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April 28, 2017

## News Release

For Immediate Release

Contact John Bilsten, General Manager, Algona Municipal Utilities

### **AMU Awarded \$1 Million Dollar Loan for KOFAB Expansion**

USDA Rural Development recently awarded a \$1 million loan from its Rural Economic Development Loan and Grant (REDLG) program to Algona Municipal Utilities to assist with economic-development opportunities in the community.

The loan funds will support KOFAB, a division of Precision, Inc. in Algona, with a 35,450 square-foot building addition, as well as with the purchase of new equipment at its fabrication facility. The total cost of KOFAB's facility expansion is estimated to be \$5.1 million and will help create up to 30 local jobs.

"The USDA Loan through AMU will help us complete a much needed expansion to our Algona Fabrication Plant facilities and provide necessary space for our growing business", said Gary Schiltz, KOFAB Fabrication Plant Director.

Under the REDLG program, USDA Rural Development provides zero-interest loans and grants to utilities and municipalities. These funds are loaned to local businesses for projects to create and retain employment in rural areas. These revolving loan funds broaden the program's reach creating a multiplier effect for its economic impact. USDA Rural Development's innovative investments through this program are boosting local economies in rural communities all across the country.

Timothy Helmbrecht, USDA Rural Development Acting State Director in Iowa, said the USDA is pleased to contribute funding to the KOFAB expansion project. "Our focus is on making strategic investments to help grow the economic engine in rural America," said Helmbrecht.

John Bilsten, AMU General Manager, stated, "Algona Municipal Utilities is committed to economic development in our community. The USDA loan for KOFAB is another example of the AMU Board of Trustees commitment to the Algona area and our motto of 'Community Owned for Community Benefit.'"

**Algona Municipal Utilities**  
***"Community Owned for Community Benefit"***