approval of Resolution Authorizing the City to Complete an EDA Grant Application

Staff Contact: Adam Lanning

Summary: As RMU proceeds with the design of an iron removal plant at well 8, we are currently in the process of completing an application for an EDA grant. For the city to submit the application it is necessary for council to approve a resolution authorizing the application and commitment to funding any remaining portion of the project cost beyond the scope of the grant. We anticipate the grant application getting submitted in March of 2022 and based on the current project schedule construction will coincide with the City receiving any grant funds. The most current engineering cost estimate for the project is \$7.2 million, therefore based on 50% grant funding the city would commit \$3.6 million and would be funded through the SRF loan program with the IEPA.

This resolution is an updated version of the one that was passed on September 27th 2021. Since then, the engineering cost estimate has increased approximately 30% and due to the city being unable to demonstrate job creation from this project we are only seeking 50% funding rather than the original 85%. With these circumstances we are required then to commit a higher dollar amount to the project from local funds.

Funding Sources:

Source:	2022 Budgeted Amount:	Proposed Expenditure:
SRF Loan	\$450,000	\$3,607,000

Strategic Plan Goal Application: Develop and implement a plan to replace/repair infrastructure to work in concert with the CIP

Recommendation: To approve a resolution committing the City to submit an EDA grant application.