

Capital Improvements Committee

July 28, 2020

MEETING SUMMARY

A meeting of Capital Improvement Committee of Oshtemo Township was held on a rescheduled time and of Tuesday, July 28, 2020 at 12:00 PM. (Staff had IT issues and other difficulties with remote conferencing that caused the regularly scheduled meeting to be abruptly cancelled with short notice. 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, Colten Hutson, Matt Johnson, Bernie Mein, Josh Owens, Grant Taylor, and Tom Wheat.

1. Call to Order. The July 28, 2020 meeting of the Capital Improvements Committee of Oshtemo Township was called to order at approximately 12:10 PM by Marc Elliott.
2. Meeting Summary. Members reviewed three meeting summaries from the CIC meetings held on January 21, 2020, March 10, 2020, and April 21, 2020. Upon review, with motion by Zak Ford and Seconded by Bernie Mein, all three summaries were approved.
3. Sanitary Sewer Hardship Program. The Township Board has acted to create a hardship financing and deferment ordinance for public sanitary sewer. Multiple drafts were crafted by Attorney Porter and provided to the Board for consideration. The proposed ordinance was adopted by the Board on April 28, 2020 and was effective on May 07, 2020. This local ordinance structurally reflects the State program whereby local municipalities can consider hardship petitions for property taxes. The Township's ordinance allows folks who are experiencing financial hardship the ability to apply for a deferment of Township sewer connection fees and installment plan payments. In extreme cases, private plumbing expenses to make the sewer connection can be rolled into the installment payment plan as a mortgage agreement.. Taylor added that the Township Board did approve the appointments for the Hardship Advisory Review Committee just recently. Members include Libby Heiny-Cogswell, Grant Taylor, Fred Gould, Jeff Parson, and Neil Sikora.
4. Mandatory Sewer Connection Program. In 2018, approximately 300 properties with access to public sewer service were formally noticed that they are required to connect to public sewer in accordance with the Township's newly adopted mandatory sewer connection ordinance. Direct mailings to the property owners were delivered on a 30-60 day schedule, therefore not all property owners received the letter at the same time. Mandatory connection notices were mailed by Section Numbers, beginning with Section 1 and ending with Section 36. The compliance dates for most of the properties that remain non-compliant are coming due this year. However, the Township Board elected to suspend the requirement to connect for the remainder of the 2020 calendar year due to the COVID-19 pandemic. With the assistance of the CIC, staff will strategize how we plan to proceed and ensure that the outstanding sewer connections are completed next year. In early 2021 we will also have implemented the hardship program, which should better accommodate folks struggling with the financial challenges to connect. Hutson added that roughly 40-45% of the 300 group still need to connect.

Additionally, on July 14, 2020, the Township Board adopted a policy regarding the process of accommodating property sales where an installment purchase agreement exists. The newly adopted policy essentially states current practice. If a resident were to sell the home, Oshtemo is willing to

transferring the existing mortgage to the new home buyer, and the Township would subordinate its utility mortgage to any other lender seeking to attach a purchaser's mortgage on the property.

5. Bond Notice Re-Publication (USDA, Phase 1 Sewer Extensions). A citizens group in opposition to the large sewer project has obtained legal counsel and filed action against the Township. There has been one hearing regarding a request to injunction the project from proceeding. The Judge denied the injunction in advance of formal hearings. Judicial hearings are being scheduled for late 2020 or early 2021. As a part of the data collection, we identified that the Kalamazoo Gazette failed to publish the bond notice of intent at the size requested by the Township (and as required by statute). The original bond notice posted in late 2018 was for \$30 million. No citizen petitions to call for a referendum were received at that time. However, given the size error of the Kalamazoo Gazette as well as noting this discrepancy is among the complaints of the citizens group, the Board elected to advertise the bond notice again. The Board also elected to notice the reduced bond amount of \$10 million (i.e. an amount sufficient Phase 1).

The new bond notice was published in June. We understand the referenced citizens group initiated the collection of petitions to seek a public referendum on the issuance of bonds. Petitions have been submitted in sufficient number that we suspect the petition may succeed. The Clerk has conveyed to staff that the earliest she will be able to confirm and validate the signatures on the petition is the second week of August. If required, the earliest a referendum could go to the voters is the November ballot. Mein asked how it will impact the USDA financing and Elliott explained that the interest rates will most likely change. Heiny-Cogswell added that she spoke with Paul Bristol at USDA a week prior and said he mentioned that this is unusual that it could potentially go to referendum.

