

Otsego Township

Hazelwood Project Update

August 16, 2022



OTSEGO
TOWNSHIP

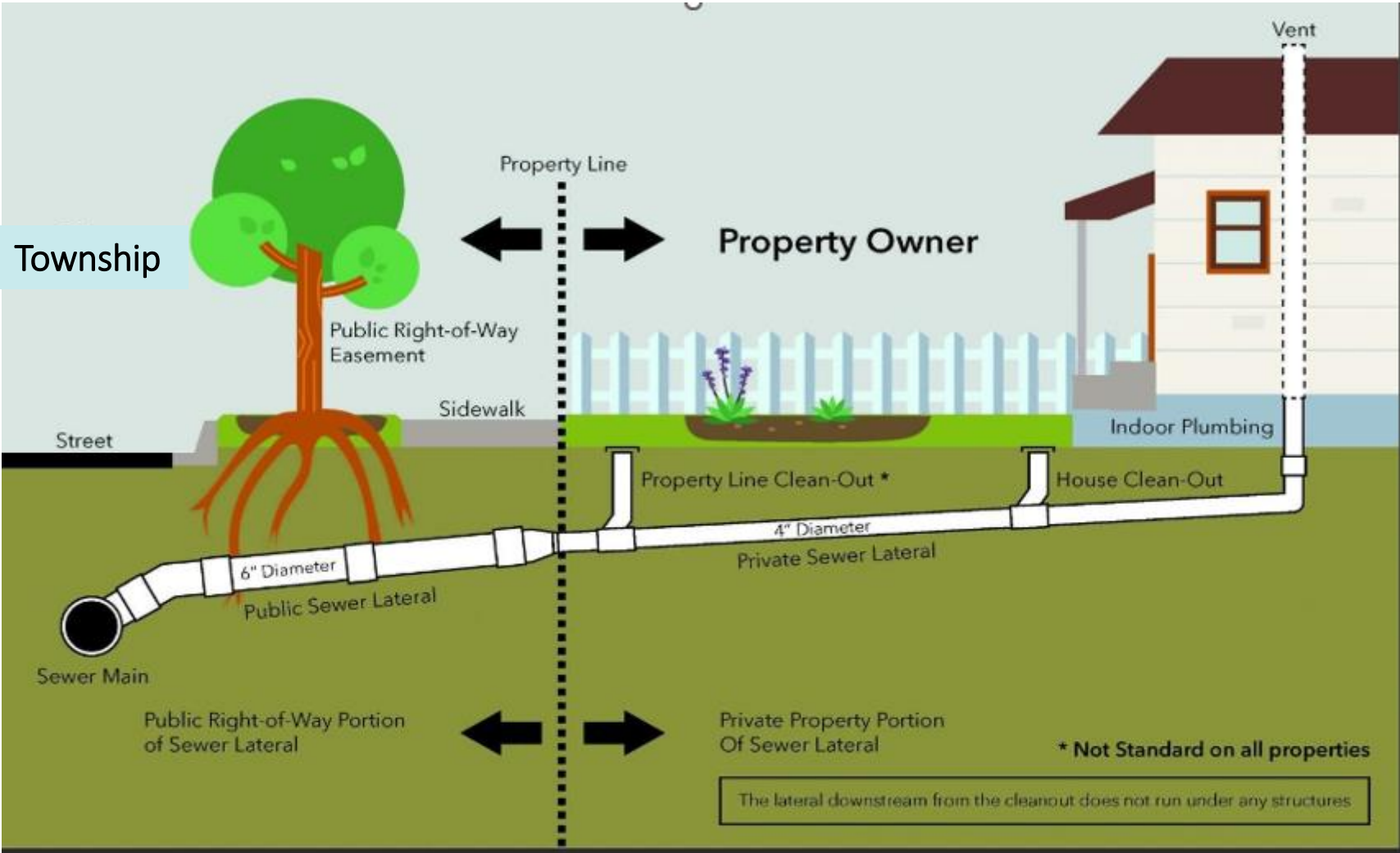



 SCALE: 1" = 200'

