

**ORONOKO CHARTER TOWNSHIP**  
**WATER SYSTEM FUNDING ANALYSIS - USDA FUNDING**  
 May 20, 2010

Funding Sources	Phase 1		Phase 2		Phase 1 & 2	
	Amount	% Total	Amount	% Total	Amount	% Total
General Fund	300,000	5%			300,000	3%
Connection Fees from Existing Development	496,350	8%	105,350	3%	601,700	6%
Connection Fees from Future Development	1,108,000	19%	260,000	7%	1,368,000	14%
Area Assessment	1,002,000	17%			1,002,000	10%
User Rates	526,437	9%	153,055	4%	679,491	7%
Millage	2,527,213	42%	3,311,595	86%	5,838,809	60%
<b>Total Project Cost</b>	<b>5,960,000</b>	<b>100%</b>	<b>3,830,000</b>	<b>100%</b>	<b>9,790,000</b>	<b>100%</b>

**ORONOKO CHARTER TOWNSHIP**

***ASSUMPTIONS***

***May 20, 2010***

**FINANCING**

Source	USDA Rural Development
Ammortization Period	40 years
Interest Rate	3.25%
Build America Bond Interest Rate Reduction	35.00%
Effective Interest Rate	2.11%

**MISCELLANEOUS**

Current user rates will cover the increased replacement reserve and operational costs  
The costs are in addition to any fees for connection, operation, maintenance and replacement charged by the Village  
Parcels currently served with water or sewer or outside the districts will not be assessed  
Parcels shown on the attached district map would be assessed for the project  
Costs do not include service from right of way to structures  
Annual Costs are based on USDA interest rates  
Mandatory Connection to sanitary sewers  
Voluntary connection to water system

**AREA INFORMATION**

<i>Sewer</i>	<i>Phase 1</i>	
Area of Parcels (Acres)	501	
Number of Parcels	91	
Existing REU's	88	
Future REU's	144	

  

<i>Water</i>	<i>Phase 1</i>	<i>Phase 2</i>
Number of Parcels	19	61
Existing REU's	23	43
Future REU's	79	65

Parcel and REU information does not include parcels currently served by water or sewer

**ORONOKO CHARTER TOWNSHIP**

**PROJECT COST ESTIMATES**

**May 20, 2010**

<b><u>Sewer</u></b>	<b><u>Village</u></b>	<b><u>Township</u></b>	<b><u>Phase 1</u></b>	<b><u>Phase 2</u></b>
<b><u>Total Estimated Construction Cost</u></b>	<b><u>775,000</u></b>	<b><u>2,427,306</u></b>	<b><u>3,202,306</u></b>	N/A
Contingency, Engineering and Construction Administration (25% +/-)	197,000	607,694	804,694	
USDA PER and Funding Application		10,000	10,000	
Soil Borings		6,000	6,000	
Legal, Bond and Fiscal Services (3.5% +/-)	28,000	85,000	113,000	
Utility Connections		9,000	9,000	
Easement Acquisition		15,000	15,000	
<b><u>Total Estimated Project Cost</u></b>	<b><u>1,000,000</u></b>	<b><u>3,160,000</u></b>	<b><u>4,160,000</u></b>	
<b><u>Water</u></b>	<b><u>Village</u></b>	<b><u>Township</u></b>	<b><u>Phase 1</u></b>	<b><u>Phase 2</u></b>
<b><u>Total Estimated Construction Cost</u></b>	<b><u>605,000</u></b>	<b><u>781,476</u></b>	<b><u>1,386,476</u></b>	<b><u>2,893,242</u></b>
Contingency, Engineering and Construction Administration (25% +/-)	153,000	199,524	352,524	740,758
USDA PER and Funding Application		10,000	10,000	
Legal, Bond and Fiscal Services (3.5% +/-)	22,000	29,000	51,000	103,000
Utility Connections				8,000
Easement Acquisition				85,000
<b><u>Total Estimated Project Cost</u></b>	<b><u>780,000</u></b>	<b><u>1,020,000</u></b>	<b><u>1,800,000</u></b>	<b><u>3,830,000</u></b>
<b>Total Sewer and Water for All Areas</b>			<b>5,960,000</b>	<b>3,830,000</b>

**ORONOKO CHARTER TOWNSHIP**  
**WATER SYSTEM FUNDING ANALYSIS - USDA FUNDING**  
**May 20, 2010**

	<i>Phase 1</i> <i>M-139 from George St.</i> <i>to US-31</i>	<i>Phase 2</i> <i>Extension to west side of</i> <i>US-31</i>
<b>PROJECT COST</b>		
Oronoko Charter Township	1,020,000	3,830,000
Village of Berrien Springs	780,000	
<b>Total Project Cost</b>	<u>1,800,000</u>	<u>3,830,000</u>
<b>FUNDING SOURCES</b>		
<b>Grants</b>	0 0%	0 0%
<b>Township General Fund</b>	200,000 11%	0 0%
<b>Connection Fees from Existing Development</b>		
REU's in Service Area	23	43
Percent of Users who Connect	70%	70%
Connection Fee per REU	3500	3500
Funding from Connection Fees	56,350 3%	105,350 3%
<b>Connection Fees from Future Development</b>		
REU's in Service Area	79	65
Percent of Users who Connect	100%	100%
Connection Fee per REU	4000	4000
Funding from Connection Fees	316,000 18%	260,000 7%
<b>User Rates</b>		
Number of REU's in District	95	95
Increase in Monthly Ready to Serve Charge per REU	5	5
Annual Revenue from User Rates	5,706	5,706
Funding from User Rates	153,055 9%	153,055 4%
<b>Millage</b>		
Annual Revenue from Millage	40,062	123,459
Funding from Millage	1,074,595 60%	3,311,595 86%
<b>Total Funding from all Sources</b>	<b>1,800,000 100%</b>	<b>3,830,000 100%</b>

**ORONOKO CHARTER TOWNSHIP**  
**SANITARY SEWER SYSTEM FUNDING ANALYSIS - USDA FUNDING**  
**May 20, 2010**

*Phase 1*

**PROJECT COST**

Oronoko Charter Township	3,160,000
Village of Berrien Springs	1,000,000
<b>Total Project Cost</b>	<b>4,160,000</b>

**FUNDING SOURCES**

<b>Grants</b>	0	0%
<b>Township General Fund</b>	100,000	2%

**Connection Fees from Existing Development**

REU's in Service Area	88
Connection Fee per REU	5,000
Funding from Connection Fees	440,000 11%

**Connection Fees from Future Development**

REU's in Service Area	144
Connection Fee per REU	5,500
Funding from Connection Fees	792,000 19%

**Area Assessment**

Property Area to be Assessed (Acre)	501
Assessment Amount per Acre	2,000
Funding from Area Assessment	1,002,000 24%

**User Rates**

Number of REU's in District	232
Increase in Monthly Ready to Serve Charge per REU	5
Annual Revenue from User Rates	13,920
Funding from User Rates	373,382 9%

**Millage**

Annual Revenue from Millage	54,155
Funding from Millage	1,452,618 35%

<b>Total Funding from all Sources</b>	<b>4,160,000 100%</b>
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