



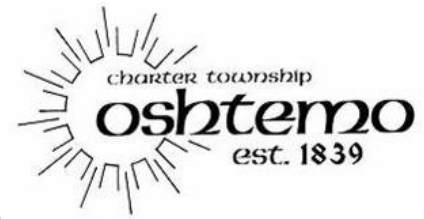
7275 W. MAIN STREET, KALAMAZOO, MI 49009
269-216-5220 Fax 269-375-7180 www.oshtemo.org

Capital Improvements Committee

*VIRTUAL ZOOM MEETING
Tuesday, November 11, 2020
1:00 P.M.*

Meeting Agenda - VIRTUAL

1. Welcome/Introductions/Call to Order. The Chair shall welcome members and call the November 2020 special meeting of the Capital Improvements Committee to order.
2. 2021 Utility Connection Fees. Prein&Newhof have reviewed current construction cost and provided an analysis for the connection fees needed to recover both Sewer and Water utility extensions. (enclosed)
3. SAW Project & Board Adjusted Sewer Surcharge. Upon review of the SAW presentations and the associated Capital Asset Management Plan for sanitary sewers, the Oshtemo Board did adopt a resolution to set the sewer utility surcharge at 16%. This represents a monthly service of about \$3 to \$4 per household customer.
4. Phase 1 Notice – Connection availability unscheduled. Phase 1 properties, having been previously notified of anticipated sewer availability shall be noticed that the proposed project is on-hold. Since the public sewer extension will not be available, the mandatory connection notice is rescinded.
5. Mandatory Sewer Connection Program. The "300" properties where existing sewer service is available were notified in June of a Covid-19 related suspension of the Township's enforcement of the mandatory connection requirement. A proposed Re-Notice program will be outlined with the goal of having these mandatory service connections completing during 2021.
6. November 3rd Ballot Results. Members will review and discuss results of the November 3, 2020 voter referendum to issue municipal bonds for the planned Phase 1 extensions of public sewers into older neighborhoods of the Township.
7. Miscellaneous discussion topics.
 - HARC
 - Sewer Extensions Work Committee
 - Community Survey
 - Community Roundtable
 - Education/Outreach
 - Focus Area? – Model Project?
8. Member Comments & Information Items.
9. Next Meeting. The next regularly scheduled meeting of the Oshtemo Township Capital Improvements Committee (CIC) will be held on Tuesday, January 19, 2021 at 1:00 PM.



Capital Improvements Committee

October 20, 2020

MEETING SUMMARY

A meeting of Capital Improvement Committee of Oshtemo Township was held on Tuesday, October 10, 2020 at 1:00 PM. Due to Executive Order of the Governor to implement social distancing during the COVID-19 public health crisis, the meeting was conducted as a virtual meeting via Zoom. Persons in virtual attendance included Libby Heiny-Cogswell, Marc Elliott, Zak Ford, Anna Horner, Matt Johnson, Tim Mallett, Bernie Mein, Josh Owens, Grant Taylor, and Tom Wheat.

1. Call to Order. The October 20, 2020 meeting of the Capital Improvements Committee of Oshtemo Township was called to order at approximately 1:00 PM by Libby Heiny-Cogswell.
2. Meeting Summary. Members reviewed the meeting summary for July 28, 2020. No correction or edits were noted and the summary was approved.
3. Sewer Bond Ballot Question. Due to a citizens' petition for a right of referendum, the phase 1 sewer project is currently on hold, pending results of a Sewer Bond question before Oshtemo voters on the November 3rd ballot. Staff reviewed various efforts underway to educate voters and to describe to purpose of the bond.
4. Kalamazoo Regional Commission for Water and Wastewater. Staff shared with members that after years of dedicated pursuit of a new water contract with the City of Kalamazoo, the KRCWW has achieved an agreement among the parties regarding a new contract. The core language of a new contract has been resolved. In the next few weeks the final language will be reviewed/edited, plus the final draft of several appendices will be incorporated into the contract. The KRCWW is therefore pursuing development an outreach and education effort to present and describe the agreement to elected Township Official decision-makers.
5. SAW Grant (Sanitary Sewer Asset Management Planning). An overview of the SAW project and status report was presented. Staff and Prein&Newhof representatives outlined the inspection and assessment of the Township's sanitary sewer capital assets that was initiated three years earlier. From that basis, an asset management plan was developed which identifies specific sanitary system repairs, replacement and maintenance activities. A long-term schedule for the work was subsequently developed, based upon priority and criticality judgements of the engineering consultants. Finally, municipal financial consultants reviewed historic sanitary sewer fund revenues & expenditures in order to develop a recommended financing strategy. Because this study yielded significant information, the next two meetings of the Township Board are scheduled to have the overall SAW project presented over two meetings of the Board.
6. 2021 Budget and 2021 Capital Improvement Plan. The next meeting of the Township Board is scheduled to review and present to the public for comment the proposed 2021 Township Budget. The Budget is the culmination of months of public work by the Board in various work sessions with staff and others to review needs. The 2021 Capital Improvement Plan will also be reviewed by the Board at their next meeting. Noteworthy is that the SAW developed list capital project expenditures for 2021 are currently incorporated in the draft 2021 CIP. CIC members are encouraged to review the Board Meeting Packets in advance of the meeting and to attend this important meeting of the Township Board via zoom. A formal public hearing on the 2021 Budget is anticipated to be held on November 10th.

