

**REGULAR YEAR END MEETING
December 27, 2018**

PERE MARQUETTE CHARTER TOWNSHIP BOARD
held at 1699 S. Pere Marquette Highway, Ludington MI 49431

Board members present: Supervisor Paul Keson, Clerk Rachelle Enbody, Treasurer Jacalyn Sroka;
Trustees: Paul Piper, Andrew Kmetz and Henry Rasmussen.
Board member absent: Trustee James Nordlund Sr.
Also present: Larry Gaylord and Noah Hausmann (LDN).

Meeting was called to order at 4:00 p.m. by the Supervisor. Invocation was given by Keson; Pledge of Allegiance was recited by all. The minutes of the December 11, 2018 meeting were approved by consent.

APPROVAL OF AGENDA: Moved by Enbody, seconded by Piper to add Item F. "Consider Equipment Purchase" to the agenda and to approve the agenda as amended. Motion carried.

NEW BUSINESS: A. Adopt Capital Improvement Plan – Board members reviewed the proposed six-year Capital Improvement Plan. Keson explained the items on the plan and how the supervisor, department heads and finance committee evaluated the scheduling of each purchase. Keson reviewed each item within the plan in detail. Enbody added that the fund balance in the Capital Improvement Fund is capable of supporting the planned purchases and improvements.

Capital Improvement Plan										
Project			Department	2019	2020	2021	2022	2023	2024	Total
#	Item	Category								
14-1	Light Fixtures for bay (efficiency)	Buildings	Fire Dept	10,000						10,000
17-6	SCBA Air Tanks/Masks**	Equipment	Fire Dept	150,000						150,000
16-3	Leaf Vacuum Replacement	Equipment	DPW		80,000					80,000
17-4	Boat Launch for PM Consv Park**	Land Improv	Parks		200,000					200,000
14-6	Skid Steer	Equipment	Wa/Sw/DPW			54,000				54,000
17-5	Storage Garage	Buildings	DPW			75,000				75,000
16-2	Boiler TH	Buildings	THG				12,500			12,500
15-4	Drain Field/Septic @ BV	Land Improv	Parks				20,000			20,000
14-10	Bathroom Remodel TH	Buildings	THG				30,000			30,000
14-8	Water Main S Jebavy to PM Hwy	Utility	Wa					300,000		300,000
16-1	MTP Improvements**	Land Improv	Parks					80,000		80,000
17-3	Cabins for new PM Consv Park	Buildings	Parks					90,000		90,000
18-1	Truck replacement	Equipment	Wa/Sw/DPW						50,000	50,000
18-2	UTV (Utility Task Vehicle)	Equipment	Parks						22,000	22,000
18-3	Storage Garage	Buildings	Parks						80,000	80,000
18-4	Lift Station Repairs*	Capital Outla	Sewer						200,000	200,000
Total Purchases				160,000	280,000	129,000	62,500	470,000	352,000	1,453,500

Moved by Rasmussen, seconded by Kmetz to adopt the 2019-2024 Capital Improvement Plan.

Motion carried.

B. Sewer Rate Resolution – Board members reviewed the proposed changes to the Sewer Rate Resolution which include a change in the usage rate from \$4.59 to \$4.72 per 100 cubic feet, a change in the flat rate sewer charge for single and two-family residences from \$75 to \$83 per quarter and to provide for an effective date for the quarter beginning on January 1, 2019. The change to usage rate represents a 2.8% increase in the rate(s) based upon the cost of living increase and the increase to the flat rate is based upon an increase in the flat rate charged to the Township by the City of Ludington. The township has not increased the flat rate charge since 2010.

The following **Resolution** was offered by Piper, and supported by Enbody:

**PERE MARQUETTE CHARTER TOWNSHIP
SEWER RATE RESOLUTION**

WHEREAS, Code of Ordinances, Chapter 30, Article III, Sewer and Sewage Disposal (the "Code") provides that the Township Board shall establish sewer user rates and charges from time to time; and

WHEREAS, the Township Board desires to establish such rates and charges as are set forth in this resolution.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Pursuant to Section 30-239 of the Code, the following sewer connection charges are established:

- a. Sewer Stub Installation Charge A connection to the System as provided in the Code for which a stub has previously been installed without cost to the Township shall be charged at cost. The stub installation charge for any other connection shall be as provided in the following table:

Gravity sewers	\$950.00
Small diameter pressure sewers (per lf)	\$10.00

Lineal footage for stub charges for pressure sewers should be measured from the stub to the connection point for the premises.

- b. Frontage Charge A connection to the System as provided in the Code shall be as provided in the following table:

Gravity Sewers (per front lf)	\$40.00
Pressure Sewers (per front lf)	\$10.00

- c. Trunkage Charge For all connections, except those connections made directly to the City of Ludington sewer transmission system, the charge shall be as follows:

5/8 & 3/4"	\$1,250.00
1"	\$3,125.00
1-1/2"	\$6,250.00
2"	\$10,000.00
3"	\$20,000.00
4"	\$31,250.00
6"	\$62,500.00
8"	\$100,000.00
10"	\$143,750.00
12"	\$268,750.00

- d. Grinder Pump Charge For all connections requiring use of a grinder pump the charge shall be billed at actual cost for time, materials, and service charges as needed.