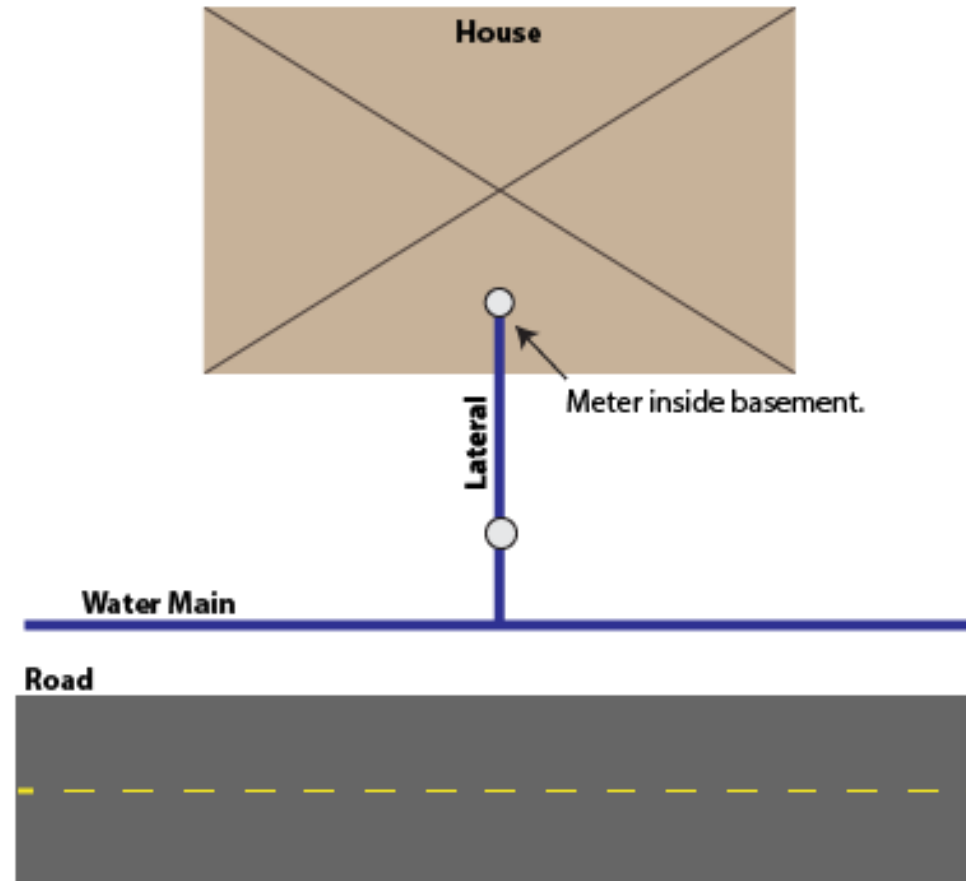
Water System		Sanitary Sewer System		Sanitary Force Main		Parcels to be Serviced		Water Only	
	Hydrant		Sanitary Manhole		Sanitary Force Main		Both Sewer and Water Service		Water Only
	Private Watermain		Sanitary Lift Station		Otsego Township Sanitary Sewer		Sewer only		Plainwell Customer Sewer only
	Public Watermain		Private Sanitary Sewer		No Sewer or Water				

OTSEGO TOWNSHIP
 ALLEGAN COUNTY, MICHIGAN
**Parcels To Be Serviced
 For Sewer/Water Project**
 2200309
 July 14, 2020
 Pevin & Newhol

Sewer Lateral



Water Service



Project Background

- 19 Parcels
- Driving Forces:
 - PFAS – No Public Water Currently Available
 - No Public Sewer Currently Available

Project Costs & Funding

- **Combined Water & Sewer Project:**
- Project Costs: \$1,351,341 (2022 Estimated costs)
- Sanitary \$624,090 + \$110,566 (Roadway HMA)
- Water \$616,662
- **FUNDING:**
 - Sanitary – USDA Loan 40-year at 1.75% paid by Special Assessment District (\$532,000)
 - Water – C2R2 Grant
 - Roadway HMA – Township \$110,566

Hazelwood – Combined W&S

Cost Details

- Water Assessment – \$0
- Water Install Add'l Costs:
 - Service Line – \$0 (paid by C2R2)
 - Plumber – \$0 (paid by C2R2)
 - Well Abandonment - \$0 (paid by C2R2)
 - Township Connection Fee – \$800
 - Inspection Fee - \$100
 - Water Meter - \$180 each
- Average Monthly Water Bill – \$35