7. Illustrative CIP. In addition to the 2021 CIP plan, an additional 5-year illustrative capital project plan, extending to 2026, was distributed to CIC members in advance of their October 2020 meeting. It was noted that the November 3rd ballot referendum to issue Sewer Bonds, and whether it is approved by voters or not, will have a significant impact on the sewer projects currently illustrated.
8. Public Works and Capital Project Updates. Staff presented brief updates to members on projects currently underway.
 - South 8th St Grade Lift. The project to raise the grade of 8th Street out of its flood-condition has been completed. Photos of the completed project and it's being open to traffic were provided.
 - North 10th St Manhole Repair. The source of disturbing traffic noise associated with a specific manhole was described. Oshtemo contracted with the Road Commission of Kalamazoo County (RCKC) and they have completed the noted pavement repairs. Pavement repairs was the needed work because HMA settlement had been determined to be the cause of the problem.
 - 2020 PAR Paving Projects. Progress of the RCKC and Oshtemo jointly financed "PAR" pavement repairs and chip-seals within the Township were reviewed.
 - Drake Road Non-Motorized Pathway. This project was described as being close to wrapping up. The final concrete work is scheduled for today.
 - Stadium Drive Sidewalk. This project was described as essentially complete. The contractor will be responsible for restoration through to the spring, should the dormant seeding fail to be properly established.
 - Public Water Service. Staff described several new and ongoing efforts related to the water system O&M.
 - i. City installation of new automatic line flushers
 - ii. City's fall flushing of public water mains
 - iii. Oshtemo FD's Hydrant Operation/Inspection Project
9. Member Comments & Information Items. (none)
10. Next Meeting. The next regularly scheduled meeting of the Oshtemo Township Capital Improvements Committee (CIC) will be held January 19, 2021 at 1:00 PM.

Oshtemo Township Sewer & Water Fees: Front Foot

8-Nov-20

Sanitary Sewer

Based on recent experience and discussions with local contractors the cost of sanitary sewer construction has been increasing. This is due largely to material cost increases and contractors schedules being full. Additionally, the new RCKC specification for road construction has resulted in a road restoration increase of about 30%. A conservative estimate for a plat type street with average depth sewer would be approximately \$320/ft.

		Project Area With Lot Widths of: 110	Project Area With Lot Widths of: 150	Project Area With Lot Widths of: 200
Project Costs (@ \$320)		\$35,200	\$48,000	\$64,000
Project Revenues (Current Charges)				
Connection Charge	\$7,000	\$7,000	\$7,000	\$7,000
Front Foot Charge	\$25.00	\$2,750	\$3,750	\$5,000
Benefit Unit Charge	\$2,000	\$2,000	\$2,000	\$2,000
Revenues One Side Road (For each home)		\$11,750	\$12,750	\$14,000
Revenues Both Side Road		\$23,500	\$25,500	\$28,000
Project Surplus w/BU		-\$11,700	-\$22,500	-\$36,000
Project Surplus wo/BU		-\$15,700	-\$26,500	-\$40,000

Project Revenues (Proposed Charges)					
Connection Charge	\$10,000	\$10,000	\$10,000	\$10,000	
Front Foot Charge	\$50	\$5,500	\$7,500	\$10,000	
Benefit Unit Charge	\$2,000	\$2,000	\$2,000	\$2,000	
Revenues One Side Road		\$17,500	\$19,500	\$22,000	48.94% Rate Increase
Revenues Both Side Road		\$35,000	\$39,000	\$44,000	
Project Surplus w/BU		-\$200	-\$9,000	-\$20,000	
Project Surplus wo/BU		-\$4,200	-\$13,000	-\$24,000	

Water

Based on recent experience and discussions with local contractors the cost of water main construction has continued to rise with the increased cost of Ductile Iron and the contractors schedules as indicated with the sewer costs. A conservative estimate for a plat type street with 8-12 inch water main would be approximately \$150/ft. This analysis does not include service leads.

