

Dimondale/Windsor Wastewater Treatment Plant

SEWER BOARD MINUTES

November 19, 2009

7:03 p.m. Meeting called to order by Chairperson Blair.

Roll Call

Present: Blair, Chappell, Reznick, Stiles

Absent: Slucter

Blair mentioned that Slucter was unavailable for the meeting due to travel.

Also Present: Denise Parisian, Village Manager; Mike Spitler, WWTP Operator; Jim Hein, audience.

Treasurer's Report/Bills

Motion by Reznick, second Chappell, to accept the treasurer's report for November 19, 2009 as presented. Motion carried. Motion by Reznick, second Stiles, to approve payment of \$23,350.98 for November 19, 2009 bills. Motion carried.

Minutes

Motion by Reznick, second Chappell, to approve the minutes of the October 15, 2009 regular meeting as presented. Motion carried.

Open to the Public

No comments were received.

Superintendent's Report

Spitler reported on continued discussions with a new septic hauler interested in discharging at the WWTP. He explained the need to revise the current Facility Plan filed with the DEQ as well as to establish a contract and rate for this purpose. Parisian stated that she and Spitler will have recommendations drafted for the next meeting and asked the board members to review the current Ball contracts.

Old Business

1. Parisian reported that Spitler met with Albertson from the Village DPW to discuss language for safety procedures. Staff has agreed to develop a set of procedures that mirrors what currently exists within the DPW and that a draft copy should be ready for Sewer Board Members to review in January or February 2010.
2. Reznick explained that his research showed that the Table of Equivalent Unit Factors currently used by the Village references the 1998 revisions by Oakland County and is the most up to date information available. Reznick will research further the more specific question of restaurant usage. Parisian reported that Spitler revisited Jackie's Restaurant to perform a seat count which did result in a slight decrease in the rate based on his audit.
3. Parisian explained that staff is ready to proceed with the upgrade of the radio alarm system and that the application for the license has been submitted to the FCC. Parisian noted that this project may require a budget amendment in the coming months. She stated that the bid came in at \$60,000.00. Parisian reminded the members that the current capital improvement plan targets \$80,000.00 for replacement of the autorake, a project which is being replaced by the SCADA alarm system now proposed as a higher priority. Parisian reported on the following benefits of this project: monthly savings on the phone bill, upgrade of stations whose lines are no longer functioning correctly and tie-in to the existing SCADA system at the plant which will provide greater security and save staff time. Discussion followed regarding the estimated labor cost for installation; the contractor's familiarity with the existing system and confidence in recommendations from consultants. Jim Hein presented research on smaller radios and Parisian suggested that the contractor look at the material.

New Business

1. Parisian presented the proposed Capital Improvement Plan (CIP) and a preliminary Rate Study for the members to consider. She walked the members through the Rate Study function by function noting the following items: the operations budget has been

slightly reduced for 2010-11, reflecting savings in certain areas such as sludge removal and health insurance; the equipment replacement fund has been adjusted to reflect current conditions and is proposed for funding at 75%; the capital improvement plan has been added with four significant projects (\$630,000) identified for funding within the next 10 years and is proposed for funding at 60%; and the guaranteed revenues from non-rate sources is proposed at \$30,000. Discussion followed regarding the resulting rate which shows an increase of \$2.00 per month per residential equivalent. Parisian explained that she proposed the stated funding assumptions because this plan supports the identified improvements within 10 years. She went on to note that the Canal Road main and the grit chamber at the plant are not included in this CIP due to the high cost and unknown elements. Discussion ensued about possible borrowing and the resulting debt retirement, the impact of a declining customer base and the future of development in the area. Reznick spoke in favor of the rate increase proposed as necessary and prudent and expressed concern that the fund balance will still not grow sufficiently under this scenario. The board members concurred that, in the face of necessary repairs, the responsible action is to raise the rate to prepare for this work and directed Parisian to draft a budget for 2010-11 that includes the \$2 increase. Discussion followed regarding avenues for informing residents about the plan.

Motion by Reznick second Chappell, to adjourn. Motion carried at 9:05 p.m.