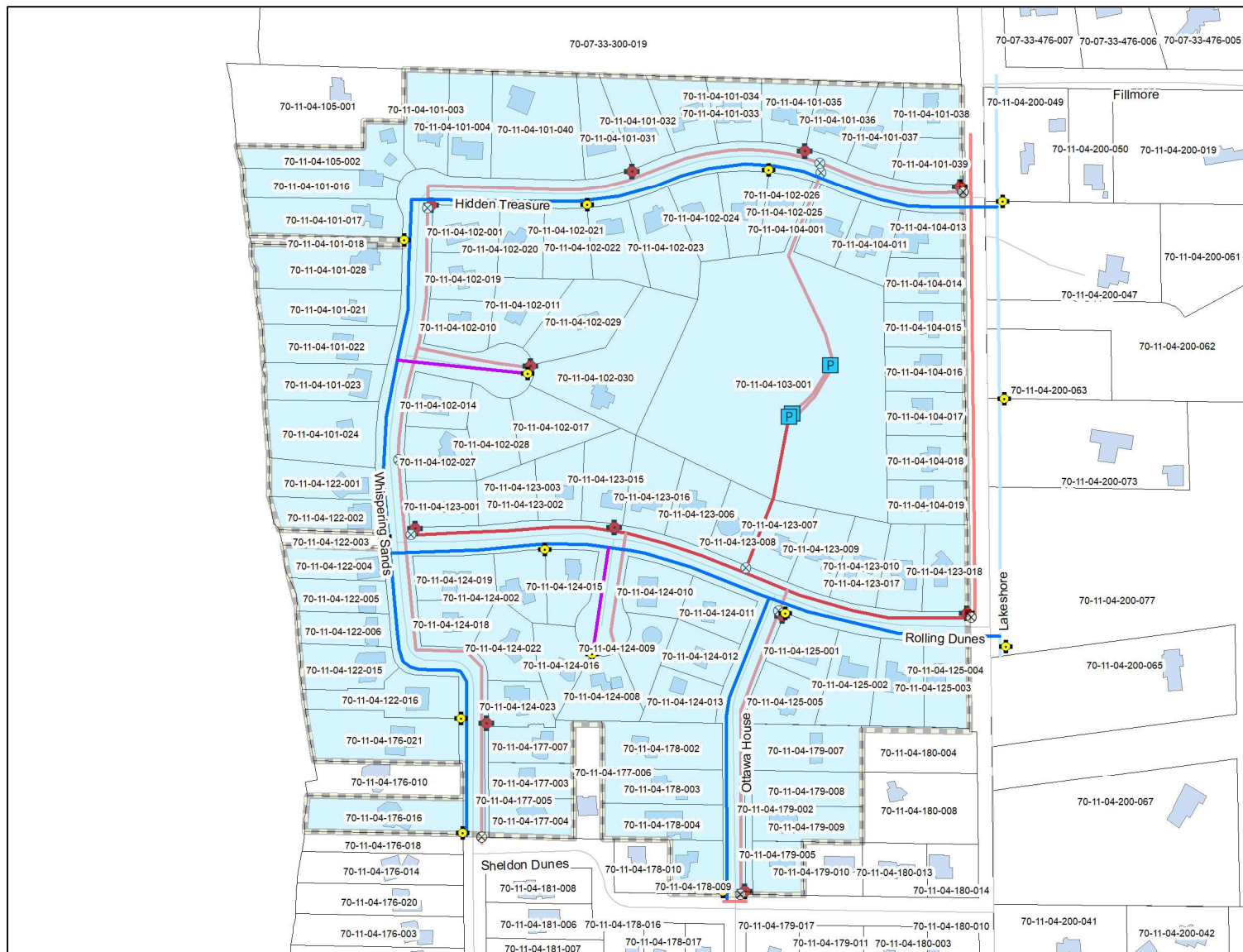


Sheldon Dunes Water System

Budget Projections per Draft Asset Management Plans
10-23-25



Options Considered

1. Maintain existing system but do nothing big.
 - a. Cash only
 - b. Loans (bonding, bank loan)
2. Grand Haven Township option.