		Project Area With Lot Widths of: 110	Project Area With Lot Widths of: 150	Project Area With Lot Widths of: 200
Project Costs (@ \$150)		\$16,500	\$22,500	\$30,000
Project Revenues (Current Charges)				
Front Foot Charge	\$50.00	\$5,500	\$7,500	\$10,000
Benefit Unit Charge	\$750	\$750	\$750	\$750
Revenues One Side Road (For each home)		\$6,250	\$8,250	\$10,750
Revenues Both Side Road		\$12,500	\$16,500	\$21,500
Project Surplus w/BU		-\$4,000	-\$6,000	-\$8,500
Project Surplus wo/BU		-\$5,000	-\$7,000	-\$9,500

Project Revenues (Proposed Charges)					
Front Foot Charge	\$65.00	\$7,150	\$9,750	\$13,000	
Benefit Unit Charge	\$1,000	\$1,000	\$1,000	\$1,000	
Revenues One Side Road		\$8,150	\$10,750	\$14,000	30.4% Rate Increase
Revenues Both Side Road		\$16,300	\$21,500	\$28,000	
Project Surplus w/BU		-\$200	-\$1,000	-\$2,000	
Project Surplus wo/BU		-\$2,200	-\$3,000	-\$4,000	

CHARTER TOWNSHIP OF OSHTEMO
KALAMAZOO COUNTY, MICHIGAN

**RESOLUTION ESTABLISHING SANITARY SEWER FEES
AND USER RATES**

Adopted: _____, 2020

Effective: _____, 2020

WHEREAS, the Charter Township of Oshtemo has heretofore adopted the Wastewater Service Ordinance, being Ordinance number 208, and as thereafter amended; and

WHEREAS, pursuant to Section 21 and 22 of said Ordinance the Township Board is required to establish appropriate service charges and user rates for each wastewater user and to make changes from time to time to reflect the changes in cost and sewer needs; and

WHEREAS, the Township's engineers Prein and Newhof, pursuant to a state grant, undertook a three-year study of the Township sanitary sewer system and have prepared a report outlining the repair and maintenance needs of the Township's sanitary sewer system and have presented their report to the Township entitled "Sanitary Sewer Assessment Management Plan"; and

WHEREAS, the Township received the S.A.W. grant report at its Board Meeting of November 10, 2020; and

WHEREAS, the Township Board recognizes the report and its recommended maintenance and repair needs for the Township sanitary sewer system.

NOW THEREFORE, until further modification by resolution of the Township Board, the sanitary sewer sanitary service charges and user rates are hereby adopted, and the following fees shall be payable for all sanitary sewer users of the Township at the time of connection.

Sewer Fees and User Rates.

Monthly or quarterly use charges shall be billed to each user connected to the public sewer system by the City of Kalamazoo in conjunction with the user's water bill as metered at the user's private water supply, in accordance with the sanitary sewage disposal agreement between the Charter Township of Oshtemo and the City of Kalamazoo.

In addition to the user charges as established by the City of Kalamazoo, each sanitary sewer user will be charged a surcharge for this service of 16%, to be added to each user's monthly or quarterly billing, for repair and maintenance of the Oshtemo Charter Township sanitary sewer system.

Annual Review.

These fees are to be reviewed annually.

Motion made by _____, seconded by _____ to adopt the foregoing resolution.

Upon roll call vote,

The following voted "Aye":

The following voted "Nay":

The following abstained or were absent:

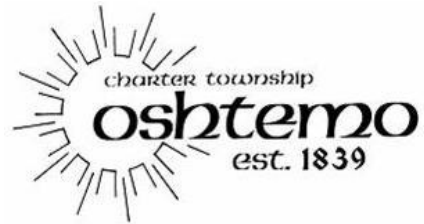
The Supervisor declared the motion carried in the resolution duly adopted.

