

MINUTES

**CHARTER TOWNSHIP OF BRIGHTON
UTILITIES COMMITTEE
4363 Buno Road
BRIGHTON, MI 48114**

**April 27, 2016
SPECIAL MEETING
7:00 P.M.
(810) 229.0550**

M. Sweatman called the meeting to order at 7:02 P.M.

Present: M. Sweatman, F. Grapentien, M. Slaton, D. Terns, D. Taylor
Absent: C. Moran

Also Present: B. Vick (Township Manager), J. Rushlow (OHM Engineer), K. Palka (Auditor)

PLEDGE OF ALLEGIANCE

CALL TO THE PUBLIC

J. Sarna, 8266 Woodland Shore Drive: Asked F. Grapentien if he had checked facts and figures he provided to him and was disappointed to hear Grapentien did not. Health concerns about the sewer system were untrue.

Bo. Potocki, 8420 Woodland Shores Drive: Provided handout. Informed everyone he has filed as a candidate for Township Clerk. Current Township officials have not followed federal law and have made illegal actions concerning the sewer system. Fix the problem.

M. Palmer, 10382 East Grand River: Running to be a Township trustee. Minutes from past two Utilities Committee meetings are inaccurate. Proposed sewer solution is about election, not solving the sewer problems. Original users have been overcharged and deserve refund. Past Boards and committees have done nothing. Actual sewage is half of what was originally projected. Presented material from Fonda Island Briggs Water Authority and said to use the Water Authority information to monitor actual usage. Fix the problem.

S. Regusso, 8245 Hilton Road: Appealed to Committee to treat sewer users as human beings. Discussed lack of action to deal with unused capacity and other problems for 16 years. Stated he does not care about who made the mistakes and wants officials to stop delaying.

Ba. Potocki, 8420 Woodland Shore Drive: Stated most recent billing will result in bigger refund to sewer users and no trustee is on the sewer system. Once sewer system is paid for, everyone else will want to be on system.

AGENDA

D. Taylor questioned why REU assignment appeal was on agenda for special meeting and objected to it. B. Vick explained ordinance requires earliest meeting to address REU assignment appeal. General discussion about what agenda items are appropriate for a special meeting and what the protocols are for a special meeting. Rules and procedures document is planned to be discussed in May meeting. Motion to approve agenda by D. Terns and Supported by F. Grapentien. **Motion carried.**

MINUTES

F. Grapentien stated he had difficulty recording public comments and suggested a new secretary be approved. D. Terns moved and M. Sweatman supported to approve the minutes of the October 13, 2015 Meeting of the Utilities Committee as amended. **Motion carried.**

D. Taylor moved and D. Terns supported to approve the minutes of the January 11, 2016 Meeting of the Utilities Committee with the removal of "5" under Reports/Correspondence, completion of name "M." in section 1 under Business and addition of "and why" added to section 4(d) under Business. **Motion carried.**

