

## Regular Meeting of the Elberta Village Council

--with--

PUBLIC HEARING on Proposed Water System Improvements Projects

401 FIRST STREET | ELBERTA MI 49628

JUNE 17, 2021 @ 7:00 PM

**Call to Order & Pledge @ 7:03pm****Roll Call:** Jennifer Wilkins- Present; Ken Holmes – Present; Bill Soper- Present; Molly Biddle- Present**Audience:** Roberta Benedict (Clerk) | Mary Kalbach (Treasurer) | Gary Sauer (County Commissioner) | Ken Mlcek (F&V) | Residents: Arelene Sweeny & David Beaton 526 Lincoln Avenue | Rick Biddle (DPW applicant & resident) |**Approval of May 20, 2021 Council Meeting Minutes** – Line 36 add the actual names of the new planning commission members Daniel Carter & Ryan Fiebing. Motion to approve May 20, 2021 Council Meeting Minutes, as amended by Bill Soper; Seconded by Molly Biddle. All Ayes – Motion Carried.**Approval of Agenda** with additions added as shown below 10, 11, 12 –as amended –

- Motion to approve the Agenda as Amended by Jennifer Wilkins; Seconded by Bill Soper. All Ayes- Motion Carried.

**Inquiry of Conflict on Agenda Items** - #9 Molly Biddle expressed conflict of interest and recused herself.

- "I would like to recuse myself for item #9 of the Agenda, DPW Applicant Consideration."

∞ **CLOSE Regular Council Meeting | CALL TO ORDER Public Hearing 7:10pm ~Proposed Water System Improvements Projects Plan~**

1. Introduction to the F & V Proposed Water System Improvements Projects Plan. Working with the Village of Elberta on a project plan for a funding application to EGLE's Drinking Water Revolving Fund. Deficiencies in the water system generate the need for this project:
  - Distribution System Improvements: overall age of water mains in the ground date back to 1935: older, brittle not the best components used so it is important to get rid of as much of the 1935 water mains as possible. EGLE has the Lead & Copper Rule for any water service that contains components that were constructed of lead and need a schedule for replacement by 2040; potentially 80% of services in the village either contain lead components or are likely to contain Lead components; looking to address this issue with the project as well.
  - Water Supply System Improvements also justifies the need for the project to address specifically the WELLS: #1 and #2 drilled in the 1940s. Typical age at time of replacement is ~ 50 years which has been exceeded. Particularly, Well #2 located off M-168, does not meet EGLE Isolation Requirements being backed up against property lines, next to sewers and storm sewers, things that are not to be near wells; Well #1 barely meeting the isolation requirements.

**PROJECT PLAN ALTERNATIVES:****I. No Action** – continue to operate as is, aged components prone to failure, affecting overall water quality, breaks, lead components in the water supply, detrimental and costly. Not a feasible option**II. Performing the Most Critical Water Distribution & Supply Improvement to Address the Most Urgent Needs:**

- Replace the majority of the 1935 water lines
- Replacement of all water system services that are thought to contain lead
- Replacement of well #2 in a large space with adequate isolation

**III. Address Any Current Issues with the Water System:**

-replace water mains 1970s or older, replacement of water services, replacement of both Well #1 &amp; #2. Not cost effective.

**RECOMMENDED PROJECT ALTERNATIVE IS PLAN II.** 8500 ft of Water Line Replacement, Replacing the Non-Compliant Water Services throughout the System and Replacing Well #2. Estimated total cost: \$5,050,000 of that, \$2,060,000 is proposed Watermain Replacement, \$1,950,000 is proposed for Water Services Replacement and \$1,040,000 is proposed for Water Supply Improvements, meaning replacement of Well #2.

