

**DRAFT MINUTES OF THE SPECIAL MEETING OF THE OTSEGO TOWNSHIP BOARD
HELD ON THURSDAY, AUGUST 18, 2022**

A special meeting of the Otsego Township Board was held on Thursday, August 18, 2022, at the Otsego Township Hall, 400 North 16th Street, Otsego, Michigan.

Members Present: Supervisor Winn, Clerk Colin, Treasurer Lunarde-Alexander, Trustees Bumgart, Gudith, Burns.

Members Absent: Moll.

The meeting was called to order at 7:00 p.m. by Supervisor Winn.

The Pledge of Allegiance was said.

Open Forum:

Mike Schwartz, an engineer with Prein&Newhof was in attendance and made a presentation on how the water and sewer expansion would look from an engineering standpoint in the Hazelwood neighborhood. A slide show was used and is included as attachment A to these minutes.

Andy Campbell, a financial consultant with Bakertilly did the last half of the slide show presentation for the financial side of the project.

After the presentation there were many questions and discussions from the public. No board actions were taken at this meeting due to it being a solely informative meeting for the public about the potential improvements and expansions to the water and sewer system that the board has been looking into doing.

Communications and Reports:

A follow up packet will be sent to all the residents in the areas that would be affected by these projects moving forward at the end of September or beginning of October. The board will also be circulating a petition for the official public opinion in the next couple of months.

Open Forum: Non-Agenda Items:

None.

With no further business before the Board, a motion by Winn with support by Lunarde-Alexander was made to adjourn the meeting at 8:17p.m.

Aye-6, Nay – 0, Absent-1.

Motion carried.

Jen Colin, Clerk

Bryan Winn, Supervisor

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I, the undersigned Jen Colin, the duly qualified and elected Clerk for the Township of Otsego, Allegan County, Michigan, do hereby certify that the foregoing is a true and complete copy of certain proceedings taken by the Township Board of said Township at a special board meeting held on the 18th day of August 2022.

