

Vergennes Township Board

Vergennes Township -10381 Bailey Dr., Lowell, MI 49331

Special Meeting/Workshop- August 22, 2018- 9 a.m.

MINUTES

A Special Meeting of the Vergennes Township Board was called to order on August 22, 2018 at 9 a.m. by Supervisor Wittenbach. Also present were Board members Mork and Hoffman. Absent were Rasch and Gillett.

The purpose of the meeting was to hold an initial meeting with Katherin Farwell from the United States Department of Agriculture (USDA) regarding funding options and the pre-application process for funding through the USDA program for the proposed New Township Hall Building.

The USDA will be responsible for the funding and the execution of an environmental, historical and tribal review of the property. If anything is found that needs attention, the township would be financially responsible.

Household Medium Income for Vergennes Township as determined by the 2010 US Census falls above the USDA maximum threshold, but there is a formula Katherin will work out to determine if Vergennes Township is eligible to use their financing program.

We need to have preliminary site plans and elevations from the architect.

The Township needs to have a Dunn and Bradstreet number and the Township needs to be registered with S.A.M. – this can be completed by the Township's Auditing firm.

An affidavit of Publication for the Township meeting regarding the new building project is needed for the pre-application process. The meeting/open house held in November of 2017 was noticed for two weeks. Mork will confirm with the attorney that document is sufficient for the pre-application.

The Township needs to begin work with architect Tim Spitzley on completing the agreement between owner and architect paperwork.

USDA requires a copy of our current budget (without the breakdown of accounts) showing a NEW account line item for the proposed revenue- "proposed USDA BOND" and expenditure "Proposed USDA LOAN". – This needs to show in the Audit too- "proposed line" – Auditor to help with this.

Current fixed rate is 3.875%. The USDA figures this quarterly.

Payments are semi-annually and set up with Bond Counsel.

After the USDA receives the Township's application, the Township will receive an 8622 letter which states that the Township is eligible to work with the USDA.

To complete:

- Preliminary Architect Feasibility Report (PAFR) will be due

- Financial Feasibility Analysis Report will need to be completed – by Scott Hogan w/Foster and Swift- Bond Counsel attorney
- Legal Services Form will need to be completed-*States who is representing the Township and what their fees are.
- Architect and Owner Agreement Form needs to be completed-* this will shows what he is proposing to charge for his services, -The Township attorney will review this document

USDA suggests a design-bid-build project

USDA requires a copy of our current budget (without the breakdown of accounts) showing a NEW account line item for the new building expenditure- calling it “PROPOSED”.

Before any bidding is done, the wording must be approved by Katherin. The entire bid process will be run through the architect and reviewed by Katherin as the second set of eyes to ensure everything is covered.

If the print is updated, it must be approved prior to moving forward with the change.

Prior to Closing-

- Notary needed at closing
- For insurance:
 - USDA needs to be included on insurance as worded: “Certificate of Holder USDA United States of America”
 - Employee dishonestly clause = to or more than annual payment on loan
 - Liability/work comp/vehicular w/fidelity bond
- Form 1940-1 Obligation – we sign then send to state director for signature

For every step of the USDA project, it was noted that it is essential that everything is completed prior to submitting to Katherin for review.

If there are any questions, Katherin would like a phone call NOT an email. She will be out of the office until after September 21, 2018.

Meeting adjourned at 10:05 a.m.