- o Joint-Funded Project for Financing from EGLE - DWRP for the amount of \$2,000,000 and \$3,050,000 from the USDA Rural Development.
    - ∞ DWRP funding is mainly intended for water services that violate the Lead and Copper Rules, including limited watermain replacement & SCADA improvements at the proposed new well house.
    - ∞ USDA funding is applied to watermain replacement as well as a new well & well house.
  - o Program benefits from the funding sources taken into consideration, the estimated total for the Village of Elberta for each:
    - ∞ DWRP – \$1,040 per month
    - ∞ USDA – \$3,000 per month
  - o Projected Financial Impact with all debts together:
    - ∞ User Rate will need to be ~\$32/month for Ready-to-Serve with the Usage Fee increased to \$7.64 per 1,000 gallons (unit).
  - o Minimal Social and Environmental impacts or disruptions. EGLE coordination to occur.
2. Public Comment on Proposed Water System Improvements Projects Plan:
    - **Bill Soper** asked if the Water Lines that need to be replaced are under the roads, with the response "in some cases, not in all, but more than likely most of the water mains will require working within the road," stated by Ken Mlcek. Question that part of it is on M-22 with Ken's response of, "correct! [for] that section of watermain, the thought is, at this point, to get it off to the East side of the road and to stay under the shoulder so traffic doesn't need to be interrupted to do that work." Question say we get a new well out here next to 3, can you use the existing line to pump it up to the tank OR does it need a new line to go up there? Ken replies, "no, we would be able to tie into the existing watermain at the well site and use that to pump to the system. May even be able to utilize part of the existing well house, maybe put an expansion on it, maybe replace it, once we see how it shakes out and how much space we would need, but it's possible. We will do what we can there to minimize the overall cost of it." Question on the timeline, with Ken stating, "the timeline is, the EGLE funding the final project plan is due by July 1<sup>st</sup> and we just went thru a process to have this application re-scored, we feel it will end up on their funding list this year, and we have had preliminary discussions with the USDA on the scope that we would like them fund, but that is the next step to sit down with them to get that application done. The plus to doing all of this on the DWRP side [for EGLE] is we've completed a lot of work, so the USDA side should be, we hope, quicker to get thru! Not necessarily the funding will come thru quicker, but the application process should be quicker!" Question if this can be completed in one fell swoop or piece meal. Ken responded, "intent is to do it all as one effort."
    - David Beaton Lincoln Avenue question regarding the increase in the water bill, what would that be compared to the existing bill? Ken responds, "I believe the current Ready-to-Serve is \$21.95 going up to \$32 and then the Usage Fee is currently \$6.58 per 1000 / [unit] going up to \$7.64 per 1000 / [unit]." Question on how long the debt service will be to which Ken replies, "it's a 40-year term on the loan."
    - Gary Sauer, county commissioner, wondering what the total part that the Village is borrowing, you said 40-years, and concerns about material cost with the way things are going currently, when you try to project something out that far, kind of concerned about your thoughts on that? Ken responded, "the funding, how that breaks down, the EGLE DWRP PROGRAM that this public hearing is for, has offered to cover the construction costs at 100% with what they call 'Principal Forgiveness' which is like writing it off out of the total amount, so out of the \$2 million, some of that is engineering, some administrative, financial advisors, bond counsel, those types of services the Village will have to finance, but the construction costs is at this point projected to be 100% covered by the DWRP" financed amount ~ \$349,000 for the Village and with the USDA – requesting \$1.9million in grants, so the Village will finance \$1.1million. As far as the construction costs, it is difficult to predict."
  3. Council Discussion on the F & V Proposed Water System Improvements Projects Plan
  4. RE-Cap: As previously mentioned and discussed further by Council, it is important to get rid of as much of the 1935 water main as possible as well as addressing the leads containing lead. Mentioned earlier in the response to a resident, the project cost replacing some of the 1935 water main will incur an increase in the water rates to \$32 for Ready-to-Serve and \$7.64 for Usage Fee. During Council discussion, it was agreed that it would make the most sense to include replacing ALL the 1935 water main in this project scope. To which, Ken Mlcek said that the Ready-to-Serve Rate will then be increased to \$35 with the Usage Fee per unit (1000 Gallons) at \$7.64.

∞ **ADJOURN PUBLIC HEARING & RE-OPEN REGULAR MEETING 7:36pm**

**Correspondence**

1. Village of Elberta Audit Report was received and discussed in New Business.
2. Frankfort Planning Commission Letter received with details regarding their Master Plan Update.

**Brief Public Comment on Agenda items** NO PUBLIC COMMENT**Approval of Bills:**

- o Motion to approve the **Check Register** in the amount of \$119,900.15 by Ken Holmes; Seconded by Jennifer Wilkins. This amount includes the final draw for the Penfold Park Grant. All Ayes – Motion Carried. **ROLL CALL**

**Financial Reports:**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

- o **Rev/Exp sheet** REVIEWED.

**New Business**

1. Motion to approve the Drinking Water State Revolving Fund Project Plan Submittal with the designation of Jennifer Wilkins as the representative & adopt the Resolution #20121-04 by Molly Biddle; Seconded by Bill Soper.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

2. Motion to accept Brett McGregor to Parks & Recreation Committee by Bill Soper; Seconded by Molly Biddle. All Ayes – Motion Carried.
3. Motion to approve the Budget Amendment for the Park Fund 208 as presented by Parks & Recreation by Molly Biddle; Seconded by Ken Holmes. All Ayes – Motion Carried.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

4. Motion to approve the Village of Elberta Resolution #2021-05 to accept the Elberta Beach Grant from the Department of Natural Resources by Bill Soper; Seconded by Ken Holmes. All Ayes – Motion Carried.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

5. Motion to adopt the Short-Term Rental Ordinance as presented, to gather info from the owners for the first year, and to amend accordingly in a year, and also to order the Village Clerk to submit it to RUN in THE paper TOMORROW (meaning to call for ad placement with a run date of Wednesday June 23, 2021) by Jennifer Wilkins; Seconded by Bill Soper. All Ayes – Motion Carried.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

6. Motion to approve the Resolution #2021-06 for Temporary Road Closure on July 4, 2021 for Fireworks Festivities @ Bye Street and Furnace by Molly Biddle; Seconded by Bill Soper. All Ayes – Motion Carried.

