

Drinking Water State Revolving Fund
ORDER OF APPROVAL

Applicant/Issuer: City of Benton Harbor, Berrien County

Project No. 7464-01

Assistance Amount: \$6,000,000 (Six Million Dollars)

Rate: 2.00% (Two Percent)

Term: Not to exceed Forty (40) years, with annual principal payments commencing no later than October 1, 2022.

Pursuant to: Part 54, Safe Drinking Water Assistance, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

The Director of the Department of Environment, Great Lakes, and Energy of the state of Michigan, acting upon the application submitted by the applicant/issuer for assistance in financing the project pursuant to the referenced Act,

ORDERS that the application is approved based upon the requirements, provisions, and information included in the application and other documents submitted to the Department of Environment, Great Lakes, and Energy, and which are incorporated herein and made part hereof by this reference.

Special conditions of this Order are identified in the attached Exhibits A - C.

This approval is based on the application and other documents currently filed with the Department of Environment, Great Lakes, and Energy. No material change may be made to the application or this approval without the prior written approval of the Department of Environment, Great Lakes, and Energy.

The Department of Environment, Great Lakes, and Energy certifies to the Michigan Finance Authority that the applicant/issuer is eligible to receive assistance as provided by this Order.



Kelly Green, Administrator
Water Infrastructure Financing Section
Department of Environment, Great Lakes, and Energy

Dated: August 7, 2020
Lansing, Michigan

Drinking Water State Revolving Fund
EXHIBIT A

Cost summary identifying design, construction, and administrative costs.

Planning Costs	\$0
Rate Methodology Development Costs	\$0
Design Engineering Cost	\$252,400*
Legal/Financial Service Fees	\$42,500
Administrative Costs	\$1,000
Bond Counsel Fees	\$42,500
Bond Advertisement Costs	\$2,847
Bid Advertisement Costs	\$0
Capitalized Interest	\$0
Land Acquisition/Relocation Costs	\$0
Land Purchase Costs	\$0
Construction Engineering Costs	\$483,287*
Construction Costs (bid contracts)	\$4,939,017*
Construction Costs (force account)	\$0
Equipment Costs	\$0
Other Project Costs	\$0
Contingencies	\$236,449
LESS Other Sources of Funding	<u>(\$0)</u>
TOTAL PROJECT COSTS APPROVED (rounded to nearest \$5,000)	\$6,000,000

* Represents 38.6 percent of the total costs of this item, as determined by the Alternative Justifiable Expenditure analyses submitted for each construction contract.

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EXHIBIT B

Project description, referencing the permit required by 1976 PA 399, Section 4.

Permit Numbers: W209069 Issued on May 28, 2020
 W209071 Issued on May 28, 2020
 W209070 Issued on May 28, 2020
 W209072 Issued on May 28, 2020
 W209068 Issued on May 28, 2020

Project Description: The project consists of water storage tower rehabilitation, full-length lead service line replacements and water main replacement in the following locations:

- Installation of 4-inch to 12-inch diameter water main on the Pipestone Street and East Wall Street;
- Installation of 4-inch to 12-inch diameter water main on Michigan Street;
- Installation of 6-inch diameter water main on Bellview Street;
- Installation of 8-inch diameter water main on Vineyard Avenue and Maple Street;
- Installation of 4-inch to 12-inch diameter water main on Territorial Road from Winans Street to Forest Avenue;
- Installation of 6-inch to 8-inch diameter water main on Benton Street from Territorial Road to Highland Avenue;
- Installation of 4-inch to 12-inch diameter water main on Highland Avenue from Hull Avenue to Fair Avenue;
- Installation of 4-inch to 8-inch diameter water main on Nowlen Avenue from Highland Avenue to Cass Street;
- Installation of 8-inch diameter water main on Stevens Street from Waukonda Avenue north to Riverside Road and;
- Installation of 12-inch diameter water main on Waukonda Avenue west to Stevens Street and two fire hydrant replacements.

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EXHIBIT C

Additional special conditions.

1. Financial assistance authorized by this Order of Approval is conditioned upon receipt by the Michigan Finance Authority (the "Authority") by August 20, 2020, or such other date approved by the Authority, of all documentation necessary to satisfy the Authority's municipal obligation purchase requirements as set forth in the Shared Credit Rating Act, 1985 PA 227, as amended.
2. Financial assistance authorized by this Order of Approval is conditioned upon issuance, by the applicant or owner, of a Notice to Proceed, to the successful bidder(s) on the project construction contract(s) on or before October 27, 2020, unless prior approval has been authorized by the Department of Environment, Great Lakes, and Energy to extend this date.
3. The applicant must comply with Section 1452(a)(4)(A) of the Safe Drinking Water Act (42 U.S.C. 300 et seq.), which requires that iron and steel products used in the project be produced in the United States unless the applicant obtains a waiver from the U.S. Environmental Protection Agency.
4. This project is being awarded principal forgiveness, not to exceed 20 percent of the final total project costs. For annual tracking and reporting purposes the amount of principal forgiveness is associated with the fiscal year 2019.

Total Loan Amount:	Disadvantaged Community Amount:	Amount of Principal Forgiven:
\$6,000,000	\$6,000,000	\$540,000