DUSTY FARMER, Clerk
Oshtemo Charter Township

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of an Excerpt of the Minutes of a regular meeting of the Oshtemo Charter Township Board, held on November 10, 2020, at which meeting _____ members were present and voted upon the same as indicated in said Minutes; that said meeting was held in accordance with the Open Meetings Act of the State of Michigan.

DUSTY FARMER, Clerk
Oshtemo Charter Township



Memorandum

Date: Friday, November 13, 2020
To: Capital Improvements Committee
From: Marc Elliott, P.E., Director of Public Works
Subject: Consideration of Re-Notice for the Deferred Mandatory Sewer Connections

OBJECTIVE

On June 3rd, 2020 Oshtemo formally suspended (throughout the remainder of 2020) the enforcement of its public sanitary sewer ordinance which mandates that existing structures be connected to the public sanitary sewer service. Since this suspension, state and local health officials have published further health & safety guidelines in conjunction with the gradual lifting of work restrictions. The Public Works Department therefore wishes Board consideration of a plan to Re-Notify affected property owners of the ended suspension. The proposed plan to re-notice will reset the clock for the mandatory connection requirement so that outstanding sewer connections can be completed in an orderly fashion during the 2021 construction season.

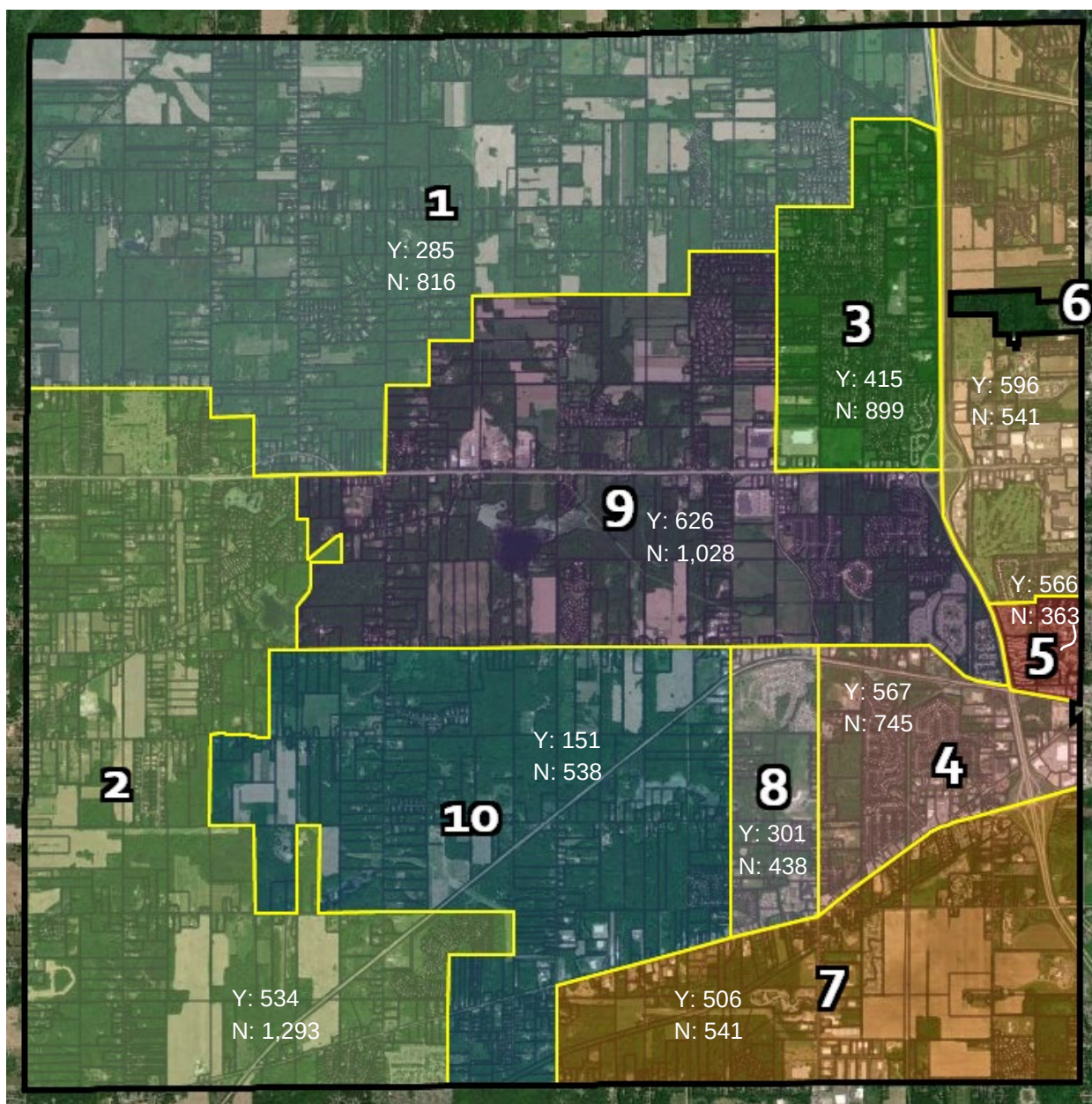
BACKGROUND

On January 12th 2016 the Board adopted ordinance revisions whereby structures with access to public sanitary sewer were mandated to connect to the public sewer and abandon private, on-site septic waste disposal systems. Affected properties were provided 24-months to connect to the public sanitary sewer system. Starting in May of 2018, Formal Notice of the connection requirement the individual parcel owners began to be issued by the Township. The 24-month compliance period being set by the date of formal notice. In order for Oshtemo staff to provide adequate servicing of anticipated homeowner inquiries, etc., these first notices were distributed in batch mailings between May 2018 and September 2019. Approximately 300 properties were affected by the mandatory connection requirement.

In response to Governor's Executive Order 2020-59 et al (Covid 19), Oshtemo mailed notice on June 3rd, 2020 to all outstanding properties subject to the mandatory connection requirement that the Township would suspend activities to enforce mandatory sewer connections. Regardless of Oshtemo's suspension, please know that Oshtemo's Covid 19 policies and procedures did allow the Township (by appointment or virtual means) to continue to process owners' sewer inquiries, sewer connection fee-payments and financing arrangements, etc. Furthermore, the Governor's suspension of construction activities was limited to approximately two weeks during the initial shut down. Construction was one of the first activities that was allow by the Governor to proceed. The Township's suspension of enforcement did not preclude any homeowner from proceeding with connecting to public sewer.

