

Otsego Township

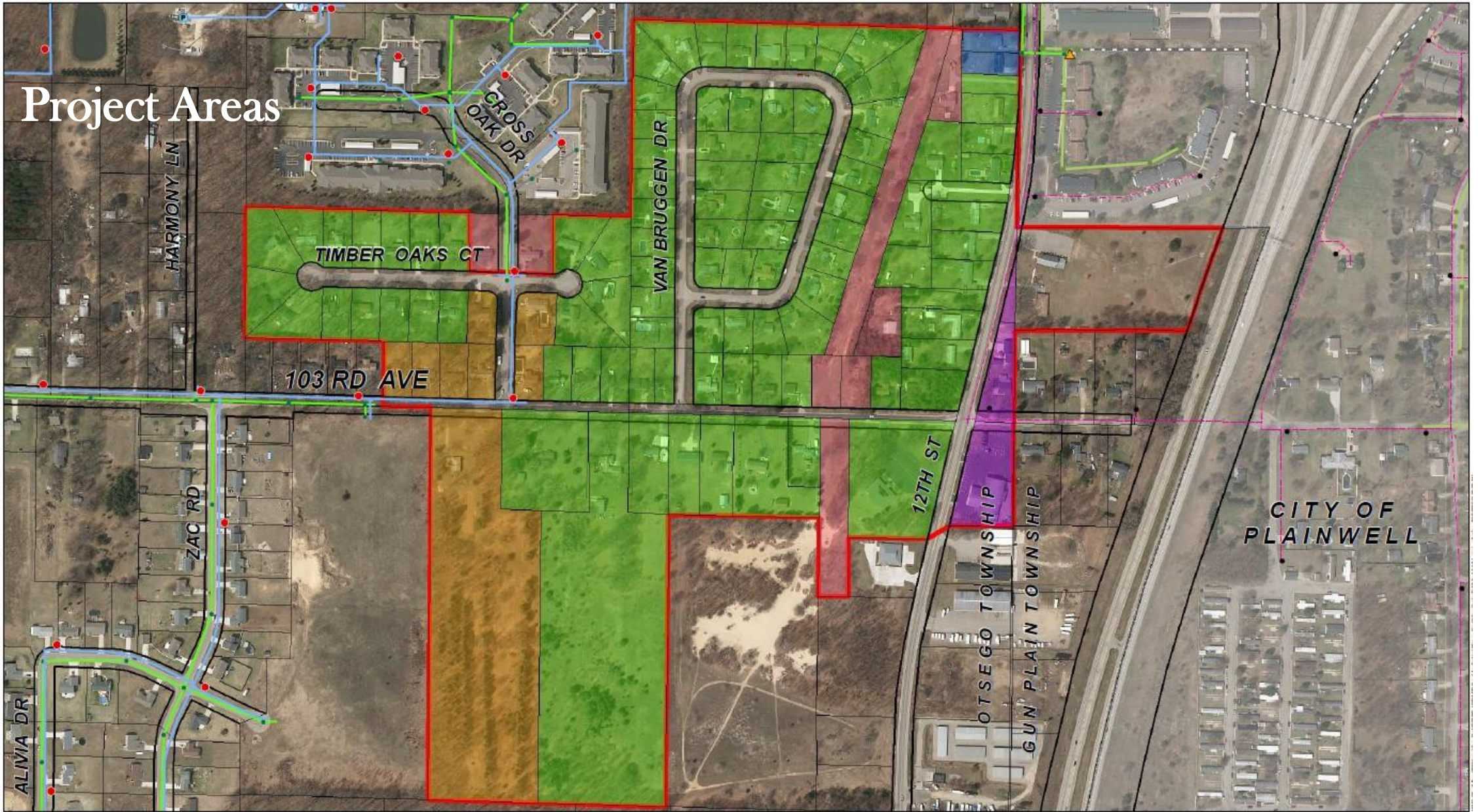
VanBruggen, Timber Oaks, 103rd and 12th St. Project Update

