

Lessard-Sams Outdoor Heritage Council

MEMO: **Agenda Item #7**
DATE: May 25, 2022
SUBJECT: Advancement of Funds Request under 97A.056, subd 8
 Restoring the Upper Mississippi River at Lake Pepin, Phase 1
 ML 2019, 1st Sp. Session, Ch. 2, Art. 1, Sec. 2, subd 5(o) - \$750,000
PRESENTER: Sandy Smith, LSOHC Project Analyst Manager

Suggested Motion:

Motion by Councilmember X to approve the \$750,000 advancement of funds to Lake Pepin Legacy Alliance due to inadequate cash flow and with the stipulation DNR Contract Management will require quarterly reconciliation reports of all receipts showing costs spent and the entire amount being reconciled within a year.

No motion by the Council is denying the advancement.

Background:

Currently the Army Corps of Engineers has Section 1122 project (matching funds) of \$19.1M in Federal funding available with a 65 Federal/35 local cost share. This project will benefit from those matching funds.

According to federal laws and grants policies (see attached e-mail for details), the Corps will need to have all of the local contributions provided to the Corps prior to the contract bids being opened and issued, which includes the match grant funding being provided. The bids for this program need to be issued and awarded before the end of September to solidify the federal funds.

The project manager has assured LSOHC that the project will be completed by the time the availability of the appropriation expires on June 30, 2024.

This request is before the Council in accordance with session law, Subd 8. Payment Conditions and Capital Equipment Expenditures (inserted below). According to the project partners, if the advancement is not approved by the Council the success of this project is jeopardized and the money may go unspent.

Subd 8.

“...Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan...”

Attachments:

- E-mail from Lake Pepin Legacy Alliance