

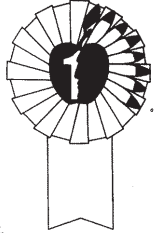
Oronoko Charter Township

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Berrien Springs, Michigan 49103

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P. O. Box 14
Berrien Springs, Michigan 49103
269-471-2824



July 6, 2010

TO REGISTERED VOTERS OF
THE CHARTER TOWNSHIP OF ORONOKO:

We are writing to update you on the Township's proposed Water and Sewer Extension Project.

What Is the Proposed Project?

The Township is considering the extension of public water and sanitary sewer in two phases:

Phase 1 - This phase provides public water and sanitary sewer along M-139 from the Village limits to US-31. It also provides sanitary sewer along Lemon Creek Road and to the west side of US-31. The estimated cost of Phase 1 is \$5,660,000.

Phase 2 - This phase provides public water along Lemon Creek Road and to the west side of US 31. The estimated cost of Phase 2 is \$3,830,000. Phase 2 cannot proceed unless Phase 1 is also approved.

Maps detailing the areas to be served by the Project, together with the resolutions adopted by the Township Board for the Project, can be found on the Township's website at www.oronokotownship.org or at the Township Hall.

**How Will This Project Be Funded
and What Will It Cost a Typical Homeowner?**

The project is to be funded by one or more Township bond issues, which are subject to voter approval at the August 3, 2010 primary election. If approved, the bonds will be repaid from a variety of sources:

All Taxable Parcels in the Township - A Township-wide millage will be levied to repay a portion of the bonds. The average millage to repay the Phase 1 Bonds has been estimated at .302 mills and the average millage to repay the Phase 2 Bonds has been estimated at .396 mills.

Areas to be Served - A combination of special assessments, connection fees and usage fees will be applied to those properties within the areas to be served by the Project. In addition, these properties will also be subject to the Township-wide millage levy.

Example for a Typical Single-Family Home - The **average annual cost** for a single family home with a market value of \$100,000 (taxable value of \$50,000) located on a 0.5 acre parcel is summarized as follows and depends if the ballot proposals are approved for Phase 1 only (.302 mills) or for both Phase 1 and Phase 2 (.302 mills + .396 mills).

	Phase 1	Phase 1 and Phase 2
Properties Not Receiving Water or Sewer Service from the Proposed Project:	\$ 16	\$ 35
Properties Served by Proposed Water and Sewer:	\$ 565	\$ 585

To calculate what your tax bill will be, visit the Township's website at www.oronokotownship.org for detailed instructions.

The Township of Oronoko was established in 1837 / Named after Indian Chief Oronoko
in the heart of the fruit belt / Home of: Berrien County Youth Fair

How Did the Township Board Determine This Project Will Benefit the Entire Township?

The Township Board determined by resolution adopted on May 21, 2010 that "it is necessary, advisable and in the best interest of the Township and its residents to proceed with Phase 1 of the Project and Phase 2 of the Project" to achieve the following benefits:

- Encourage development for job creation and increased tax base;
- Preserve farmland and natural features in the Township;
- Implement the goals identified in the Township's recently completed Master Plan;
- Improve and extend fire protection service; and
- Respond to requests from land owners for public water and sanitary sewer service.

Why Is the Township Board Proceeding With the Project at the Current Time?

- Interest rates are very low
- Build America Bond rebates are only available for a limited time
- Construction costs are at low levels
- Anticipated fairground expansion and regional events are expected to promote development in the M-139 Corridor

Township Voters May Vote on Project Ballot Proposals at the August 3, 2010 Primary Election

Separate Phase 1 and Phase 2 ballot proposals for the bond issues and millage levy for the proposed project will be submitted to Township voters at the August 3 Primary Election. A copy of each ballot proposal is attached.

If the ballot proposal for Phase 1 only is approved by Township voters, or if the ballot proposals for both Phase 1 and Phase 2 are approved by Township voters, the Township intends in each case to proceed with the Project.

The Township Board would like to thank you for the input it has received from the community during this process.

If you have any further questions you may call the Township Hall at 269-471-2824.

PROPOSAL SECTION
TOWNSHIP
ORONOKO CHARTER TOWNSHIP PUBLIC WATER AND SEWER SYSTEM IMPROVEMENT BONDS - PHASE 1
<p>Shall the Charter Township of Oronoko issue its general obligation unlimited tax bonds in one or more series in an amount not to exceed Five Million Six Hundred Sixty Thousand Dollars (\$5,660,000) for the purpose of paying the cost of acquiring and constructing Phase 1 public water and sanitary sewer improvements in the M-139 Corridor in the Township?</p> <p>The proposed Phase 1 public water and sanitary sewer improvements for the M-139 Corridor include, generally, sanitary sewer extensions from George Street to approximately 1,200' west of Edgewood Court and public water extensions from George Street to the east side of the US-31 Bypass and related improvements.</p> <p>The bonds will be outstanding a maximum of 40 years, exclusive of refunding. It is estimated that, after taking into account revenues reasonably anticipated to be available from special assessments, connection fees and user fees imposed on properties benefited by and/or connected to the proposed public water and sanitary sewer improvements, it will be necessary to levy .361 mill (\$.361 per \$1,000 of taxable value) to pay debt service on the bonds in the first year of the levy, and to levy an estimated average of .302 mill (\$.302 per \$1,000 of taxable value) for debt service, until the bonds are retired.</p> <p>The tax revenue received by the Township as a result of the unlimited tax pledge will be disbursed to the Charter Township of Oronoko to repay the proposed bonds.</p>
YES ← <input type="checkbox"/> <input type="checkbox"/> NO ← <input type="checkbox"/> <input type="checkbox"/>

PROPOSAL SECTION - CONTINUED
TOWNSHIP
ORONOKO CHARTER TOWNSHIP PUBLIC WATER SYSTEM IMPROVEMENT BONDS PHASE 2
<p>Shall the Charter Township of Oronoko issue its general obligation unlimited tax bonds in one or more series in an amount not to exceed Three Million Eight Hundred Thirty Thousand Dollars (\$3,830,000) for the purpose of paying the cost of acquiring and constructing Phase 2 public water improvements in the M-139 Corridor west of the US-31 Bypass in the Township?</p> <p>The proposed Phase 2 public water improvements for the M-139 Corridor include, generally, public water system extensions and improvements across US-31 Bypass to the west approximately 1,200' west of Edgewood Court. If approved, the Phase 2 public water improvements will be constructed by the Township only if the Phase 1 public water and sanitary system improvements to be authorized by separate ballot proposition are approved by Township electors and the Phase 1 public water improvements are constructed to the east side of the US-31 Bypass.</p> <p>The bonds will be outstanding a maximum of 40 years, exclusive of refunding. It is estimated that, after taking into account revenues reasonably anticipated to be available from special assessments, connection fees and user fees imposed on properties benefited by and/or connected to the proposed public water system improvements, it will be necessary to levy .474 mill (\$.474 per \$1,000 of taxable value) to pay debt service on the bonds in the first year of the levy, and to levy an estimated average of .396 mill (\$.396 per \$1,000 of taxable value) for debt service, until the bonds are retired.</p> <p>The tax revenue received by the Township as a result of the unlimited tax pledge will be disbursed to the Charter Township of Oronoko to repay the proposed bonds.</p>
YES ← <input type="checkbox"/> <input type="checkbox"/> NO ← <input type="checkbox"/> <input type="checkbox"/>