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## Estimate of Cost to Establish the Pine Creek Bluffs Subdivision

Road Improvement Special Assessment District

### **Administration Expenses:**

Postage (correspondence w/ property owners)	\$ 100.00
Publications (4 @ \$500.00 each)	2,000.00
Public Hearings (2 @ \$150.00 each)	300.00
Township Administration Charge – 15 year SAD	<u>3,150.00</u>
	\$ 5,550.00

### **Road Improvements Include:**

Minor curb repair, drainage system cleaning and repair as necessary, removal of existing asphalt, base repair as needed, and paving of 4.5 inches of 13A hot mix asphalt installed in two lifts on Wyndam Lane.	<u>\$ 294,630.00</u>
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Hamburg Township portion of Estimated SAD Bonding Fees *(\$140,000.00/349 parcels total = \$401.15 per parcel)	\$ 33,696.60
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10% Contingency Fee	<u>\$ 33,387.66</u>
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Total Project Cost	<u><u>\$ 367,264.26</u></u>
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\$ 367,264.26 divided by 84 Parcels = **\$4,372.20 per parcel.**

### **NOTE:**

The cost of the road improvements will be financed through special assessment bonds. Annual principal payments will be equally assessed per parcel plus interest on the unpaid balance. The interest amount will be determined by the market interest rate for the sale of the Bonds at the time the project is financed.

\*Genoa Township has 265 parcels while Hamburg Township has only 84 parcels in SAD.

Genoa Charter Township  
Road Improvement Special Assessment Districts  
Estimate of Costs of Issuance for Bonds Issued Pursuant to 1954 PA 188

Assumptions:

- Estimated principal amount of bonds: \$6,000,000
- Timing for issuance of the bonds: Spring of 2023
- Bonds issued under 1954 Public Act 188
- Portion of the Pine Creek Road Project located in Hamburg Township initially funded by Genoa Township's revolving fund with payments made by Hamburg to Genoa over the life of the bonds pursuant to an interlocal agreement between Hamburg and Genoa

Bond Issuance Costs:

Township Costs for Special Assessment		
Proceedings and Related Publication Costs	TBD	
Bond Counsel Fees	\$32,500	
Bond Attorney Fees for Interlocal Agreement/Resolutions	5,000	
Financial Advisor	18,000	
Rating Agency Fee	15,000	
Official Statement Printing & Mailing	2,500	
Notice of Sale Publication	1,500	
MAC Fee	600	
Parity Bid Fee	500	
Michigan Department of Treasury	1,000	
Paying Agent Initial Fee	500	
Contingency	<u>2,900</u>	
Township's Direct Bond Issuance Costs		\$80,000
Underwriter's Bond Discount (fee deducted from the bond proceeds)		60,000
Capitalized Interest		<u>-0-</u>
Total Costs of Issuance		<u>\$140,000</u>