



MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
Finance Division

**Clean Water State Revolving Fund (CWSRF) & Strategic Water Quality
Initiatives Fund (SWQIF) Loan Application
Part I – Financial Information**

Questions about Part I should be directed to the [Michigan Finance Authority](#) at 517-335-0994.

CWSRF/SWQIF Information

CWSRF/SWQIF Project Name: Sanitary Sewer Improvement Project

CWSRF Project Number: 5866-01 SWQIF Project Number: _____

A. Municipal Applicant Information

Legal Name of Applicant: City of Gladstone

The legal name of the applicant may be different than the name of the project. For example, a county may be the legal applicant for bonding purposes, while the project may be named for the particular village or township it serves.

Applicant's UEI Number: CIYGWNXHKU57

UEI replaced DUNS as the primary means of identifying entities registered for federal awards government-wide in the System for Award Management (SAM). Review the information on [how to locate your UEI number](#). To register for a UEI number, you must sign-up through [SAM.gov](#).

B. Address of Applicant

Street, P.O. Box Address: 1100 Delta Avenue

City: Gladstone State: MI ZIP Code: 49837

Area Code and Phone Number: 906-428-2311

C. Applicant Financial Institution Information for Wire Transfers

Confirm with your financial institution its ability to accept wire transfers from the State of Michigan.

Bank Name: To be sent separately in an encrypted email

Street, P.O. Box Address: _____

City: _____ State: _____ ZIP Code: _____

Bank Account Number: _____ ABA Routing Number (9 digits): _____

D. Designated Contacts for this Project

1. Authorized Representative

Name: Eric W. Buckman Title: City Manager

Street, P.O. Box Address: 1100 Delta Avenue

City: Gladstone State: MI ZIP Code: 49837

Phone: 906-428-2311 Email: ebuckman@gladstonemi.gov

If the authorized representative or legal applicant is different from that designated in the resolution submitted with the project planning document, another resolution will be required.

2. Primary Contact

Name: Eric Buckman Title: City Manager

Phone: 906-428-2311 Email: ebuckman@gladstonemi.gov

3. Applicant's Chief Administrative Officer

Name: Eric W. Buckman

4. Applicant's Chief Financial Officer

Name: Vicki Schroeder

5. Applicant's Bond Counsel

Name: Steve Mann Firm: Miller Canfield

Street, P.O. Box Address: 150 W Jefferson Ave Suite 2500

City: Detroit State: MI ZIP Code: 48226

Phone: 313-496-7509 Email: mann@millercanfield.com

6. Applicant's Financial Advisor

Name: Warren Creamer Firm: MFCI, LLC

Street, P.O. Box Address: 400 N Main St, Suite 304

City: Milford State: MI ZIP Code: 48381-1928

Phone: 231-357-8793 Email: wc@mfcj.com

7. Consulting Engineer

Name: Darren Pionk Firm: C@AE

Street, P.O. Box Address: 1211 Ludington Street

City: Escanaba State: MI ZIP Code: 49829

Phone: 906-675-1587 Email: darren.pionk@c2ae.com

E. Authorizing Statute

Please identify the statute(s) under which you will be bonding to finance this project.

- | | | | |
|--|---|--|--|
| <input type="checkbox"/> PA 3 (1895) | <input type="checkbox"/> Part 43, PA 451 (1994) | <input type="checkbox"/> PA 35 (1951) | <input type="checkbox"/> PA 312 (1929) |
| <input checked="" type="checkbox"/> PA 94 (1993) | <input type="checkbox"/> PA 34 (2001) | <input type="checkbox"/> PA 185 (1957) | <input type="checkbox"/> PA 76 (1965) |
| <input type="checkbox"/> PA 233 (1955) | <input type="checkbox"/> PA 129 (1943) | <input type="checkbox"/> PA 279 (1909) | <input type="checkbox"/> PA 202 (1943) |
| <input type="checkbox"/> PA 342 (1939) | <input type="checkbox"/> PA 278 (1909) | <input type="checkbox"/> Part 119, PA 451 (1994) | <input type="checkbox"/> PA 235 (1947) |
| <input type="checkbox"/> PA 7 (1967) | <input type="checkbox"/> Part 47, PA 451 (1994) | <input type="checkbox"/> PA 40 (1956) | |
| <input type="checkbox"/> PA 116 (1923) | <input type="checkbox"/> PA 188 (1954) | <input type="checkbox"/> PA _____ of _____ | |