PROPOSED RE-NOTIFICATION PLAN

- All properties that have failed to make sewer connections will be notified in January 2021 of the suspension termination and that owners are required to proceed with connecting to the public sanitary sewer system. (Approximately 150 sewer connections remain outstanding.)
- A new (reset) compliance date of August 31, 2021 will be specified. (This is an extension of approximately 11 months for the date originally established for the last notified property owners).
- Owners will be strongly encouraged to arrange financing during the months of January – March, so that construction can be scheduled in mid-April (approximate start of construction season).
- Owners who complete their fee payment or enter into installment payment plans prior to the due date of 8-31 will continue to have their fees frozen at the original notice date (2018 rate). If fee arrangements are not completed by the due date, then currently established utility connection fees shall apply.
- Owners electing to arrange an Oshtemo financed installment payment plan will be informed that the first payment a connection will be not be due until winter taxes (i.e. February 2021).
- Notice will include description of the Hardship Financing Opportunity with emphases that applications are due to the Township in March 2021.
- In June, staff will review compliance status and distribute second notices of the pending compliance requirement.
- Good faith efforts to comply will be recognizes should financing be completed and the private-side construction contracting arranged. That is, no one will be penalized should weather or tight construction schedules preclude completion of the work before the 2021 construction season ends.
- Additionally, all parties of the “300” originally notified of the mandatory connection requirement which entered into a sewer mortgage agreement shall be formally notified of their ability to refinance in accordance with the new, lower interest rate approved by the Board.



Oshtemo Charter Township Proposal

10 of 10 precincts reporting

NONPARTISAN

Candidate	Votes
Yes	4,547 39%
No	7,202

[View Details](#)

Oshtemo Charter Township Proposal (NONPARTISAN)

	Yes	No	yes%
Oshtemo Twp. 1	285	816	26%
Oshtemo Twp. 2	534	1293	29%
Oshtemo Twp. 3	415	899	31.5%
Oshtemo Twp. 4	567	745	43%
Oshtemo Twp. 5	566	363	61%
Oshtemo Twp. 6	596	541	52%
Oshtemo Twp. 7	506	541	48%
Oshtemo Twp. 8	301	438	41%
Oshtemo Twp. 9	626	1028	38%
Oshtemo Twp. 10	151	538	22%