Wellhouse



Wellhouse



Wellhouse



Wellhouse



Wellhouse



Supply Capital Improvements

Item	Description	2025 construction cost	Phase 1	Phase 2	Phase 3	Phases 1 - 3
1	Hydropneumatic tank - 2 smaller	\$ 70,000.00	\$ -	\$ 70,000.00	\$ -	
2	Electrical improvements	\$ 85,000.00	\$ 85,000.00	\$ -	\$ -	
3	3-phase Pump and motor (#1 & #3)	\$ 20,000.00	\$ 30,000.00	\$ -	\$ -	
4	Well replacement #2	\$ 150,000.00	\$ -	\$ -	\$ 150,000.00	
5	Replace generator & ATS	\$ 75,000.00	\$ 75,000.00	\$ -	\$ -	
6	Wellhouse piping	\$ 45,000.00	\$ -	\$ 85,000.00	\$ 50,000.00	
7	Replace unit heaters	\$ 20,000.00	\$ -	\$ -	\$ -	
8	Wellhouse exterior maintenance	\$ 25,000.00	\$ -	\$ -	\$ -	
9	Prefab wellhouse	\$ -	\$ 75,000.00	\$ -	\$ -	
	Construction total	\$ 490,000.00	\$ 265,000.00	\$ 155,000.00	\$ 200,000.00	\$620,000.00
	Eng., Finance, Admin, Contingencies	\$ 150,000.00	\$ 66,250.00	\$ 38,750.00	\$ 50,000.00	\$155,000.00
	Project total	\$ 640,000.00	\$ 331,250.00	\$ 193,750.00	\$ 250,000.00	\$775,000.00
	Project total with inflation		\$ 347,812.50	\$ 242,187.50	\$ 350,000.00	\$940,000.00

Item	Phase 4	2025 construction cost
1	Well #1	\$ 150,000.00
2	Piping & valves	\$ 50,000.00
3	Abandon wellhouse	\$ 50,000.00
	Total construction	\$ 250,000.00
	25%	\$ 62,500.00
	Project total	\$ 312,500.00

Item	Phase 5	2025 construction cost
1	Well #3	\$ 150,000.00
2	Piping & valves	\$ 50,000.00
3	Site piping 1,000' of 8"	\$ 150,000.00
	Total construction	\$ 350,000.00
	25%	\$ 87,500.00
	Project total	\$ 437,500.00

Distribution System Capital Improvements

- Water main break = > \$25,000
- Hydrant replacement = > \$5,000
- Valve replacement = > \$30,000
- Water service repairs 93 total. 5 are all copper. 8 are copper in right of way only. 10 are copper on parcel only. \$25k / 8 years to replace all services in right of way with copper. Lost investment when water main is replaced.

Item	Phase 6	2025 construction cost
1	16" water main (interconnect)	\$ 27,000.00
2	8" water main	\$ 945,000.00
3	Abandon water main	\$ 111,000.00
4	Abandon wellhouse/wells	\$ 75,000.00
5	Water service	\$ 465,000.00
6	Restoration (road)	\$ 1,045,000.00
	Total construction	\$ 2,566,000.00
	25%	\$ 641,500.00
	\$3,441,250 in study	\$ 3,207,500.00

Existing System Capital – Total

Existing System	2025 Budget	% Total	\$ / REU
Phase 1 - 2027 Electric	\$ 331,250.00	7%	\$ 3,561.83
Phase 2 - 2030 Tanks	\$ 193,750.00	4%	\$ 2,083.33
Phase 3 - 2033 Well #2	\$ 250,000.00	5%	\$ 2,688.17
Phase 4 - ? Well #1	\$ 312,500.00	7%	\$ 3,360.22
Phase 5 - ? Well #3, pipe	\$ 437,500.00	9%	\$ 4,704.30
Phase 6 - ? Mains	\$ 3,207,500.00	68%	\$ 34,489.25
Grand Total	\$ 4,732,500.00	100%	\$ 50,887.10
	\$4,081,250 in study		\$ 43,884.41

