



SPECIAL MEETING OF THE CITY COMMISSION
MONDAY, SEPTEMBER 20, 2021 – 7:00 PM
CHAMBER OF BUCHANAN CITY HALL - 302 N REDBUD TRAIL, BUCHANAN MI

AGENDA

THE COMMISSION OF THE CITY OF BUCHANAN in compliance with Michigan’s Open Meetings Act, as amended, B2103192 of 2021, hereby gives notice of a special meeting of the Buchanan City Commission to be held electronically in the Chamber of City Hall.

** Requests to be added to the agenda as a “Scheduled Matter from the Floor” should be submitted in writing to the City Clerk at least 5 business days prior to the scheduled meeting during which the speaker wishes to appear, and the approval of such requests remain within the discretion of the Mayor. If denied, the speaker may nonetheless speak during the “non-agenda items only” public comments section of the agenda.*



** Those who are unable to appear during a meeting but who still wish to share public comment may submit such comments in written form to the City Clerk at least 4 hours in advance of the meeting.*

** Individuals with disabilities may request necessary reasonable accommodations by submitting requests to the City Clerk, preferably at least 24 hours in advance.*

** Written requests and comments may be submitted to the City Clerk either in person or via mail to Buchanan City Hall, 302 N. Redbud Trail, Buchanan, MI 49107, or via email to bpitcher@cityofbuchanan.com*

- I. Call to Order**
- II. Roll Call**
- III. Public Comment - Agenda Items Only** *(3-minute limit)*
- IV. Business**
 - A. USDA Loan Applications for Water & Sewer**
Jason Washler from Prein & Newhoff to present.
- V. Public Comment - Non-Agenda Items Only** *(3-minute limit)*
- VI. Adjourn**

Fwd: Rural Development/Buchanan

 Heather Grace
To  Barbara Pitcher

 Reply  Reply All  Forward 

Thu 9/16/2021 3:48 PM

 Chris Maxwell
Outlook item

Please include this email exchange in the packets for Monday. Thanks!

Get [Outlook for iOS](#)

From: Jason Washler <JWashler@preinnewhof.com>
Sent: Thursday, September 16, 2021 9:48:48 AM
To: Heather Grace <hgrace@cityofbuchanan.com>
Cc: Chris Maxwell <chris.maxwell@usda.gov>
Subject: Rural Development/Buchanan

Heather,

Nice talking with you a few minutes ago. I am copying Chris on this email to connect the two of you.

Chris has been very helpful in securing the RD funding.

I will plan on being at the meeting on Monday to answer any questions that you or your Commissioners may have.

A few talking points:

- Poverty rate is expected now on both the sewer and water loans (1.375%), this will save Buchanan about \$1M over the life of the water loan
- Rural development can lower the principal payments until 2029/2030 when the existing Revolving Loan debt is retired
- If grants from any other source becomes available prior to loan closing, the loan amount from RD can be reduced
- Buchanan is not likely to qualify for grants from RD next fiscal year either

Please call if you have any questions.

Jason M. Washler, P.E.
Prein&Newhof
t. 616-364-8491 d. 616-432-6739
f. 616-364-6955 c. 616-822-6790
[Website](#) | [Blog](#) | [LinkedIn](#)

Bond Schedule

Date: 09/16/21

Flat amortization

Borrower Name: Buchanan - Water **Type of Bond:** Revenue
Interest Rate: 1.375% Poverty
Yrs Deferred Principle
Principal: \$10,738,000 **Reserve**
Amortization Factor 0.0327 **Annual**
Amortized Payment: \$350,803 **Monthly** \$0.00