Your bond counsel or financial advisor can assist you in determining the statute under which your bonding should proceed. Some of the referenced statutes will require the publication of a notice of intent and/or require the holding of a public referendum, which may need to occur several months before bonds are issued.

F. Project Estimates

The estimated cost of the project should include all costs, whether eligible for loan assistance or not. The amount to be borrowed from the program should equal the amount necessary to cover eligible costs plus a 6% contingency less any amount to be secured from another source. The estimated cost should be rounded to the nearest \$5,000. The estimated amount of debt to be refinanced should be the amount of existing debt obligations that will be refinanced by the loan.

Estimated Total Cost of Project: \$ 8,200,000

Estimated Amount to Be Borrowed from the CWSRF/SWQIF: \$ 8,200,000

Estimated Amount of Debt (if any) to Be Refinanced by the CWSRF/SWQIF Loan: \$ _____

G. Principal Payment Dates

Annual principal payments will be due each year until the debt is retired. Principal payments must commence in April or October but no later than one year after the targeted date of the initiation of operation that has been agreed to by the EGLE and the applicant. **Principal payments may be made in 20 or 30 annual installments.**

☐ 20 Annual Payments

☒ 30 Annual Payments

Preference for Payment:

☒ April

☐ October

Proposed First Principal Payment Will Occur On: April 1, 2028

Proposed Last Principal Payment Will Occur On: April 1, 2057

H. Investment Grade Rating

The applicant municipality is required to provide evidence of an investment grade rating before financing can be completed. The investment grade rating that you intend to utilize to satisfy this requirement must be for the bonds you intend to issue or for bonds that have the same security pledged for bond repayment. Your bond counsel or financial advisor can assist you with assessing options to bring your loan to an investment grade level. **Please refer to the Quarterly Financing Schedule for applicable dates.**

Please check the appropriate box below and provide the requested information:

☐ The applicant municipality has obtained an investment grade rating, as detailed below:

Fitch's Long-Term Rating: _____ Date: _____

Type of Borrowing: _____

Moody's Long-Term Rating: _____ Date: _____

Type of Borrowing: _____

Standard & Poor's Long-Term Rating: _____ Date: _____

Type of Borrowing: _____

☒ The applicant municipality will achieve an investment grade rating as detailed below:

An investment grade rating letter will be provided by S&P Global Services.

I. Project Funding from Other Sources

Your CWSRF or SWQIF loan cannot be used to pay for project costs which have been or will be covered by another source of funding, either public or private (e.g., grants or loans from other state or federal agencies or cash reserves already on hand). Please list your anticipated project costs which are to be covered by another source of funding and the source(s) of that funding.

N/A

J. Capitalized Interest for New Systems (CWSRF Only)

Interest payments on an CWSRF loan are due semi-annually until the debt is retired. For a qualifying municipality, the amount of interest due during the construction of a new wastewater collection and treatment system can be included in its loan (i.e., capitalized). This option is available only if the applicant municipality is constructing a new system and no current utility system exists to produce revenue for bond payments during the construction period. If you check the box below, MFA will confirm your qualification and your EGLE project manager will compute the appropriate amount of capitalized interest to include in your loan.

☐ The applicant municipality qualifies for and wishes to capitalize interest during construction.

K. Sewage Services Information

1. Population of Applicant Municipality

2010 Census: 4,973 2020 Census: 5,257

Current Estimate: 5,237

2. Service Provider

Please check the appropriate boxes below. If a service is funded by the applicant but contracted out, mark the "Other" box under the "Service Provided By" and the "Applicant" box under "Service Funded By".