BUSINESS

1. REU Assignment Appeal 8336 Hilton Road – J. Rushlow from OHM provided an overview of how an analysis is performed to determine appropriate number of REUs. Analysis involves looking at Township ordinance and using comparables facilities. Discussed the details of the appellant's case. Based on analysis, Rushlow recommended approving two (2) REUs. B. Vick stated original number of REUs was four (4). Appellant's engineer and appellant reviewed their study and concurred with J. Rushlow's finding. D. Taylor questioned the appropriateness of the comparables and the criteria for the analysis, such as square footage, to determine the number of REUs. M. Sweatman explained the use of the 10 State Standards and the history of the ordinance that covers appeal process. D. Taylor and F. Grapentien discussed the role of the size of the facilities and the type of business in determining number of REUs. The committee discussed the role of zoning. D. Taylor asked if approval could be given on a temporary basis. Motion by M. Sweatman and D. Terns supported to adjust allocation of REUs from four (4) to two (2) for 8336 Hilton Road. **Motion carried.**
2. Quarterly Debt Service Charge – B. Vick introduced the agenda item stating that the topic is a carryover from previous Committee and Board meetings. D. Taylor described some historical aspects of the sewer system, the process for setting up the system from a legal and administrative perspective, and asserted that original users have overpaid and deserve a refund. D. Taylor argued that current number of 2700 REUs for the wastewater treatment plant is not based on operational data and should be revised. D. Taylor asserted that the 473 REUs does not accurately reflect actual capacity buyout and that capping the debt service charges at \$3,000 overcharges original users \$293 over their assessed amount. M. Sweatman explained the current system REUs is based on the permitted amount from the State and could be reevaluated during the next permit application. F. Grapentien asked what the Board is addressing and B. Vick responded by detailing that the Board is considering revising the debt service charge billing and having the Township purchase extra REUs. B. Vick explained that new sewer users pay more than original users to hookup to sewer system. D. Taylor and B. Vick discussed whether sewer system is a Township asset or managed as an enterprise fund. Other subtopics discussed by the Committee included process for purchasing extra REUs, what other municipalities have done, the cost of capital assets that will eventually fail, the financial relationship of the debt and General Fund loans, what the O & M charge covers and whether the rate will increase, and the equity of the current financial structure. K. Palka informed the Committee of the capital reserve fund balance and that a portion of the O & M goes to that fund. K. Palka also discussed the bond agreement and how and when bond will be paid off. Motion by D. Taylor and D. Terns supported to discontinue quarterly debt charge for original users effective following completion of first quarter billing. Roll call vote:

Ayes: D. Taylor, D. Terns

Nays: M. Sweatman, F. Grapentien

Motion failed.

Motion by D. Taylor for overpayments by original users be reimbursed either by tax credits or cash payments. **Motion died for a lack of support.**

M. Slaton asked if the reimbursement was for payment over the original \$12,400 or \$12,660 and D. Taylor stated that was correct.

Motion by M. Sweatman that the Township Board having discussed the scenario of purchasing the excess sewer system REU capacity via General Fund — Fund Balance dollars and the modification of the quarterly Debt Service charge directs the Manager to work with the Township Attorney to incorporate the suggested changes in our procedures towards the creation of a new or amended Administrative Policy. **Motion died for a lack of support.**

REPORTS / CORRESPONDENCE

None.

CALL TO THE PUBLIC

M. Palmer, 10382 East Grand River: Disgusted with actions of the Committee. Manager has been untruthful. Ten state standard and sewer data is out-of-date.

Bo. Potocki, 8420 Woodland Shores Drive: Stated extra capacity is not being used. Information is being hidden from sewer users. Township lacks legal authority to spend money and is practicing rate discrimination.

S. Regusso, 8245 Hilton Road: Objected to the REU assignment appeal agenda item. Discussed general issues regarding sewer system. Committee should follow the Board and work with them to eliminate debt service charge.

M. Senters, 2764 Hacker Road: Hopes the Board eliminates debt service charge and that vacant lot owners are included.

J. Sarna, 8266 Woodland Shore Drive: Questioned health basis for sewer system. Did not sign petition because system was too expensive, wanted storm drainage fixed and system was for the benefit of commercial actors. Township is stealing from residents.

Ba. Potocki, 8420 Woodland Shores Drive: Asked who in the Township is verifying who is on sewers.

C. Guard, 8334 Pointe Drive: Gave allotted minutes to M. Palmer.

M. Palmer, 10382 East Grand River: Asked for an inventory of people not on the sewer system. Enforce the ordinances.

S. Regusso, 8245 Hilton Road: Stated new users get the benefit of a beautiful environment, while original users pay.

G. Mitter, 8400 Woodland Shore Dr.: Confused about why REU assignment appeal agenda item was on agenda for a special meeting. Sewer system has been mismanaged.

**D. Terns moved and M. Sweatman supported to adjourn at 10:05 pm.
Motion carried.**

Respectfully submitted,

Mark Sweatman, Chairman

Frank Grapentien, Secretary