Year	1st Interest	2nd Interest	Principal Paid	Total Year Payment	Loan Balance	Debt payment per EDUs/month
2024	73,824	73,824	203,000	350,648	10,738,000	2091
2025	72,428	72,428	206,000	350,856	10,535,000	\$13.97
2026	71,012	71,012	209,000	351,024	10,329,000	\$13.98
2027	69,575	69,575	212,000	351,150	10,120,000	\$13.99
2028	68,118	68,118	215,000	351,235	9,908,000	\$13.99
2029	66,639	66,639	218,000	351,279	9,693,000	\$14.00
2030	65,141	65,141	221,000	351,281	9,475,000	\$14.00
2031	63,621	63,621	224,000	351,243	9,254,000	\$14.00
2032	62,081	62,081	227,000	351,163	9,030,000	\$13.99
2033	60,521	60,521	230,000	351,041	8,803,000	\$13.99
2034	58,939	58,939	233,000	350,879	8,573,000	\$13.98
2035	57,338	57,338	236,000	350,675	8,340,000	\$13.98
2036	55,715	55,715	239,000	350,430	8,104,000	\$13.97
2037	54,072	54,072	243,000	351,144	7,865,000	\$13.99
2038	52,401	52,401	246,000	350,803	7,622,000	\$13.98
2039	50,710	50,710	249,000	350,420	7,376,000	\$13.97
2040	48,998	48,998	253,000	350,996	7,127,000	\$13.99
2041	47,259	47,259	256,000	350,518	6,874,000	\$13.99
2042	45,499	45,499	260,000	350,998	6,618,000	\$13.97
2043	43,711	43,711	263,000	350,423	6,358,000	\$13.97
2044	41,903	41,903	267,000	350,806	6,095,000	\$13.97
2045	40,068	40,068	271,000	351,135	5,828,000	\$13.98
2046	38,204	38,204	274,000	351,409	5,557,000	\$13.99
2047	36,321	36,321	278,000	350,641	5,283,000	\$13.96
2048	34,409	34,409	282,000	350,819	5,005,000	\$13.97
2049	32,471	32,471	286,000	350,941	4,723,000	\$13.98
2050	30,504	30,504	290,000	351,009	4,437,000	\$13.99
2051	28,511	28,511	294,000	351,021	4,147,000	\$13.99
2052	26,489	26,489	298,000	351,021	3,853,000	\$13.99
2053	24,441	24,441	302,000	350,979	3,555,000	\$13.99
2054	22,364	22,364	306,000	350,881	3,253,000	\$13.98
2055	20,261	20,261	310,000	350,729	2,947,000	\$13.98
2056	18,129	18,129	314,000	350,521	2,637,000	\$13.97
2057	15,964	15,964	318,000	351,259	2,322,000	\$14.00
2058	13,771	13,771	323,000	350,928	2,003,000	\$13.99
2059	11,550	11,550	328,000	350,928	1,680,000	\$13.97
2060	9,295	9,295	332,000	351,100	1,352,000	\$13.99
2061	7,013	7,013	337,000	350,590	1,020,000	\$13.97
2062	4,696	4,696	341,000	351,025	683,000	\$13.99
2063	2,351	2,351	342,000	350,391	342,000	\$13.96
				346,703	0	\$13.82
			10,738,000	14,030,630		

Adjusted principal balance during term of DWRP loan terms out in 2030

Borrower Name:	Buchanan - Water	Type of Bond: Revenue
Interest Rate:	1.375% Poverty	
Yrs Deferred Principle		
Principal:	\$10,738,000	Reserve
Ammort. Factor	0.0327	Annual
Ammortized Payment:	\$350,803	Monthly \$0.00

Year	1st Interest	2nd Interest	Principal Paid	Total Year Payment	Loan Balance	Debt payment per EDUs/month	EDU charge difference
					10,738,000	2091	
2024	73,824	73,824	5,000	152,648	10,733,000	\$6.08	-\$7.89
2025	73,789	73,789	5,000	152,579	10,728,000	\$6.08	-\$7.90
2026	73,755	73,755	5,000	152,510	10,723,000	\$6.08	-\$7.91
2027	73,721	73,721	5,000	152,441	10,718,000	\$6.08	-\$7.92
2028	73,686	73,686	5,000	152,373	10,713,000	\$6.07	-\$7.93
2029	73,652	73,652	5,000	152,304	10,708,000	\$6.07	-\$7.93
2030	73,618	73,618	5,000	152,235	10,703,000	\$6.07	-\$7.93
2031	73,583	73,583	257,000	404,166	10,446,000	\$16.11	\$2.11
2032	71,816	71,816	260,000	403,633	10,186,000	\$16.09	\$2.09
2033	70,029	70,029	264,000	404,058	9,922,000	\$16.10	\$2.11
2034	68,214	68,214	268,000	404,428	9,654,000	\$16.12	\$2.13
2035	66,371	66,371	272,000	404,743	9,382,000	\$16.13	\$2.15
2036	64,501	64,501	276,000	405,003	9,106,000	\$16.14	\$2.17
2037	62,604	62,604	280,000	405,208	8,826,000	\$16.15	\$2.15
2038	60,679	60,679	284,000	405,358	8,542,000	\$16.15	\$2.17
2039	58,726	58,726	288,000	405,453	8,254,000	\$16.16	\$2.19
2040	56,746	56,746	292,000	405,493	7,962,000	\$16.16	\$2.17
2041	54,739	54,739	296,000	405,478	7,666,000	\$16.16	\$2.19
2042	52,704	52,704	302,000	407,408	7,364,000	\$16.24	\$2.25
2043	50,628	50,628	302,000	403,255	7,062,000	\$16.07	\$2.11
2044	48,551	48,551	307,000	404,103	6,755,000	\$16.10	\$2.12
2045	46,441	46,441	311,000	403,881	6,444,000	\$16.10	\$2.10
2046	44,303	44,303	316,000	404,605	6,128,000	\$16.12	\$2.16
2047	42,130	42,130	320,000	404,260	5,808,000	\$16.11	\$2.14
2048	39,930	39,930	325,000	404,860	5,483,000	\$16.14	\$2.15
2049	37,696	37,696	329,000	404,391	5,154,000	\$16.12	\$2.13
2050	35,434	35,434	335,000	405,868	4,819,000	\$16.18	\$2.19
2051	33,131	33,131	340,000	406,261	4,479,000	\$16.19	\$2.20
2052	30,793	30,793	345,000	406,586	4,134,000	\$16.20	\$2.22
2053	28,421	28,421	350,000	406,843	3,784,000	\$16.21	\$2.23
2054	26,015	26,015	355,000	407,030	3,429,000	\$16.22	\$2.24
2055	23,574	23,574	360,000	407,149	3,069,000	\$16.23	\$2.26
2056	21,099	21,099	365,000	407,199	2,704,000	\$16.23	\$2.23
2057	18,590	18,590	370,000	407,180	2,334,000	\$16.23	\$2.24
2058	16,046	16,046	375,000	407,093	1,959,000	\$16.22	\$2.25
2059	13,468	13,468	380,000	406,936	1,579,000	\$16.22	\$2.23
2060	10,856	10,856	385,000	406,711	1,194,000	\$16.21	\$2.24
2061	8,209	8,209	390,000	406,418	804,000	\$16.20	\$2.21
2062	5,528	5,528	392,000	403,055	412,000	\$16.06	\$2.10
2063	2,833	2,833	412,000	417,665	0	\$16.65	\$2.83