Existing System – No Loans

Period ending	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
System Fees									
Operation and maintenance fee	\$ 325.00	\$ 334.75	\$ 344.79	\$ 355.14	\$ 365.79	\$ 376.76	\$ 388.07	\$ 399.71	\$ 411.70
New Supply fee	\$ 3,739.92	\$ -	\$ -	\$ 2,604.17	\$ -	\$ -	\$ 3,763.44	\$ -	\$ -
New Distribution fee	\$ 50.00	\$ 51.50	\$ 53.05	\$ 54.64	\$ 56.28	\$ 57.96	\$ 59.70	\$ 61.49	\$ 63.34
New Services fee	\$ 36.00	\$ 37.08	\$ 38.19	\$ 39.34	\$ 40.52	\$ 41.73	\$ 42.99	\$ 44.28	\$ 45.60
Total Annual Fee to Users	\$ 4,150.92	\$ 423.33	\$ 436.03	\$ 3,053.28	\$ 462.58	\$ 476.46	\$ 4,254.20	\$ 505.48	\$ 520.64
System Revenue	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
Operation and maintenance Revenue	\$ 30,225.00	\$ 31,131.75	\$ 32,065.70	\$ 33,027.67	\$ 34,018.50	\$ 35,039.06	\$ 36,090.23	\$ 37,172.94	\$ 38,288.13
Supply Revenue	\$ 347,812.50	\$ -	\$ -	\$ 242,187.50	\$ -	\$ -	\$ 350,000.00	\$ -	\$ -
Distribution Revenue	\$ 4,650.00	\$ 4,789.50	\$ 4,933.19	\$ 5,081.18	\$ 5,233.62	\$ 5,390.62	\$ 5,552.34	\$ 5,718.91	\$ 5,890.48
Services Revenue	\$ 3,348.00	\$ 3,448.44	\$ 3,551.89	\$ 3,658.45	\$ 3,768.20	\$ 3,881.25	\$ 3,997.69	\$ 4,117.62	\$ 4,241.15
TOTAL REVENUE	\$ 386,035.50	\$ 39,369.69	\$ 40,550.78	\$ 283,954.80	\$ 43,020.32	\$ 44,310.93	\$ 395,640.26	\$ 47,009.47	\$ 48,419.75
System Expenses	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
Operating expenses (OCRC labor, equipment, supplies, 3rd party contractors, alarm system, laboratory services, permits and fees)	\$ 22,000.00	\$ 22,660.00	\$ 23,339.80	\$ 24,039.99	\$ 24,761.19	\$ 25,504.03	\$ 26,269.15	\$ 27,057.23	\$ 27,868.94
Township administrative expenses (billing, audit, wellhouse utilities, ordinance, attorney, etc)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well inspection and repairs	\$ 17,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Supply improvements (phased plan, bid project)	\$ -	\$ 347,812.50	\$ -	\$ -	\$ 242,187.50	\$ -	\$ -	\$ 350,000.00	\$ -
Distribution Repairs (main break, hire UG contractor)	\$ -	\$ -	\$ -	\$ -	\$ 31,250.00	\$ -	\$ -	\$ -	\$ -
Service Replacement (emergency response)	\$ 5,000.00	\$ -	\$ 12,000.00	\$ -	\$ -	\$ 7,500.00	\$ 2,000.00	\$ -	\$ 7,500.00
TOTAL EXPENSE	\$ 44,000.00	\$ 370,472.50	\$ 35,339.80	\$ 44,039.99	\$ 298,198.69	\$ 33,004.03	\$ 28,269.15	\$ 377,057.23	\$ 35,368.94
Net of Revenue and Expenses	\$ 342,035.50	\$ (331,102.81)	\$ 5,210.98	\$ 239,914.81	\$ (255,178.37)	\$ 11,306.90	\$ 367,371.11	\$ (330,047.76)	\$ 13,050.81
Prior Fund Balance	\$ 37,230.51	\$ 379,266.01	\$ 48,163.20	\$ 53,374.18	\$ 293,288.99	\$ 38,110.62	\$ 49,417.52	\$ 416,788.63	\$ 86,740.88
Ending Fund Balance	\$ 379,266.01	\$ 48,163.20	\$ 53,374.18	\$ 293,288.99	\$ 38,110.62	\$ 49,417.52	\$ 416,788.63	\$ 86,740.88	\$ 99,791.69

