

Clean Water State Revolving Fund Application for Financial Assistance *for Municipal Applicants*

Michigan Department of Environment, Great Lakes, and Energy

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<http://www.michigan.gov/egle>

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(EQP 3524 Rev. 6/2020)

**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.

Project Name _____

CWSRF Project Number _____ SWQIF Project Number _____

CWSRF/SWQIF Project DUNS Number _____

A. Legal Name of Applicant

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.

B. Address of Applicant

(Street, P.O. Box)

(City, State & Zip)

(Area Code and Telephone Number)

C. Applicants Financial Institution Information for Wire Transfers

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

Bank Name

(Street, P.O. Box)

(City, State & Zip)

Bank Account Number _____ Bank ABA Routing Number _____
(should be nine digits)

D. Designated Contacts for this Project

1. Authorized Representative

Name _____

Title _____

(Street, P.O. Box)

(City, State & Zip)

(Area Code and Telephone Number) (E-mail Address)

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

2. Primary Contact

Name _____ Title _____

(Area Code and Telephone Number) (E-mail Address)

3. Applicant's Chief Administrative Officer

Name _____

4. Applicant's Chief Financial Officer

Name _____

5. Applicant's Bond Counsel

Name _____

Firm _____

(Street, P.O. Box)

(City, State & Zip)

(Area Code and Telephone Number) (E-mail Address)

6. Applicant's Financial Advisor

Name

Firm

(Street, P.O. Box)

(City, State & Zip)

(Area Code and Telephone Number)

(E-mail Address)

7. Consulting Engineer

Name

Firm

(Street, P.O. Box)

(City, State & Zip)

(Area Code and Telephone Number)

(E-mail Address)

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"/> PA 94 (1933) | <input type="checkbox"/> PA 233 (1955) | <input type="checkbox"/> PA 342 (1939) |
| <input type="checkbox"/> PA 7 (1967) | <input type="checkbox"/> PA 116 (1923) | <input type="checkbox"/> PA 235 (1947) | <input type="checkbox"/> Part 43, PA 451 (1994) |
| <input type="checkbox"/> PA 34 (2001) | <input type="checkbox"/> PA 129 (1943) | <input type="checkbox"/> PA 278 (1909) | <input type="checkbox"/> Part 47, PA 451 (1994) |
| <input type="checkbox"/> PA 35 (1951) | <input type="checkbox"/> PA 185 (1957) | <input type="checkbox"/> PA 279 (1909) | <input type="checkbox"/> Part 119, PA 451
(1994) |
| <input type="checkbox"/> PA 40 (1956) | <input type="checkbox"/> PA 188 (1954) | <input type="checkbox"/> PA 312 (1929) | |
| <input type="checkbox"/> PA 76 (1965) | <input type="checkbox"/> PA 202 (1943) | <input type="checkbox"/> Public Act _____ 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: \$ _____

Estimated Amount to Be Borrowed from the CWSRF/SWQIF: \$ _____

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 not be made in more than 20 annual installments (unless determined by the EGLE as a disadvantaged community; with 30 annual installments).***

20 Annual Payments

30 Annual Payments

Preference for Payment

April

October

Proposed First Principal Payment Will Occur On _____

Proposed Last Principal Payment Will Occur On _____

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:

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.

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

2000 Census _____

2010 Census _____

Current Estimate _____

2. Service Provider

Please check the appropriate boxes below. If a service is funded by the applicant but contracted out, mark the "OTHER" box in first column and the "APPLICANT" box in the second.