10,738,000

Bond Schedule**Date:** 09/16/21**Flat amortization**

Borrower Name: Buchanan - Sewer **Type of Bond:** Revenue
Interest Rate: 1.375% Poverty
Yrs Deferred Principle
Principal: \$7,459,000 **Reserve**
Amortization Factor 0.0327 **Annual**
Amortized Payment: \$243,680 **Monthly** \$0.00

Year	1st Interest	2nd Interest	Principal Paid	Total Year Payment	Loan Balance	Debt payment per EDUs/month
					7,459,000	2053
2024	51,281	51,281	141,000	243,561	7,318,000	\$9.89
2025	50,311	50,311	143,000	243,623	7,175,000	\$9.89
2026	49,328	49,328	145,000	243,656	7,030,000	\$9.89
2027	48,331	48,331	147,000	243,663	6,883,000	\$9.89
2028	47,321	47,321	149,000	243,641	6,734,000	\$9.89
2029	46,296	46,296	151,000	243,593	6,583,000	\$9.89
2030	45,258	45,258	153,000	243,516	6,430,000	\$9.88
2031	44,206	44,206	155,000	243,413	6,275,000	\$9.88
2032	43,141	43,141	157,000	243,281	6,118,000	\$9.88
2033	42,061	42,061	160,000	244,123	5,958,000	\$9.91
2034	40,961	40,961	162,000	243,923	5,796,000	\$9.90
2035	39,848	39,848	164,000	243,695	5,632,000	\$9.89
2036	38,720	38,720	166,000	243,440	5,466,000	\$9.88
2037	37,579	37,579	169,000	244,158	5,297,000	\$9.91
2038	36,417	36,417	171,000	243,834	5,126,000	\$9.90
2039	35,241	35,241	173,000	243,483	4,953,000	\$9.88
2040	34,052	34,052	176,000	244,104	4,777,000	\$9.91
2041	32,842	32,842	178,000	243,684	4,599,000	\$9.89
2042	31,618	31,618	180,000	243,236	4,419,000	\$9.87
2043	30,381	30,381	183,000	243,761	4,236,000	\$9.89
2044	29,123	29,123	185,000	243,245	4,051,000	\$9.87
2045	27,851	27,851	188,000	243,701	3,863,000	\$9.89
2046	26,558	26,558	191,000	244,116	3,672,000	\$9.91
2047	25,245	25,245	193,000	243,490	3,479,000	\$9.88
2048	23,918	23,918	196,000	243,836	3,283,000	\$9.90
2049	22,571	22,571	199,000	244,141	3,084,000	\$9.91
2050	21,203	21,203	201,000	243,405	2,883,000	\$9.88
2051	19,821	19,821	204,000	243,641	2,679,000	\$9.89
2052	18,418	18,418	207,000	243,836	2,472,000	\$9.90
2053	16,995	16,995	210,000	243,990	2,262,000	\$9.90
2054	15,551	15,551	213,000	244,103	2,049,000	\$9.91
2055	14,087	14,087	216,000	244,174	1,833,000	\$9.91
2056	12,602	12,602	218,000	243,204	1,615,000	\$9.87
2057	11,103	11,103	221,000	243,206	1,394,000	\$9.87
2058	9,584	9,584	225,000	244,168	1,169,000	\$9.91
2059	8,037	8,037	228,000	244,074	941,000	\$9.91
2060	6,469	6,469	231,000	243,939	710,000	\$9.90
2061	4,881	4,881	234,000	243,763	476,000	\$9.89
2062	3,273	3,273	237,000	243,545	239,000	\$9.89
2063	1,643	1,643	306,000	309,286	-67,000	\$12.55
			7,526,000	9,814,248		