Sewage Service Provided By: ☒ Applicant ☐ Other

Sewage Service Funded By: ☒ Applicant ☐ Other

If sewage service is provided by a separate authority, another municipality, or a private entity, please name the provider, and describe its service area.

Name of Provider: _____

Service Area: _____

3. Sewage System Users

Please provide the number of sewage system users for each of the past five years, the projected number of users for each of the next five years, and data on the five largest sewage system users. This information should reflect only customers of the service area from which revenues for operation, maintenance, and replacement (OM&R) and debt will be derived.

(Current Year) <u>2024</u>	(Number of Users) <u>2,191</u>
(Year) <u>2023</u>	(Number of Users) <u>2,157</u>
(Year) <u>2022</u>	(Number of Users) <u>2,080</u>
(Year) <u>2021</u>	(Number of Users) <u>2,040</u>
(Year) <u>2020</u>	(Number of Users) <u>2,035</u>
(Year) <u>2025</u>	(Projected Number of Users) <u>2,191</u>
(Year) <u>2026</u>	(Projected Number of Users) <u>2,191</u>
(Year) <u>2027</u>	(Projected Number of Users) <u>2,191</u>
(Year) <u>2028</u>	(Projected Number of Users) <u>2,191</u>
(Year) <u>2029</u>	(Projected Number of Users) <u>2,191</u>

Table 1. Largest Sewage System Users

Names and Addresses of the Five Largest Sewage System Users	Estimated % of Total System Use
Daryl Miron/Lakeview Assisted Living 1.1100 N Lake Shore Dr	1.56%
Lotter's Gladstone 2.2100 Lake Shore Dr	1.08%
Waterview Apartments I 3.217 Dakota Ave	0.81%
Fairview Manor 4.415 S. 4th St	0.79%
John Thomas 5.1020 Delta Ave	0.68%

L. Tax Base Information

Sections L and M are intended to provide credit information about the issuer of the bonds. If the applicant municipality is issuing the bonds directly, the information you provide should be for that municipality. If instead your municipality is issuing the bonds through the county, the information you provide should be for the county. If the applicant municipality is issuing the bonds, an official statement for a general obligation bond which you have issued within the past 12 months may be submitted instead and Sections L and M do not have to be filled out. If the county is issuing the bonds, an official statement for a general obligation bond which the county issued within the past 12 months may be submitted instead and Sections L and M do not have to be filled out.

☐ Official Statement Included (Sections L and M do not have to be filled out.)

Table 2. Five Largest Employers in your Community

Employer	Type of Business	Number of Employees
1. Gladstone Area Schools	Education	148
2. Canadian National	Railway	82
3. VanAire	Infrastructure Products-Automation and Wastewater Systems	73
4. US Forest Service	National Forest Recreation	50
5. First Bank	Banking	49

Table 3. Five Largest Taxpayers in your Community

Taxpayer	Assessed Valuation	Assessed % of Total Valuation
1. Gladstone MOB LLC	10,148,290	7.63%
2. American Transmission Company	6,249,500	4.70%
3. Payne & Dolan Inc.	4,272,455	3.21%
4. Miron Enterprises	2,090,760	1.57%
5. Jeff Diebolt	1,014,096	0.76%

M. Tax History Information

1. Preceding Fiscal Year: 20²²____ - 20²³____

Table 4. Tax History for the Preceding Fiscal Year

Tax History	Amount	
Millage: Operating Allocated	13.6567	mills
Millage: Operating Voted	1.8206	mills
Millage: Capital Improvements		mills
Millage: Debt		mills
Millage: Other		mills
Taxable Value	\$118,732,158	
Tax Levies: Total	\$1,688,158	
Tax Collections to Date	\$1,683,961	
Delinquent Taxes	\$4,197	
Tax Collections as % of Total Tax Levy	99	%

