

DRAFT: 1-26-11
Approved: 2-15-11

Sewer Advisory Committee
January 18, 2011
6 PM
Grattan Township Hall

Meeting Minutes

I. Call to Order

The meeting of the Sewer Advisory Committee was called to order at 6:00 pm.

II. Roll Call

Present: Frank Force, Terry Conley, Alan Rumbaugh, Tom Manikowski, Jen Medema

Absent: None

Also in attendance: Jim Fues. Kent, John and Robert from IAI.

III. Approval of the Agenda

Committee reviewed the agenda, Tom motioned to accept, and Terry approved agenda.

IV. Approval of the Minutes

Minutes from December 21, 2010 were reviewed. Tom motioned to accept, Alan support. Minutes accepted.

V. Public Comment

VI. Unfinished Business

A. Sewer User Rates and Capital Investment Fund (Untable)

This agenda item was tabled at the last meeting. Tom Manikowski motioned to untable the item for discussion, Terry Conley support, all in favor. But first, Alan requested an update from Jim on the 2003 special assessment loan. Jim gave report; the committee reviewed the budget sheets and the 591 revenue funds. There is 40k plus extra interest to payoff. If we can pay more principal this year, we will avoid extra interest charges.

- 1) 2-5% User Rate Increase? It was discussed that a rate adjustment to the users of the sewer utility should be incorporated; to save up for an emergency reserve cushion, to pay for rising energy costs, to complete urgent projects without years of delay. A sewer rate adjustment would be reviewed annually against the budget, industry standards range from 2-5%. For the Grattan Sanitary Sewer users the quarterly rate is \$125 (an additional \$25 is collected for the CI fund). With an increase of 4% or \$5 per billing period, we can collect an extra \$15,000 an year. After further discussion the committee agreed on the need to review the rate and adjust up or down accordingly on an annual basis, using an index such as the CPI. Terry Conley made a motion that the sewer advisory committee recommends to the township board an increase of 4% to the base sewer rate of \$125. Alan Rumbaugh support, roll call vote. In favor – Force, Manikowski, Rumbaugh, Conley, Medema. Against – none. Motion carried.

- 2) \$25 C.I. Increase? This came up for consideration as a means to pay for the electrical/mechanical work identified in the AOF that is considered critical in nature. The original plan was to bundle these extra costs, about 75K into the Irrigation Upgrade loan. But that was held up in wait for permit approvals, yet this project is proceeding under the direction of IAI. We reviewed the options available, to pay piecemeal through a bump in the CI fee, and complete the project over the course of several years. Or use the CI fund to pay for the engineering costs and bundle the eligible costs with the Irrigation Upgrade loan that has now been approved by the MDEQ. Discussion followed on pros, cons and maintaining visibility of earmarked CI funds for sludge removal. Jen Medema made a motion that the Sewer Advisory Committee recommends to the township board that we pay for the collection system upgrades with a conventional loan, not with an increase in the CI fee. Terry Conley supported, motion carried.

VII. New Business

- A. SSO PS#2 BPIL – John related how this sso occurred, and how a controls independent hi level float will help during power outages with prioritizing generator needs. This station and all the sensaphone stations (15 in all) will have this redundant or 5th float installed. These 5th floats would be desirable at the mission dialer stations as well, but most helpful for the sensaphone locations.
- B. SSO Notification Procedure – Discussed all the ways to inform the residents and public of an sso, email lists, media outlets and cable access. Snail mail notifications were discussed but it was agreed that the above methods get the information out faster and to a greater number of residents.
- C. Infrastructure Alternatives Work Plan – Kent updated the committee on the work plan for the collection system upgrades that include the electrical panels as identified in the AOF report. Some discussion on the bid process followed.
- D. Grattan Storage Lagoons – Tom expressed concern with levels, discussed what indicates need for expansion of irrigation acreage. Kent reviewed when IAI established base levels but there are still inconsistencies in the discharge requirements. IA reports 13 MG discharged over the past 12 months but the lagoon levels through winter storage suggest 1.75 MG per month. Lagoon levels are an irrigation management issue but to have an expanded area would provide some elbow room.
- E. Budget Review – Jim provided the budget sheets for the sewer funds.

VIII. Committee Communications

Next SAC Meeting 2/15 – budget review time

Meeting adjourned at 8:10pm

Submitted by
Jennifer Medema