7. Motion to RE-appoint Janet "Jen" Kennedy as The Betsie Valley Trail Management Secretary by Jennifer Wilkins; Seconded by Bill Soper. All Ayes – Motion Carried.

8. Motion to approve the Russel Mix zoning request to combine the two parcels #10-06-501-085-00 and #10-06-501-087-00 by Jennifer Wilkins; Seconded by Bill Soper. All Ayes – Motion Carried.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **Aye**

9. Motion to approve the hiring of Rick Biddle as the DPW beginning July 5, 2021 by Bill Soper; Seconded by Ken Holmes.

**ROLL CALL**Jennifer Wilkins **Aye**; Ken Holmes **Aye**; Bill Soper **Aye**; Molly Biddle **RECUSED**

10. Motion to accept the February 28, 2021 audit by Baird, Cotter & Bishop, P.C. by Molly Biddle; Seconded by Bill Soper. All Ayes – Motion Carried.

11. Motion for the Clerk & Treasurer to write out their job duties, currently, so we can make sure they align with the checks and balances and have it up to date by Ken Holmes; Seconded by Bill Soper. All Ayes – Motion Carried.

12. Motion to start the process of researching a Village Manager by Bill Soper; Seconded by Molly Biddle. All Ayes – Motion Carried.

**Reports to Council**

**County Commissioner** – Sauer / Verbal Report- reminder for the electronics, hazardous waste, and tire clean-up with tire only July 24, 2021 in Thompsonville. Interviewed 4 candidates for an Administrators positions, invited two call backs, tough market to hire anyone right now as everyone knows; Betsie Valley Trail section completed by A.J.s, DNR grant on that so we will have to have a ribbon cutting celebration; historical society helping with the diamond crossing in Thompsonville; Road Commission still working on the Platte River School Acquisition with deed figured out; Health Department big issue this year with ticks: dog tick and the black legged-deer tick (carries Lyme), to differentiate between the two, put the deer tick near your ear and listen for his bark; requesting if you are bitten take a picture of it or to the health department. Maple taking new residents, new MDHHS worker Matt Dodson, unsure if temporary or fill it in later, not in person yet; the attorney for maples moving to a new firm, but they want to keep him, so they are following him to the new firm as well, Steve Gerard. Fund Balance from 120-day to 180-day balance so 6 months, always concerned that their money they get might be cut off, so they want to make sure there is enough in reserves to continue; having trouble hiring folks, burn out rates, high stress job that takes a special person. Road Commission closed the end of River Road, paved Mick Road and Pond Road. Big thanks to Elmer's, because what used to take us all summer to get these projects done figure it is about a week now and it's not even July.

**Planning Commission** – Holmes / Verbal Report- discussions on the STR ordinance / Rentals examples given from other areas.

**Parks & Recreation Commission** – Soper / Nice to be out and about for the meeting.

**DPW** – Pritchard, Written Report / WC/SC – Theo's Back

**ELSS** – K. Mills / Verbal Report via Jen – incident at the Life Saving Station over the weekend. One of the doors was left open with someone in there; need to get locks rekeyed and new locks put in similar to the ones in the office with number pad; give each renter a different code and erase it every time; something is going on down there. Theo priced lumber to replace the back three decks, very affordable.

**Zoning Administrator** – J. Mills / Written Report / parcel combination information for Russel Mix

**BFAC** – Wilkins / No Meeting

**BLUA/Fire Board** – Holmes / Verbal Report – approved the budget with employees getting a 3% raise and projects

**Historical Preservation** – Wilkins & Soper / Verbal Report – working on painting the fence in front of the Iron Works

**Office Personnel & Grants** Wilkins & Holmes / See Minutes Personnel Report Penfold is open; first incident; need to get bigger toilet paper rolls.

**Water/Sewer Committee** - Wilkins & Holmes / No Meeting

Extended General Public Comment "I would like to say Welcome to Rick Biddle as our new DPW" Jennifer Wilkins, President.

Adjournment 8:17 pm