Hazelwood – Combined W&S

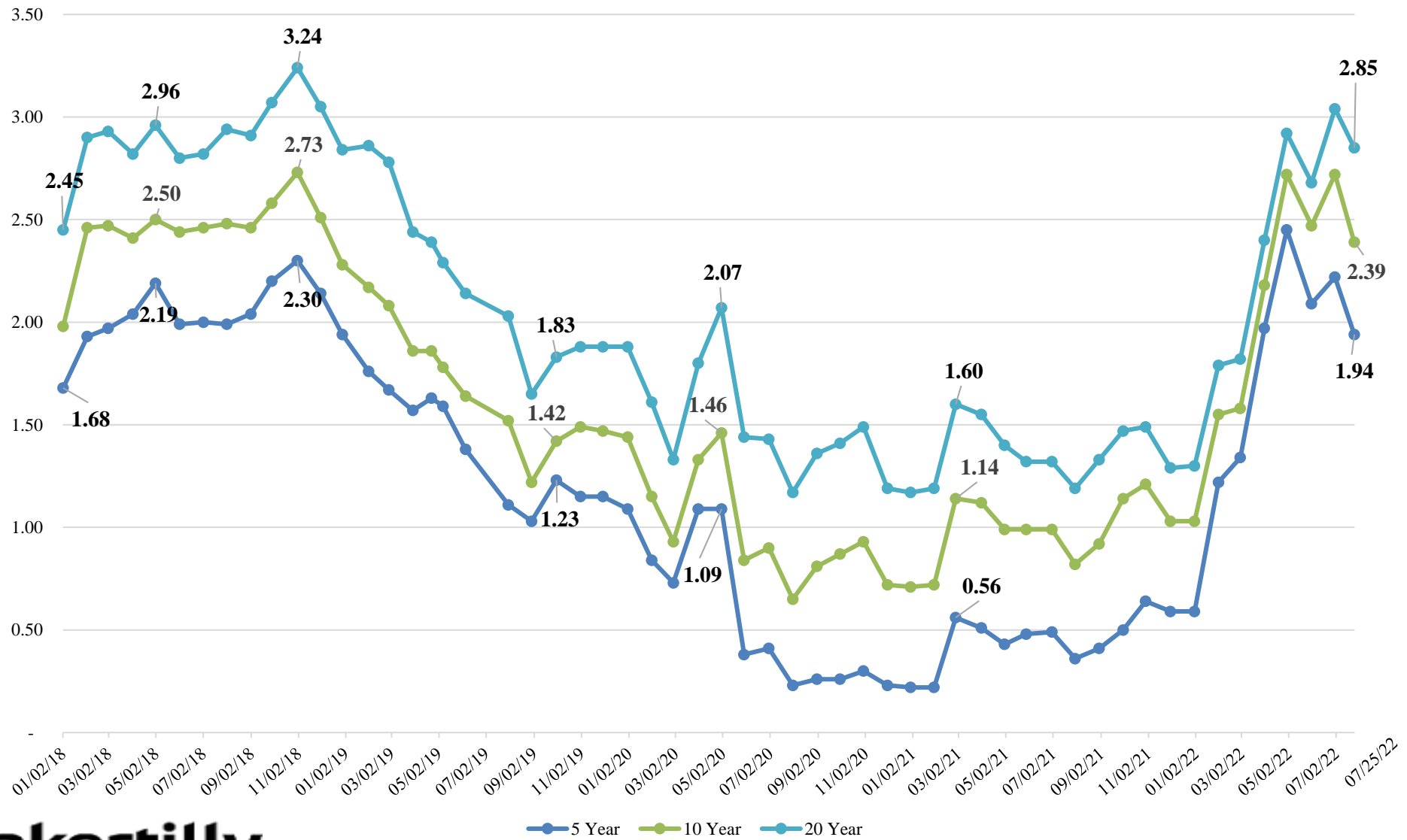
Cost Details

- Sewer Assessment – \$28,000
 - Yearly Payments:
 - \$700 principal plus interest
 - Approximately \$1,475 in year 1 down to \$725 in year 40
- Sewer Install Add'l Costs:
 - Plumbing – varies (\$6K-\$15K)
 - Septic Tank Pump - \$350
 - Septic Tank Crush/Fill - \$850
 - Inspection Fee - \$100
 - Township Connection Fee – \$2,000
- Average Monthly Sewer Bill– \$80

Hazelwood – Combined W&S Assessment & Loan Details

- Township Loan through USDA
 - 1.75% locked in as long as project costs don't exceed estimates
 - 40-year term prepayable at any time
- Property Owner Special Assessment
 - 2.75% (1% over Township borrowing terms)
 - 40-year term payable in full at any time

Tax-Exempt Interest Rate Trend



Next Steps

- Circulate SAD Petition in favor of the sewer project
- Hold Public Hearings on SAD
- Finalize Design Plans, Specifications, and Permits
- Finalize USDA requirements and checklist
- Bid Project
- Close on USDA Loan
- Construct Project (2024)