<u>SERVICE</u>	<u>SERVICE PROVIDED BY:</u>	<u>SERVICE FUNDED BY:</u>
Sewage	<input type="checkbox"/> Applicant <input type="checkbox"/> Other	<input type="checkbox"/> Applicant <input type="checkbox"/> 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) _____ (Number of Users) _____

(Year) _____ (Number of Users) _____

(Year) _____ (Number of Users) _____

(Year) _____ (Number of Users) _____

(Year) _____ (Number of Users) _____

(Year) _____ (Projected Number of Users) _____

(Year) _____ (Projected Number of Users) _____

(Year) _____ (Projected Number of Users) _____

(Year) _____ (Projected Number of Users) _____

(Year) _____ (Projected Number of Users) _____

NAMES AND ADDRESSES OF THE FIVE LARGEST SEWAGE SYSTEM USERS	ESTIMATED % OF TOTAL SYSTEM USE
1.	
2.	
3.	
4.	
5.	

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.)

1. Five Largest Employers in your Community:

EMPLOYER	TYPE OF BUSINESS	NUMBER OF EMPLOYEES
1.		
2.		
3.		
4.		
5.		

2. Five Largest Taxpayers in your Community:

TAXPAYER	ASSESSED VALUATION	ASSESSED % OF TOTAL VALUATION
1.		
2.		
3.		
4.		
5.		

M. Tax History Information

1. Tax History for the Two Preceding Fiscal Years

TAX HISTORY	Two Preceding Fiscal Years:	
	20 ____ - 20 ____	20 ____ - 20 ____
	AMOUNT	AMOUNT
Millage: Operating Allocated	mills	mills
Millage: Operating Voted	mills	mills
Millage: Capital Improvements	mills	mills
Millage: Debt	mills	mills
Millage: Other	mills	mills
Taxable Value	\$	\$
Tax Levies: Total	\$	\$
Tax Collections to Date	\$	\$
Delinquent Taxes	\$	\$
Tax Collections as % of Total Tax Levy	%	%

2. Tax History for the Current Fiscal Year

TAX HISTORY	Current Fiscal Year: 20____ - 20____		
	AMOUNT	MILLAGE LIMIT	MILLAGE EXPIRES
Millage: Operating Allocated	mills	mills	
Millage: Operating Voted	mills	mills	
Millage: Capital Improvements	mills	mills	
Millage: Debt	mills	mills	
Millage: Other	mills	mills	
Taxable Value	\$		
Tax Levies: Total	\$		
Tax Collections to Date	\$		
Delinquent Taxes	\$		
Tax Collections as % of Total Tax Levy		%	

3. Property Tax Information

COMPOSITION OF TAXABLE VALUE	AMOUNT	PERCENT
Residential Property		%
Industrial Property		%
Commercial Property		%
Agricultural Property		%
Other Property		%
Industrial/Commercial Facilities	\$	
Total Taxable Value	\$	

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.

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	\$ \$ \$	\$ \$ \$
5. Transfers from Other Funds	\$ \$ \$	\$ \$ \$
6. Total Annual Revenue	\$	\$

O. Other **Required** Documents

*Please check the appropriate boxes and attach the following items to your Part I submittal.
All attachments must be included and labeled appropriately.*

- Attached 1. Current year budget.
- Attached 2. Most recent official statement or prospectus, if applicable.
 N/A
- Attached 3. Direct and overlapping debt schedules and a list of future debt that has
 No Debt been authorized but unissued.
- Attached 4. Explanation of payment default on any security, if applicable.
 No Default
- Attached 5. Disclosure of any pending litigation or legislation that is material to
 None your financing or that could have an adverse impact on the financial
condition of the borrower.

- Attached 6. Total system revenue and expense projections for the first two years after the proposed project is initiated.
- Attached 7. Attach a financial projection demonstrating revenue supporting debt service, including a bond repayment schedule.

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.

Name and Title of Authorized Representative (*Please Print or Type*)

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 or mail a hard copy to:

WATER INFRASTRUCTURE FINANCING SECTION
 FINANCE DIVISION
 MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
MAILING ADDRESS
 P.O. BOX 30473
 LANSING, MICHIGAN 48909-4957
DELIVERY ADDRESS
 CONSTITUTION HALL 6th FLOOR SOUTH
 525 WEST ALLEGAN
 LANSING, MICHIGAN 48933