Adjusted principal balance during term of SRF loan terms out in 2029

Borrower Name: Buchanan - Sewer **Type of Bond:** Revenue
Interest Rate: 1.375% Poverty
Yrs Deferred Principle
Principal: \$7,459,000 **Reserve**
Amortization Factor 0.0327 **Annual**
Amortized Payment: \$243,680 **Monthly** \$0.00

Year	1st Interest	2nd Interest	Principal Paid	Total Year Payment	Loan Balance	Debt payment per EDUs/month	EDU charge difference
					7,459,000	2053	
2024	51,281	51,281	5,000	107,561	7,454,000	\$4.37	-\$5.52
2025	51,246	51,246	5,000	107,493	7,449,000	\$4.36	-\$5.53
2026	51,212	51,212	5,000	107,424	7,444,000	\$4.36	-\$5.53
2027	51,178	51,178	5,000	107,355	7,439,000	\$4.36	-\$5.53
2028	51,143	51,143	5,000	107,286	7,434,000	\$4.35	-\$5.53
2029	51,109	51,109	5,000	107,218	7,429,000	\$4.35	-\$5.54
2030	51,074	51,074	175,000	277,149	7,254,000	\$11.25	\$1.37
2031	49,871	49,871	178,000	277,743	7,076,000	\$11.27	\$1.39
2032	48,648	48,648	181,000	278,295	6,895,000	\$11.30	\$1.42
2033	47,403	47,403	184,000	278,806	6,711,000	\$11.32	\$1.41
2034	46,138	46,138	187,000	279,276	6,524,000	\$11.34	\$1.44
2035	44,853	44,853	190,000	279,705	6,334,000	\$11.35	\$1.46
2036	43,546	43,546	193,000	280,093	6,141,000	\$11.37	\$1.49
2037	42,219	42,219	196,000	280,439	5,945,000	\$11.38	\$1.47
2038	40,872	40,872	199,000	280,744	5,746,000	\$11.40	\$1.50
2039	39,504	39,504	202,000	281,008	5,544,000	\$11.41	\$1.52
2040	38,115	38,115	204,000	280,230	5,340,000	\$11.37	\$1.47
2041	36,713	36,713	207,000	280,425	5,133,000	\$11.38	\$1.49
2042	35,289	35,289	209,000	279,579	4,924,000	\$11.35	\$1.48
2043	33,853	33,853	211,000	278,705	4,713,000	\$11.31	\$1.42
2044	32,402	32,402	213,000	277,804	4,500,000	\$11.28	\$1.40
2045	30,938	30,938	215,000	276,875	4,285,000	\$11.24	\$1.35
2046	29,459	29,459	218,000	276,919	4,067,000	\$11.24	\$1.33
2047	27,961	27,961	221,000	276,921	3,846,000	\$11.24	\$1.36
2048	26,441	26,441	223,000	275,883	3,623,000	\$11.20	\$1.30
2049	24,908	24,908	226,000	275,816	3,397,000	\$11.20	\$1.29
2050	23,354	23,354	228,000	274,709	3,169,000	\$11.15	\$1.27
2051	21,787	21,787	231,000	274,574	2,938,000	\$11.15	\$1.26
2052	20,199	20,199	233,000	273,398	2,705,000	\$11.10	\$1.20
2053	18,597	18,597	235,000	272,194	2,470,000	\$11.05	\$1.14
2054	16,981	16,981	237,000	270,963	2,233,000	\$11.00	\$1.09
2055	15,352	15,352	239,000	269,704	1,994,000	\$10.95	\$1.04
2056	13,709	13,709	242,000	269,418	1,752,000	\$10.94	\$1.06
2057	12,045	12,045	245,000	269,090	1,507,000	\$10.92	\$1.05
2058	10,361	10,361	246,000	266,721	1,261,000	\$10.83	\$0.92
2059	8,669	8,669	248,000	265,339	1,013,000	\$10.77	\$0.86
2060	6,964	6,964	250,000	263,929	763,000	\$10.71	\$0.81
2061	5,246	5,246	252,000	262,491	511,000	\$10.65	\$0.76
2062	3,513	3,513	254,000	261,026	257,000	\$10.60	\$0.71
2063	1,767	1,767	257,000	260,534	0	\$10.58	-\$1.98
			7,459,000	9,970,836			