August 17 & 18, 2022



OTSEGO
TOWNSHIP

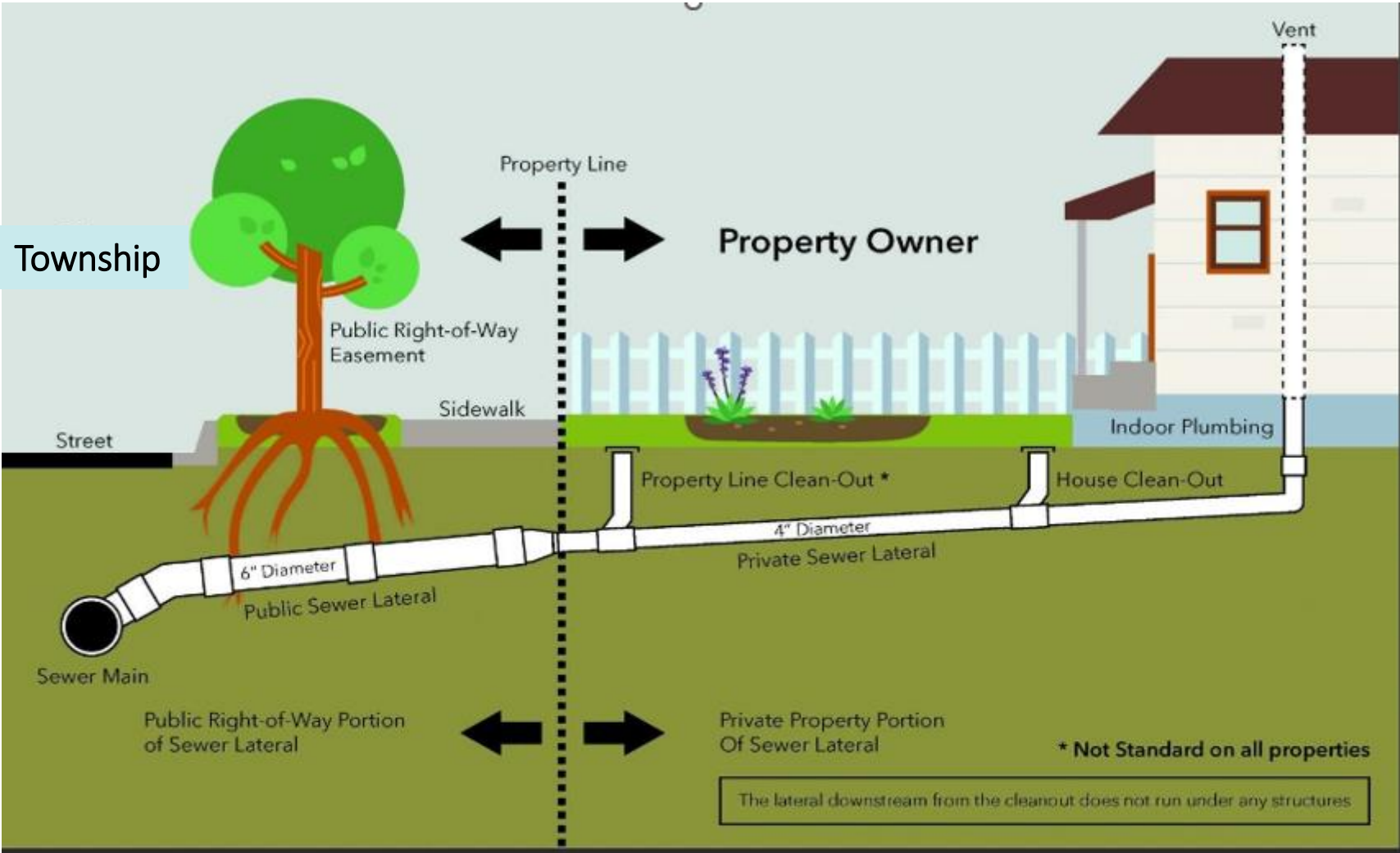
Project Areas



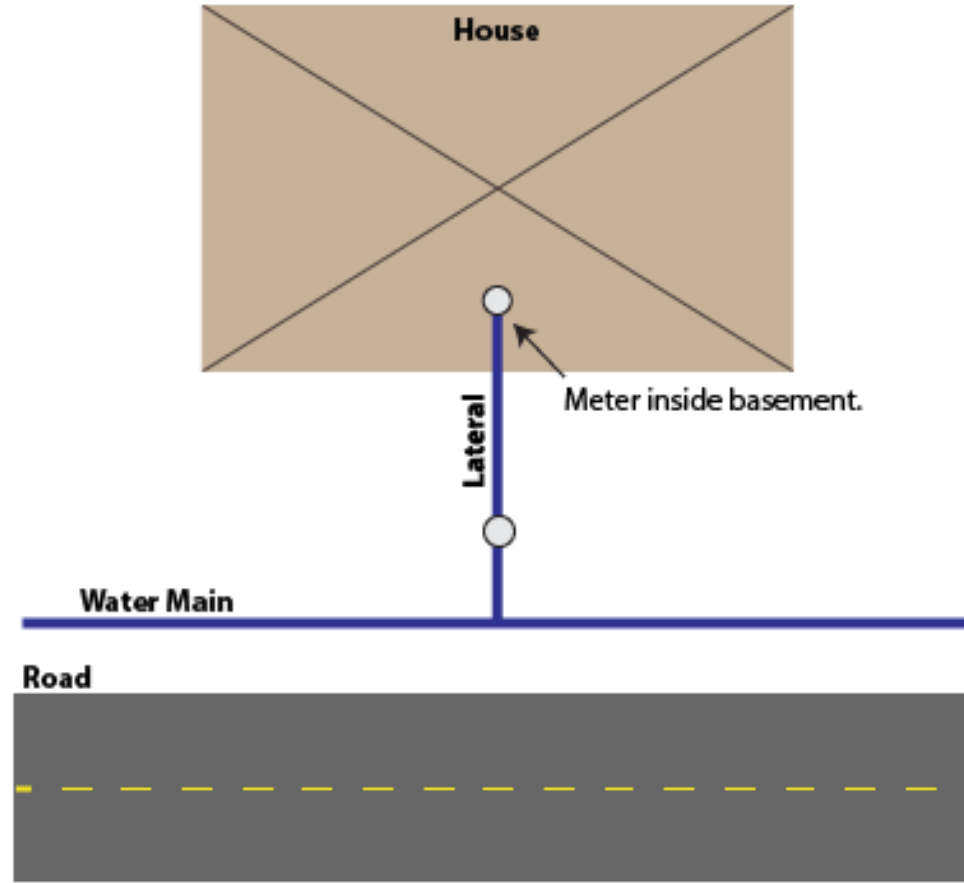
| Water System | | Sanitary Sewer System | | Sanitary Force Main | | Parcels to be Serviced | | Legend | |
|-------------------------------------|-------------------|--------------------------------------|-----------------------|---------------------------------------|--------------------------------|---|------------------------------|---|-------------------------------|
| ● | 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
 Prein&Newhol

Sewer Lateral



Water Service



Project Background

- 105 Parcels (Sewer)
- 100 Parcels (Water)

- Driving Forces:
 - No Public Water Currently Available
 - No Public Sewer Currently Available
 - Road needs paved - Poor Road Conditions
 - New Paved Road would mean sewer > 15 years out

VB, TO and Others – Combined W&S Cost Details

- Water Assessment – \$20,000
 - Yearly Payments:
 - \$500 principal plus interest
 - Approximately \$1,050 in year 1 down to \$525 in year 40
- Water Install Add'l Costs (Estimates ONLY):
 - Service Line – \$4,500 (ROW to Home)
 - Plumber – \$750
 - Well Abandonment - \$1,200
 - Township Connection Fee – \$800
 - Inspection Fee - \$100
 - Water Meter - \$180 each
- Average Monthly Water Bill – \$35 (based on 4500 gallons of usage in a month)