Jen Colin, Clerk
Otsego Township

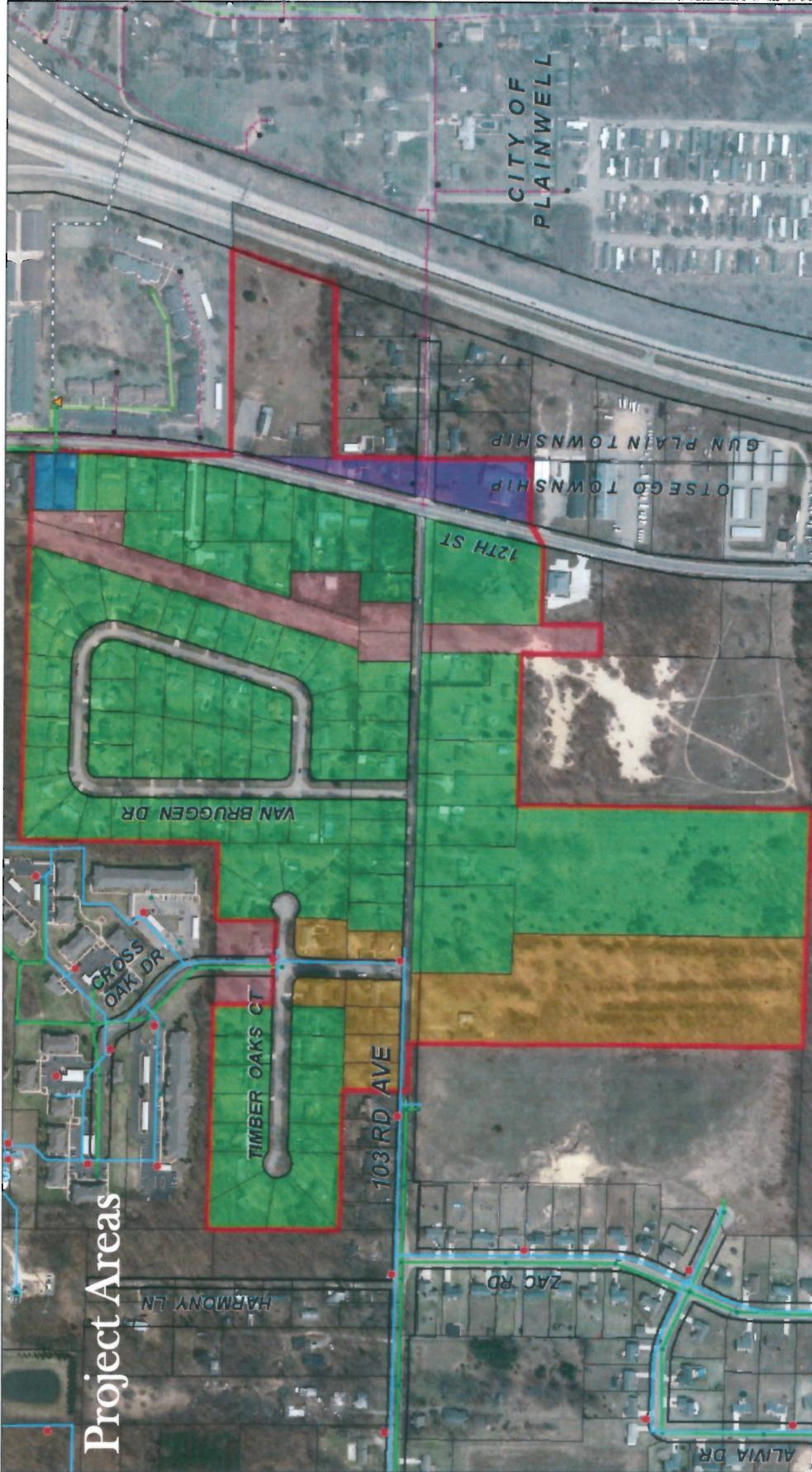
Otsego Township

VanBruggen, Timber Oaks, 10³rd
and 13th St. Project Update

August 17 & 18, 2022



OTSEGO
TOWNSHIP



Project Areas

OTSEGO TOWNSHIP
ALBERT COUNTY, MICHIGAN

Parcels To Be Serviced For Sewer/Water Project

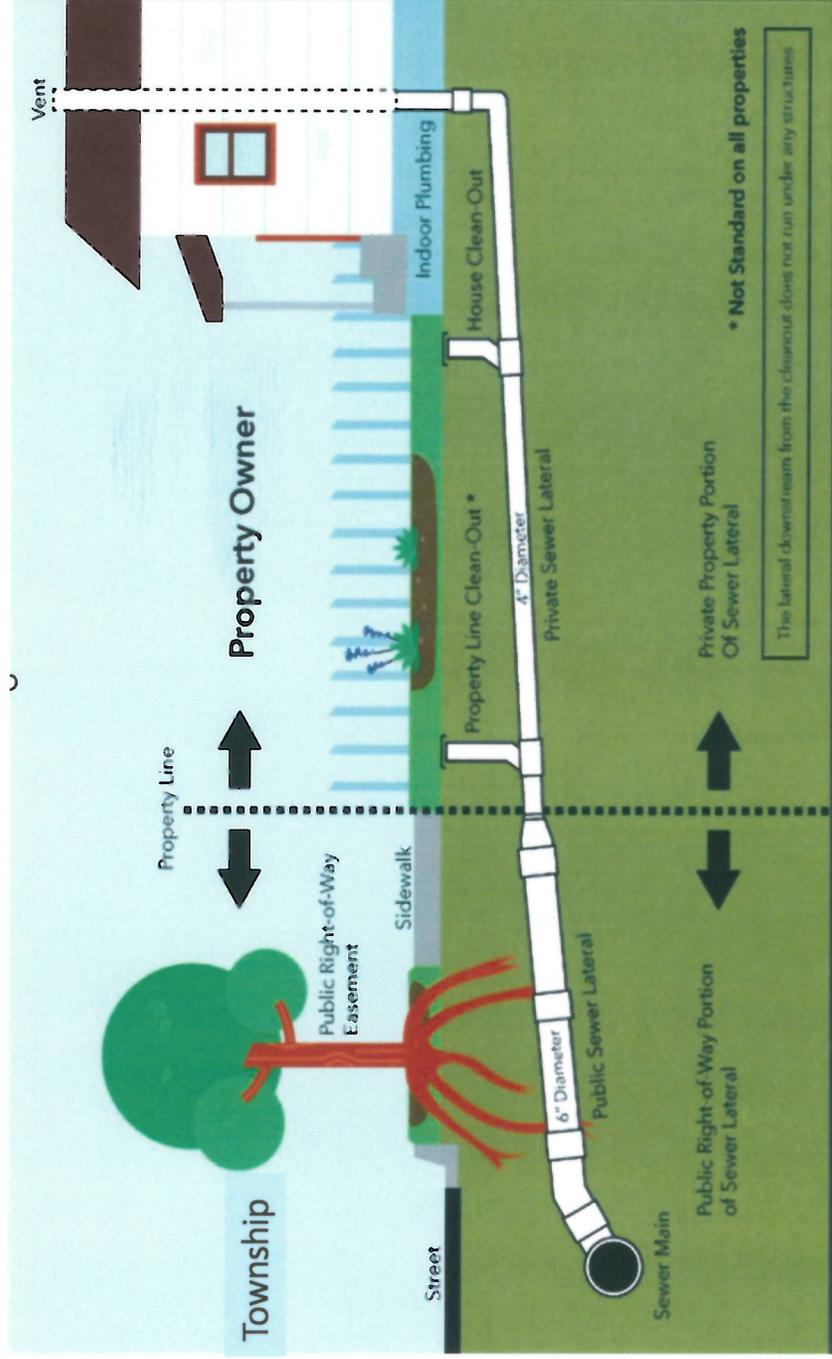
July 14, 2020
Permit Needed

LEGEND

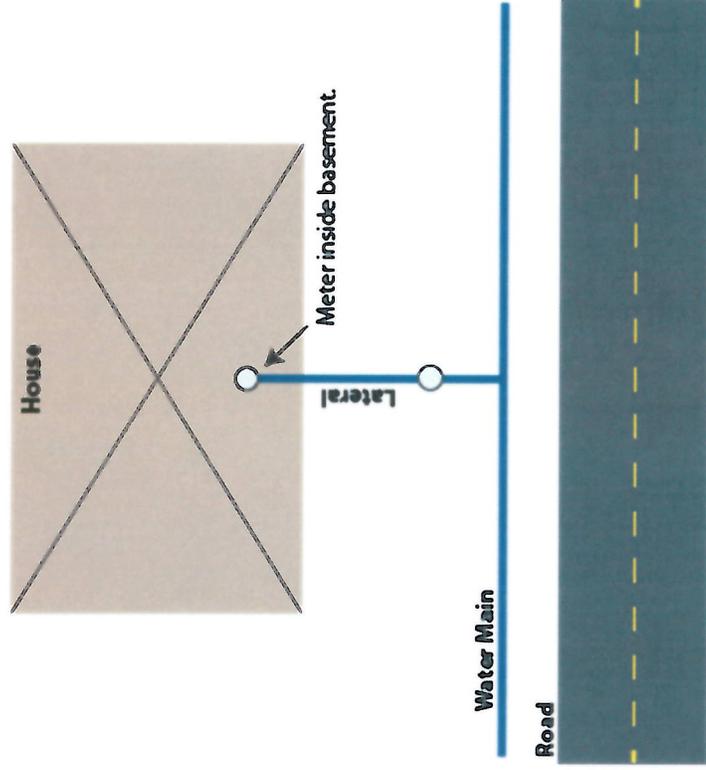
Hydrant	Sanitary Force Main	Sanitary Sewer System	Both Sewer and Water Service	Water Only
Private Watermain	Sanitary Manhole	Otsego Township Sanitary Sewer	Sewer only	Partial Customer Sewer only
Public Watermain	Sanitary Lift Station	Private Sanitary Sewer		No Sewer or Water

SCALE: 1" = 300'

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

Project Costs & Funding

- **Combined Water & Sewer Project:**
- Project Costs: \$5,823,400 (Engineer's Estimate)

- Sanitary \$3,550,740
- Water \$2,262,650

- **FUNDING:**
 - Sanitary – USDA Loan 40-year at 1.75% paid by
Special Assessment District (\$2,906,060)
 - Water – USDA Loan 40-year at 1.75% paid by
Special Assessment District (\$1,988,650)
 - POTENTIAL Township/ARPA - \$572,700

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:
 - 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

