

**SPECIAL MEETING:**

The La Cygne City Council met on Monday, August 10, 2020 at the La Cygne Community Building. Council Members present were: Danny Curtis; James Thies; Logan Smith; and Thomas Capp. **Absent:** Jerome Mitzner.

Others in attendance included, but not limited to: City Clerk Jodi Wade; Linn County Newspaper Tony Furse (Speaker phone).

**MAYOR DEBRA WILSON CALLED THE SPECIAL MEETING TO ORDER AT 6:00 p.m.**

**The Purpose the Special Meeting was called for:**

❖ **USDA LETTER OF INTENT TO MEET CONDITIONS AND REQUEST FOR OBLIGATION OF FUNDS REVIEW FOR APPROVAL.**

Mayor Wilson addressed the Council regarding their review of the conditions and funding. Mayor Wilson stated there were several conditions that would need to be met in order to complete the funding process. City Attorney Harding stated the majority of the conditions were standard requirements for USDA funding. CC Wade advised the Council that some of the conditions were taken care of during the preparations for the PER application and most of the remainder items were similar requests in the Water Improvement project.

CC Wade asked if the Council had any concerns or questions regarding the change from a loan/grant funding to just a loan. The Council was satisfied with the lower interest rate. Council Member Curtis was concerned about the rate the City would actually receive. Form 1940-1 had a question box to mark yes or no on whether the City would like to lock in at the 1.125% rate (check box 'NO') or take the lessor of the interest rate at loan approval vs. at loan closing (Check box 'Yes'). Discussion was held regarding the defining of loan approval date and loan closing date. CC Wade attempted to reach out to Mike Billings (USDA) for clarity. CC Wade spoke to Mike Billings earlier in the day and understood the signing of RD Form 1940-1 represented loan approval. City Attorney Harding questioned the validity of the letter vs. the Form for defining loan approval. The Council suggested to move forward by locking in to the 1.125% rate since it was well below the original rate of 3.375%.

❖ **Motion**

**Council Member Capp motioned to approve for Mayor Wilson to sign form RD 1940-1 Request for Obligation of Funds effective today and to check 'NO' on question 36 in order to lock in the interest rate of 1.125%. Motion seconded by Council Member Smith, voted on, passed 4-0.**

❖ **Motion**

**Council Member Capp motioned to approve for Mayor Wilson to sign form RD 1942-46 Letter of Intent to Meet Conditions effective today. Motion seconded by Council Member Thies, voted on, passed 4-0.**

CC Wade advised the Council to be prepared for further documents necessary to be signed in order to get everything initialized for the Sewer Rehabilitation project. CC Wade expressed the importance for the Council to be available for Special meetings as needed.

Mayor Wilson addressed the Council about assigning two (2) Council members to be "project managers" for the Sewer Rehabilitation project. This would allow easier communication for the City employees to address concerns or issues during the project.

**ADJOURNMENT:**

❖ **Motion**

**Council Member Capp moved to adjourn the meeting. Motion seconded by Council Member Smith, voted on, passed 4-0. Time 6:27pm.**

I, \_\_\_\_\_ La Cygne City Clerk, do hereby declare  
(Jodi Wade) the above to be true and correct, to the best of my knowledge, and do hereby subscribe my name on this 10<sup>th</sup> of August 2020.