Existing System – Loans

Period ending	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
System Fees									
Operation and maintenance fee	\$ 325.00	\$ 334.75	\$ 344.79	\$ 355.14	\$ 365.79	\$ 376.76	\$ 388.07	\$ 399.71	\$ 411.70
New Supply fee	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58	\$ 726.58
New Distribution fee	\$ 50.00	\$ 51.50	\$ 53.05	\$ 54.64	\$ 56.28	\$ 57.96	\$ 59.70	\$ 61.49	\$ 63.34
New Services fee	\$ 36.00	\$ 37.08	\$ 38.19	\$ 39.34	\$ 40.52	\$ 41.73	\$ 42.99	\$ 44.28	\$ 45.60
Total Annual Fee to Users	\$ 1,137.58	\$ 1,149.91	\$ 1,162.61	\$ 1,175.69	\$ 1,189.17	\$ 1,203.04	\$ 1,217.34	\$ 1,232.06	\$ 1,247.23
System Revenue	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
Operation and maintenance Revenue	\$ 30,225.00	\$ 31,131.75	\$ 32,065.70	\$ 33,027.67	\$ 34,018.50	\$ 35,039.06	\$ 36,090.23	\$ 37,172.94	\$ 38,288.13
Supply Revenue	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25
Distribution Revenue	\$ 4,650.00	\$ 4,789.50	\$ 4,933.19	\$ 5,081.18	\$ 5,233.62	\$ 5,390.62	\$ 5,552.34	\$ 5,718.91	\$ 5,890.48
Services Revenue	\$ 3,348.00	\$ 3,448.44	\$ 3,551.89	\$ 3,658.45	\$ 3,768.20	\$ 3,881.25	\$ 3,997.69	\$ 4,117.62	\$ 4,241.15
TOTAL REVENUE	\$105,795.25	\$106,941.94	\$108,123.03	\$109,339.55	\$110,592.57	\$111,883.18	\$113,212.51	\$114,581.72	\$115,992.00
System Expenses	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031	3/31/2032	3/31/2033	3/31/2034
Operating expenses (OCRC labor, equipment, supplies, 3rd party contractors, alarm system, laboratory services, permits and fees)	\$ 22,000.00	\$ 22,660.00	\$ 23,339.80	\$ 24,039.99	\$ 24,761.19	\$ 25,504.03	\$ 26,269.15	\$ 27,057.23	\$ 27,868.94
Township administrative expenses (billing, audit, wellhouse utilities, ordinance, attorney, etc)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well inspection and repairs	\$ 17,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Supply improvements (phased plan, bid project)	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25	\$ 67,572.25
Distribution Repairs (main break, hire UG contractor)	\$ -	\$ -	\$ -	\$ -	\$ 31,250.00	\$ -	\$ -	\$ -	\$ -
Service Replacement (emergency response)	\$ 5,000.00	\$ -	\$ 12,000.00	\$ -	\$ -	\$ 7,500.00	\$ 2,000.00	\$ -	\$ 7,500.00
TOTAL EXPENSE	\$111,572.25	\$ 90,232.25	\$102,912.05	\$111,612.24	\$123,583.44	\$100,576.28	\$ 95,841.40	\$ 94,629.48	\$102,941.19
Net of Revenue and Expenses	\$ (5,777.00)	\$ 16,709.69	\$ 5,210.98	\$ (2,272.69)	\$ (12,990.87)	\$ 11,306.90	\$ 17,371.11	\$ 19,952.24	\$ 13,050.81
Prior Fund Balance	\$ 37,230.51	\$ 31,453.51	\$ 48,163.20	\$ 53,374.18	\$ 51,101.49	\$ 38,110.62	\$ 49,417.52	\$ 66,788.63	\$ 86,740.88
Ending Fund Balance	\$ 31,453.51	\$ 48,163.20	\$ 53,374.18	\$ 51,101.49	\$ 38,110.62	\$ 49,417.52	\$ 66,788.63	\$ 86,740.88	\$ 99,791.69