2. Second Preceding Fiscal Year: 20²³____ - 20²⁴____

Table 5. Tax History for Two Fiscal Years Ago

Tax History	Amount	
Millage: Operating Allocated	13.6567	mills
Millage: Operating Voted	1.8206	mills
Millage: Capital Improvements		mills
Millage: Debt		mills
Millage: Other		mills
Taxable Value	\$125,212,948	
Tax Levies: Total	\$1,677,495	
Tax Collections to Date	\$1,737,584	
Delinquent Taxes	\$60,089	
Tax Collections as % of Total Tax Levy	104	%

3. Tax History for the Current Fiscal Year: 20²⁰²⁴ - 20²⁰²⁵

Table 6. Tax History for Current Fiscal Year

Tax History	Amount	Millage Limit	Millage Expires
Millage: Operating Allocated	13.6198 mills	15.0000 mills	Unlimited
Millage: Operating Voted	1.8156 mills	2.0000 mills	Unlimited
Millage: Capital Improvements	mills	mills	
Millage: Debt	mills	mills	
Millage: Other	mills	mills	
Taxable Value	\$132,986,331	N/A	N/A
Tax Levies: Total	\$2,049,480	N/A	N/A
Tax Collections to Date	\$1,931,718	N/A	N/A
Delinquent Taxes	\$117,762	N/A	N/A
Tax Collections as % of Total Tax Levy	94.24 %	N/A	N/A

4. Property Tax Information

Table 7. Property Tax Information

Composition of Taxable Value	Amount	Percent
Residential Property	98,639,801	74.17 %
Industrial Property	4,424,410	3.33 %
Commercial Property	22,346,676	16.80 %
Agricultural Property	25,644	0.02 %
Other Property	7,549,800	5.68 %
Industrial/Commercial Facilities	\$	
Total Taxable Value	\$ 132,986,331	

N. Sewage System Funding Sources

Please identify the sources of funding for system capitalized costs and debt retirement, both current and after completion of the project.

Table 8. Sewage System Funding Sources

Annual Funding Source	Current	After Completion
1. Debt Retirement Revenue	\$	\$
2. Annual Connection Fees \$ _____ X _____ connections	\$	\$
3. Special Assessments \$ _____ X _____ connections	\$	\$
4. Other Assessments or Fees (1)	\$	\$
5. Other Assessments or Fees (2)	\$	\$
6. Transfer from Other Funds (1)	\$	\$
7. Transfer from Other Funds (2)	\$	\$
8. Total Annual Revenue	\$	\$

O. Required Part I Submittal Attachments

Please check the appropriate boxes and attach the following items to your Part I submittal.

All attachments must be included and labeled appropriately.

1. Current year budget.

☒ Attached

2. Most recent official statement or prospectus, if applicable.

☐ Attached

☒ N/A

3. Direct and overlapping debt schedules and a list of future debt that has been authorized but unissued.

☒ Attached

☐ No Debt

4. Explanation of payment default on any security, if applicable.

☐ Attached

☒ No Default

5. Disclosure of any pending litigation or legislation that is material to your financing or that could have an adverse impact on the financial condition of the borrower.

☐ Attached ☒ None

6. Total system revenue and expense projections for the first two years after the proposed project is initiated.

☒ Attached

7. Financial projection demonstrating revenue supporting debt service, including a bond repayment schedule.

☒ Attached

8. Current user charge system report.

☒ Attached

I certify that I am the authorized representative designated by the governmental unit that will issue the bond(s) for this project and that the Part I Financial Information being submitted is complete and accurate to the best of my knowledge.

Eric Buckman

City Manager

Name of Authorized Representative (Print or Type)

Title

Signature of Authorized Representative

Date

In accordance with the date in your executed milestone schedule, please return the completed Part I with **all** specified attachments to your [EGLE project manager](#) via email.

If you need this information in an alternate format, contact EGLE-Accessibility@Michigan.gov or call 800-662-9278.

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