VB, TO and Others – Combined W&S Cost Details

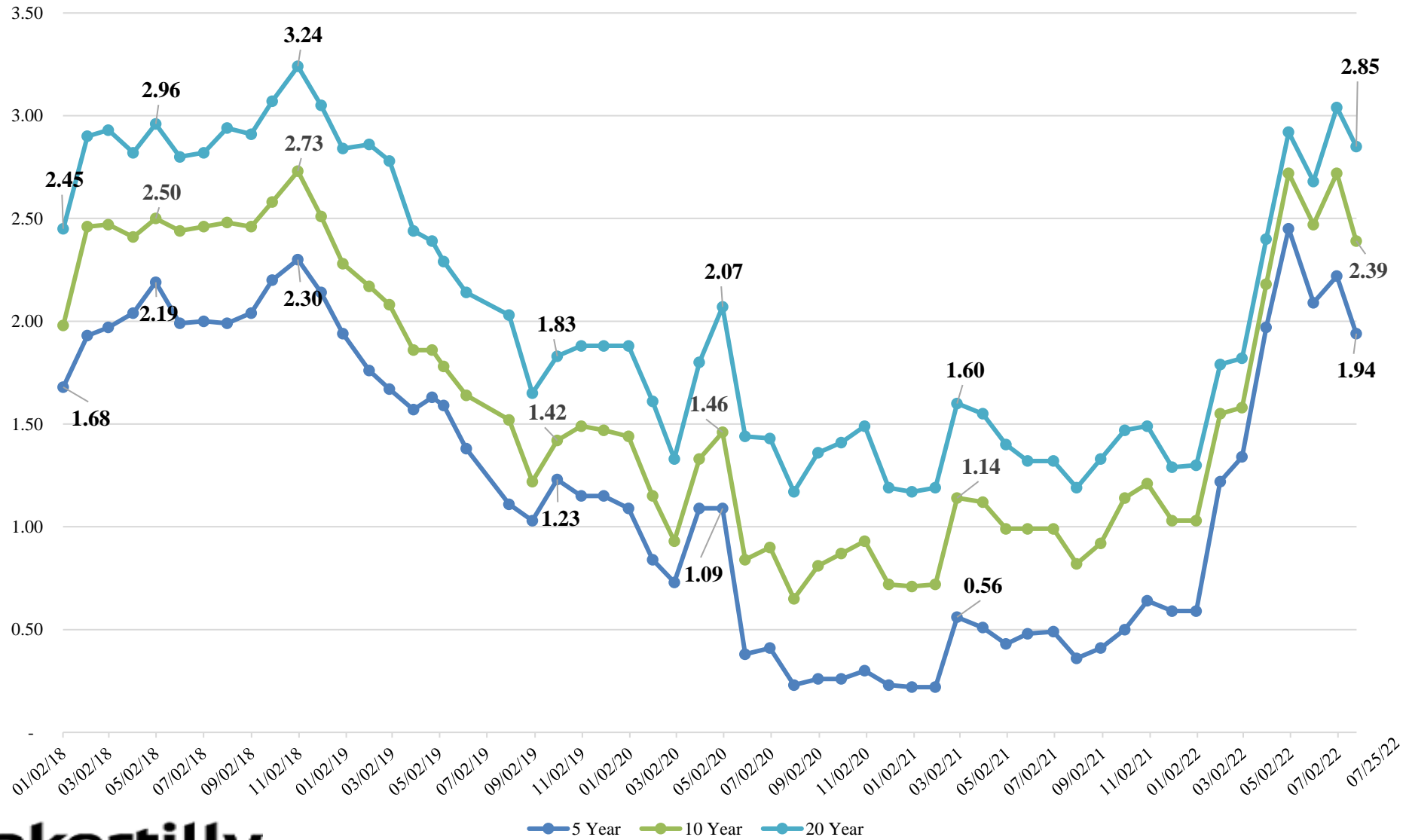
- Sewer Assessment – \$28,000
 - Yearly Payments:
 - \$700 principal plus interest
 - Approximately \$1,475 in year 1 down to \$725 in year 40
- Sewer Install Add'l Costs (Estimates ONLY):
 - Plumbing – varies (\$6K-\$15K)
 - Septic Tank Pump - \$350
 - Septic Tank Crush/Fill - \$850
 - Inspection Fee - \$100
 - Township Connection Fee – \$2,000
- Average Monthly Sewer Bill– \$80 (based on 4500 gallons of usage in a month)

VB, TO and Others

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 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)