6. USDA, Phase 2 Sewer Extensions. The Township continues to work with our project engineers on the design plans. The intent is to acquire the last batch of easements and complete the designs assuming that the project will move forward. Acquisition of permits from EGLE and RCKC is scheduled to be completed in February 2021.
7. DDA Gateway Project, (9th and Stadium). The brownfield redevelopment project is substantially complete. A gas station and a car wash were previously located at the subject site. The outstanding sidewalk deficiencies were corrected in a timely manner. Sign corrections on the newly constructed wall are expected to take place within the following weeks.
8. Drake Road Non-Motorized Path Project(s). The segment from W Main Street to Green Meadows is now complete. RCKC is the holder of the contract as the Kamminga & Roodvoets (site contractor) is pursuing additional pay items to be reimbursed. MDOT will hold a 3-person panel in the following weeks to determine if the contractor is due compensation of approximately \$28,000.00. These are related to the delays the contractor experienced from Consumers Energy due to them needing to relocate utilities. The safety grant project from Green Meadows to KL Ave was awarded to Brenner Excavating. The start date on that was delayed by 2-3 months due to AT&T having to relocate several fiber-optic cables. AT&T failed relocate the conflicting utilities prior to the project start date. Brenner Excavating will be starting later this week. Brenner Excavating's bid came at 98% of the engineer's estimate.
9. Stadium Drive Non-Motorized Projects. The project was bid and is currently being managed through MDOT's bidding process. Northern Construction Services from Niles, MI was the lowest bidder for the sidewalk project. Prein & Newhof is the engineering firm as the bid came in 6% under the engineer's budget. RCKC will be the entity that holds the contract for the project.
10. Buckham Highland/Sky King Meadows 3 Sanitary Pump Station Generator. An emergency generator has been installed at this existing sanitary sewer pump station as part of the SKM 3 project. Site restoration work remains outstanding. (This was the last pump station in the Township that lacked independent, emergency power generation capacity should the electrical service to the station be interrupted.)

11. 8th Street Closure Due to Flooding. This road has been closed due to the flood experienced on June 20, 2019. This is a low area where an existing road transverses through an existing wetland. High water table due to the rise in groundwater contributed to the flooding of the roadway. Oshtemo contracted with RCKC to receive a study engineer's evaluation on how to address the problem. We also asked for a non-motorized facility to be installed. With the road repairs and the added non-motorized facility, RCKC quoted the Township a price of \$1,800,000.00. RCKC then considered what they have done in areas of Texas Township as an alternative. They used the existing guardrail to create a box to contain the gravel and then raise the road with adding a new guard rail. This alternative would cost approximately \$251,000.00 compared to the previous quoted price to fully reconstruct and raise the road. It would be a quicker option to get the roadway back in use. Additionally, permits from EGLE would not be required since the extent of the work would only occur in the road right-of-way. This alternative option will be proposed at the July 28, 2020 Township Board meeting.
12. RCKC 2020 Roadway Maintenance. RCKC representative was not in attendance and did not report.
13. Miscellaneous Updates. A brief overview of other capital items presented:
 - RCKC said they would be able to make the correction the depressed area surrounding the manhole. This settlement around the manhole has caused loud noises when trucks drive over the problem area. RCKC will mill it out so that it is flush with the roadway elevation.
 - The City of Kalamazoo now offers a payment plan to residents for new water service connections. This change will allow residents to connect to the municipal water supply without having to pay the upfront cost for service installation. If a yard service is required (from water main to house), the total amount is \$2,500. If a full service is required (existing copper curb stop valve to house), the total amount is \$5,500. Taylor added that the City Treasurer reached out to Oshtemo and Comstock asking how both entities setup the agreements and enter it in to our Special Assessment modules. Taylor mentioned he was able to provide the requested information.
 - Under Governor Whitmer's Executive Order 2020-144 has setup a moratorium against shutting off residential customer's water for non-payment.
 - Michigan's Department of Health and Human Services (MDHHS) is providing \$25 million in payment assistance to water utility providers. COK is moving to participate in this new program to assist eligible utility customers that are having trouble getting payments in order for their water bills. COK has indicated that they would like to participate in this.
 - A Covid-19 Return to Work Plan was adopted by the Oshtemo Board on June 9th. Current office hours are from 10 a.m. until 1 p.m., Monday through Friday, for services in the Treasurer's and Clerk's Office. For other Departments, residents are requested to reach out via email or phone for needed services or to schedule appointments.
 - Board has endorsed exploring a potential partnership with Southwest Michigan Land Conservancy to possibly seek Michigan Land Trust dollars to acquire vacant County property. The acquisition would be for conservation and passive recreation purposes. The parcel is contiguous to the exiting SWMLC Wolf Tree Nature Preserve on KL Avenue.
 - Public Works Staff Changes. With regrets for the department's loss, but with fond support and encouragement for his future, please be informed that Colten will be leaving Public Works to move to Planning. Colten's loss has encouraged the Board to pursue staff changes which support transition planning for Elliott's anticipated 2021 retirement.
 - One or more residents along N 2nd St have expressed a desire to circulate a petition to pave the gravel road extent between KL and L Avenues.

14. Member Comments & Information Items. Elliott mentioned MDOT announced that they will be paving I-94 between Mattawan and Portage beginning on August 03, 2020. Taylor conveyed that the Downtown Development Authority did approve in the budget to have the sidewalks on the north side installed from 8th Street to the utility corridor. It is in the 2021 budget.
15. Next Meeting. The next regularly scheduled meeting of the Oshtemo Township Capital Improvements Committee (CIC) will be held October 20, 2020 at 1:00 PM.