2. Pursuant to Section 30-240 of the Code, interest at a rate of prime plus 2% per annum shall be charged on the unpaid balance when the applicant elects to pay the frontage and trunkage charges, or any part thereof, in installments.

3. Pursuant to Section 30-241 of the Code, the following Sewer Rates and Other Charges are established:

- a. ~~\$4.72~~ per 100 cubic feet of water utilized per calendar quarter plus a quarterly readiness-to serve charge determined as follows:

5/8 & 3/4"	\$12.00
1"	\$30.00
1-1/2"	\$60.00
2"	\$96.00
3"	\$196.00
4"	\$300.00
6"	\$600.00
8"	\$960.00
10"	\$1,380.00
12"	\$2,580.00

- b. Charge for single and two-family residences not connected to public water - **\$83** per quarter
- c. Meter test - \$100
- d. Development plan review and inspection, including testing and compiling construction records for subdivisions, site condominiums, multi-family dwellings and other types of residential, commercial or industrial developments where a sewer line and/or stub is constructed as part of the development - shall be charged at cost for labor, materials and any necessary services. e. Service call for turn-on, turn-off, meter removal and/or meter re-installation (exclusive of emergency situations)- \$50 each time
- f. Temporary metered discharge to System - \$100 plus commodity charge. The commodity charge may be adjusted on a case-by-case basis when requested by a commercial or industrial customer. Each request will be reviewed by the Water and Sewer Committee, who will then establish a revised temporary rate
- g. Service for meter reading outside the regular meter reading schedule for special billing purposes - \$50

Charges for partial quarters shall be prorated.

4. Pursuant to Section 30-245 of the Code, service calls for repair/replacement of damaged meters and/or sewer lines shall be charged actual costs for labor, materials and any necessary services.

5. This resolution shall be effective immediately and shall be applicable for the current quarter beginning on **January 1, 2019** and continuing thereafter until modified by future resolution of the Board

6. All resolutions in conflict herewith in whole or in part are hereby revoked to the extent of such conflict.

Roll call vote: Yes: Kmetz, Rasmussen, Sroka, Keson, Enbody and Piper.
 No: None.
 Absent: Nordlund.

Resolution declared adopted.

C. **Water Rate Resolution** – Board members reviewed the proposed changes to the Water Rate Resolution which include a change in the usage rate from \$3.29 to \$3.38 per hundred cubic feet for residential usage, a change in the usage rate for Michigan Power Limited Partnership from \$1.13 to \$1.17 per 100 cubic feet and to provide for an effective date for the quarter beginning on January 1, 2019. The changes represent a 2.8% increase in the rate(s) based upon the cost of living increase.

The following **Resolution** was offered by Keson, and supported by Kmetz:

**PERE MARQUETTE CHARTER TOWNSHIP
 WATER RATE RESOLUTION**

WHEREAS, Code of Ordinances, Chapter 30, Article II – Water System (the “Code”) provides that the Township Board shall establish water user rates and charges from time to time; and

WHEREAS, the Township Board desires to establish such rates and charges as are set forth in this resolution.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Under Section 30-61 of the Code, the following charges are established for the Township’s water system (“System”):

- a. **Water Service Tap Installation Charge** A connection to the System as provided in the Code for which a tap has previously been installed without cost to the Township), shall be charged at cost. The tap installation charge for any other connection shall be as provided in the following table:

5/8 & 3/4”	\$750.00
1”	\$825.00
1-1/2”	\$900.00
2”	\$1,000.00
Over 2”	At cost

At cost calculations will include time and materials.

- b. **Frontage Charge** A connection to the System as provided in the Code shall be \$25 per front lineal foot.
- c. **Benefit Charge** For all connections, except those connections served directly by the City of Ludington water system, the charge shall be as follows:

5/8 & 3/4"	\$425.00
1"	\$1,063.00
1-1/2"	\$2,125.00
2"	\$3,400.00
3"	\$6,800.00
4"	\$10,625.00
6"	\$21,250.00
8"	\$34,000.00
10"	\$48,875.00
12"	\$91,375.00

2. Pursuant to Section 30-62(c) of the Code, interest at a rate of prime plus 2% per annum shall be charged on the unpaid balance when the applicant elects to pay the frontage and benefits charges, or any part thereof, in installments.

3. Pursuant to Section 30-63 of the Code, the following Other Charges are established:

- a. Metered fire hydrant use (including cost for filling a swimming pool or providing water for a construction project) - \$100 plus cost of water used
- b. Meter test - \$100
- c. Service call for turn-on, turn-off, meter removal and/or meter re-installation (exclusive of emergency situations)- \$50 each time
- d. Service call for turn-on after delinquent water bill paid - \$50
- e. Cross connection enforcement/turn-off - \$150
- f. Service for meter reading outside the regular meter reading schedule for special billing purposes - \$50
- g. Development plan review and inspection, including testing and compiling construction records for subdivisions, site condominiums, multi-family dwellings and other types of residential, commercial or industrial developments where a water main and/or system service line is constructed as part of the development - at actual cost for time, materials, and service charges as needed.

