

Sewer Lift Station 2 Update

EPA Grant Component-\$2,669,867

We were apprised on December 20th that the EPA grant funding came through officially for the town. The finance officer has been working with the representatives at EPA to set up our accounting system. Based on our current knowledge base, this grant will focus on a quick turnaround where the town will submit invoices to EPA representatives. They will approve invoices and send automatic payments to us in which we have to redistribute to the contractor within a three-to-four-day period.

The milestone schedule presented in the workplan based on needing to move past the winter 2023 season for construction includes completing construction by July 2025 and having system start up by October 2025. The timeline also incorporates closeout on EPA's end, which includes their own inspections of the system. They have final completion and close out on their end listed as November 2026.

State Funding-\$1,940,000

Received a letter of intent to fund from the State last Friday. Have reached out twice to the program representative to make contact and clarify some items. Previous correspondence to Town says the BOC will need to make a resolution accepting the funding letter of intent, but we need some clarification first. One item of critical importance is that the state timeline does not appear to mesh with the EPA timeline; i.e.; the state schedule as received/written seems to represent a not to exceed timeline that lags a year or so behind the EPA approved work plan. We are requesting clarification about advancing the state schedule to accommodate our circumstances and shovel ready project status. More to come on the resolution needed by the board.

Remaining Financing

Have been in consultation with the bond attorney and financial advisors to keep them abreast of the project's moving parts. Forecast a possible need for short-term borrowing since the state funding references **a reimbursement of costs protocol instead of the payment advance system** that the EPA follows (mentioned above). In addition to the "pay/go" financing consideration- need to factor in the ability to pay contractor should EPA deny any reimbursements.

LGC

If short-term financing is needed, a third calendar and related efforts will need to be coordinated so that the town can appear before the LGC and submit appropriate application prior to appearance.

Next Steps

1. Get questions answered from State
2. BOC resolution accepting intent to fund
3. Rebid project- old bids are not valid
4. Coordinate bid tab with State
5. Coordinate all above elements for funding and prepare for construction