VB, TO and Others – Combined W&S

Cost Details

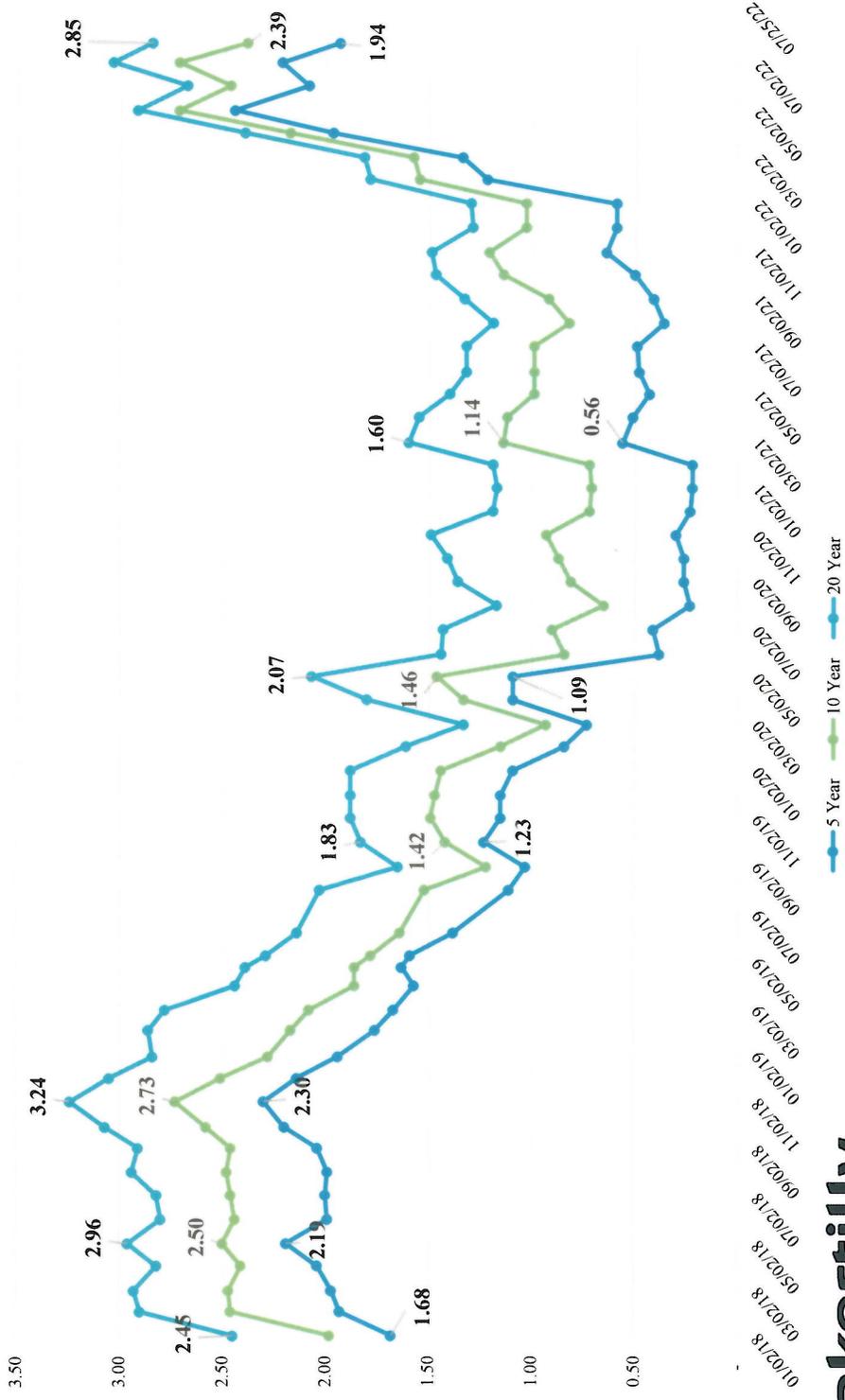
- Sewer Assessment – \$28,000
 - Yearly Payments:
 - \$700 principal plus interest
 - Approximately \$1,475 in year 1 down to \$725 in year 40
- Sewer Install Add'l Costs:
 - Plumbing – varies (\$6K-\$15K)
 - Septic Tank Pump - \$350
 - Septic Tank Crush/Fill - \$850
 - Inspection Fee - \$100
 - Township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

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)

Otsego Township

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

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OTSEGO
TOWNSHIP