4. Pursuant to Section 30-64 of the Code, water rates for water provided to each premises connected to the Pere Marquette Charter Township Water System are established as follows: For water utilized, **\$3.38** per 100 cubic feet, plus a quarterly readiness-to-serve charge determined as follows:

5/8 & 3/4"	\$13.50
1"	\$34.00
1-1/2"	\$68.00
2"	\$108.00
3"	\$216.00
4"	\$338.00
6"	\$675.00
8"	\$1,080.00
10"	\$1,553.00
12"	\$2,903.00
Standby fire line	\$90.00
Hydrant charge	\$90.00

Charges for partial quarters shall be prorated.

5. Notwithstanding the provisions in Section 4 above, with regard to Michigan Power Limited Partnership and per the Water Supply Agreement between them, the Township, and the City of Ludington, the usage rate for water shall be **\$1.17** per 100 cubic feet. The monthly readiness-to-serve charge shall be equal to the wholesale readiness-to-serve charge billed to the Township by the City as per the Wholesale Water and Sewer Agreement between the Township and the City.

6. Pursuant to Section 30-64 of the Code, the Township shall pay an annual charge of \$75 per hydrant to the Pere Marquette Water Department for water supplied through fire hydrants for fire protection or other purposes.

7. Pursuant to Section 30-34 of the Code, service calls for repair/replacement of damaged meters or water service lines shall be charged the actual costs for labor, materials and any necessary services.

8. This resolution shall be effective immediately and shall be applicable for the current quarter beginning on **January 1, 2019** and continuing thereafter until modified by future resolution of the Board.

All resolutions in conflict herewith in whole or in part are hereby revoked to the extent of such conflict.

Roll call vote: Yes: Piper, Enbody, Keson, Sroka, Rasmussen and Kmetz.
 No: None.
 Absent: Nordlund.

Resolution declared adopted.

D. **Budget amendments / appropriations** – Enbody reviewed the proposed amendments and noted that it is estimated that there will be excess revenues over expenditures at the end of the year. She recommended that the Board appropriate a portion to the Capital Improvement Fund and any remaining revenue be added to the fund balance in the general fund.

Moved by Enbody, seconded by Rasmussen to approve the following 2018 budget amendments / appropriations and to authorize the transfer of up to \$685,800.00 in unrestricted revenue from the General Fund to the Capital Improvement Fund with the intention of leaving a fund balance in the General Fund equal to at least 100% of budgeted revenues upon completion of year end revenue and expense reports:

BUDGET AMENDMENTS

General Fund

Revenues:	Current Budget	Increase / (Decrease)	Amended Budget
Revenues	2,236,088	364,800	2,600,888
Sub-total		364,800	
Expenditures:			
Township Board	87,200	(10,000)	77,200
Township Supervisor	94,711	(30,000)	64,711
Elections	23,708	(1,000)	22,708
Assessor	79,662	(2,000)	77,662
Clerk	79,662	(8,500)	71,162
Web/GIS/Info Technology	10,600	(8,000)	2,600
Township Hall & Properties	135,290	(34,000)	101,290
Fire Department	212,150	(12,500)	199,650
Department of Public Works	114,984	(23,900)	91,084
Roads & Streets	125,000	7,900	132,900
Street Lighting	76,961	(40,000)	36,961
Refuse Collection	178,578	4,000	182,578
Parks	149,800	(7,000)	142,800
Employee Benefits	345,570	(57,500)	288,070
Contingency	47,500	(47,500)	0
Transfers to Other Funds / Capital Improvement	50,000	634,800	684,800
Sub-total		364,800	
NET CHANGE IN GENERAL FUND			0

Motion carried.

E. **Payment of invoices** – Enbody provided a list of current invoices for approval. **Moved** by Enbody, seconded by Piper to approve the payment of invoices totaling \$100,924.76.

Motion carried.

F. **Consider Equipment Purchase** (added) – Board members reviewed a memo from Fire Chief Larry Gaylord listing three quotes for new air tanks, masks and a fill station. The purchase is a planned purchase in 2019 as part of the Capital Improvement Plan. If ordered before year-end the vendor has stated it will save the Township between three to five percent due to cost increases going into effect in 2019.

Moved by Rasmussen, seconded by Piper to authorize the purchase of sixteen SCBA air packs, sixteen spare tanks, twenty-one masks and a fill station from 5Alarm Fire and Safety at a total purchase price of \$147,099.00, plus shipping. Motion carried.

ANNOUNCEMENTS: Enbody reported that the 2018 Annual Report from Michigan Municipal Risk Management Authority was received and is available if board members would like to review it.

The meeting was adjourned by the Supervisor at 4:33 p.m.

Rachelle D. Enbody, CMC, Township Clerk

Paul A. Keson, Township Supervisor

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