Existing System – Summary

- Cash only approach – total cost after 8 years = \$14,283
- Rates jump up and down. Wait for future improvements. Fighting inflation. Just in time reliability.
- Loan (bonding) approach – total cost after 8 years = \$10,715
- Rates stable. Use phase 1-3 right away. Better reliability.
- However, New supply fee continues for 20 years under this scenario (12 more years of payments = \$8,719).
- \$8,833 assessment + \$6,198 interest = \$14,531.67 over 20 years
- Future phases will lead to additional assessments/New Supply Fees.

GH Twp Water Option – Project Allocations

Description	2025 construction cost	Allocation Notes	SD Allocation for Assessment	East side of LSDr	Twp
16" water main	\$ 351,000.00	Estimate \$51k oversizing by Twp, 50% allocated to east side	\$ 150,000.00	\$ 150,000.00	\$ 51,000.00
8" water main	\$ 795,000.00	100% to SD	\$ 795,000.00	\$ -	\$ -
Abandon water main	\$ 111,000.00	100% to SD	\$ 111,000.00	\$ -	\$ -
Abandon wellhouse/wells	\$ 75,000.00	100% to SD	\$ 75,000.00	\$ -	\$ -
Water Services	\$ 550,000.00	100% to SD (\$5,000 budget per service x 93)	\$ 465,000.00	\$ -	\$ -
Restoration (Road/path)	\$ 1,254,000.00	Twp pays 50% of road restoration	\$ 1,089,000.00	\$ -	\$ 165,000.00
Estimated Construction Cost	\$ 3,136,000.00		\$ 2,685,000.00	\$ 150,000.00	\$ 216,000.00
25%	\$ 784,000.00		\$ 671,250.00	\$ 37,500.00	\$ 54,000.00
Total Project Cost	\$ 3,920,000.00		\$ 3,356,250.00	\$ 187,500.00	\$ 270,000.00
		REUs	93	6	
		Assessment	\$ 36,088.71	\$ 31,250.00	
		Other one time costs			
		Service - Onlot and plumber for meter	\$ 4,000.00	\$ 4,000.00	
		Connection fees - GH Twp	\$ 1,605.00	\$ 1,605.00	
		PS Twp Trunkage (to support the oversizing)	\$ -	\$ 1,000.00	
		Total assessment plus ontime costs	\$ 41,693.71	\$ 37,855.00	

Grand Haven Twp Extension – Bond

[illegible]

New System - Summary

- Total cost after 8 years = \$34,545
- New system immediately. 100% replacement. Best reliability.
- Assessment will be fixed with no future phases.
- O&M fees will be more stable with a larger GH Twp customer base.
- However, assessment continues for 20 years under this scenario (12 more years of payments = \$36,254).
- \$36,089 assessment + \$24,335 interest = \$60,423

Summary

Existing System	2025 Budget	% Total	\$ / REU
Phase 1 - 2027 Electric	\$ 331,250.00	7%	\$ 3,561.83
Phase 2 - 2030 Tanks	\$ 193,750.00	4%	\$ 2,083.33
Phase 3 - 2033 Well #2	\$ 250,000.00	5%	\$ 2,688.17
Phase 4 - ? Well #1	\$ 312,500.00	7%	\$ 3,360.22
Phase 5 - ? Well #3, pipe	\$ 437,500.00	9%	\$ 4,704.30
Phase 6 - ? Mains	\$ 3,207,500.00	68%	\$ 34,489.25
Grand Total	\$ 4,732,500.00	100%	\$ 50,887.10
	\$4,081,250 in study		\$ 43,884.41
New System	2025 Budget	% Total	\$ / REU
Phase 1 - GH Twp water	\$ 3,356,250.00		\$ 36,088.71
	\$3,920,000 in study		\$ 42,150.54