


MUSKEGON COUNTY REGIONAL  
WATER SYSTEM POLICY BOARD  
MUSKEGON COUNTY SOUTH CAMPUS  
TRAINING CENTER, ROOM 202  
133 E. APPLE AVENUE

A G E N D A  
DECEMBER 7, 2010  
1:30 P.M.

- A. Call To Order.
- B. Roll.
- C. Approval of Minutes.
- D. Items for Consideration:
  - 1. Reduced Connection Fees - Muskegon County Business Park North.
- E. Information Items:
  - 1. Regional Water System Payables.
  - 2. Budget Status.
  - 3. New Meters Set List.
  - 4. Local Fund Balance Sheet.
  - 5. Black & Veatch Letter.
- F. Reports:
  - 1. Water System Update.
- G. Old Business.
- H. New Business.
- I. Audience Participation.
- J. Adjourn.

**REQUEST FOR CONSIDERATION  
MUSKEGON COUNTY  
REGIONAL WATER SYSTEM POLICY BOARD**

<b>MUSKEGON COUNTY REGIONAL WATER SYSTEM POLICY BOARD</b>		BUDGETED <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> PARTIAL	
REQUESTOR    Public Works	MEETING DATE December 7, 2010	REQUESTOR SIGNATURE 	
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)			
Approve the minutes of the meeting held September 7, 2010.			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)			
I move to approve the minutes of the meeting held September 7, 2010.			

APPROVED <input type="checkbox"/> YES <input type="checkbox"/> NO    DATE
---

FORWARD TO PUBLIC WORKS BOARD <input type="checkbox"/> YES <input type="checkbox"/> NO
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M I N U T E S

Muskegon County Regional  
Water System Policy Board  
Muskegon County South Campus  
Training Center  
Muskegon, Michigan  
September 7, 2010

CALL TO ORDER

The meeting was called to order by Chairman David Kieft at 1:35 p.m.

ROLL

Members

Present: Kim Arter, Laketon Township  
Charles Buzzell, County Commissioner  
David Kieft, Muskegon Charter Township  
Ken Mahoney, County Commissioner  
Charles Nash, County Commissioner  
Sam St. Amour, Fruitland Township  
James Derezinski, County Commissioner

Excused: Chris Hall, Dalton Township  
John Snider, County Commissioner

Staff

Present: John Warner, County DPW  
Karen Fisher, County DPW  
Dave Kendrick, County DPW

Others

Present: Dave Bossenbroek, Attorney  
Mike Thompson, Egelston Township  
Scott Plummer, Commissioner-Elect  
Jan Deur, Fruitland Township

WSPB-10-050 - APPROVAL OF MINUTES

Moved by James Derezinski, seconded by Ken Mahoney, to approve the minutes of the meeting held July 6, 2010.

Motion carried

Muskegon County Regional  
Water System Policy Board  
September 7, 2010  
Page Two

WSPB-10-051 - LOCAL MATCH FUNDS - BAYER INDUSTRIAL SITE  
DEVELOPMENT/fortu POWERCELL PROJECT

Moved by James Derezinski, seconded by Sam St. Amour, to concur with staff and recommend to the Muskegon County Board of Public Works the pledging of local match funds in the amount of \$210,000 from the Regional Water System fund (5910) for the grant applications to MEDC (CDBG grant) and EDA for the Bayer industrial site development/fortu Powercell project.

Roll call: Ayes - Arter; Buzzell; Kieft; Mahoney; Nash; St. Amour; Derezinski.

Nays - None.

Motion carried

WSPB-10-052 - JOINT RESOLUTION - fortu POWERCELL PROJECT

Moved by James Derezinski, seconded by Charles Nash, the Joint Resolution of the Muskegon County Board of Commissioners and the Muskegon County Public Works Board and the Water Policy Board for the purposes of pledging the \$210,000 local match to the water institute grant for the fortu Powercell project on the Bayer development with the local match money coming from the Regional Water fund, 5910.

Roll call: Ayes - Arter; Buzzell; Kieft; Mahoney; Nash; St. Amour; Derezinski.

Nays - None.

Motion carried

WSPB-10-053 - INFORMATION ITEMS

Moved by Ken Mahoney, seconded by Kim Arter, that the following information items be received and placed on file:

Muskegon County Regional  
Water System Policy Board  
September 7, 2010  
Page Three

WSPB-10-053 - INFORMATION ITEMS CONT'D

1. Regional Water System Payables.
2. Proposed 2011 Budget.
3. New Meters Set List.
4. Local Fund Balance Sheet.

Motion carried

WSPB-10-054 - WATER SYSTEM UPDATE

The Project Update was distributed for information.

Chairman Kieft thanked Mr. Warner for all his work on the fortu project.

WSPB-10-055 - OLD BUSINESS

Spoelman Auto Easement

Attorney Bossenbroek stated an appraisal was done on the Spoelman Auto property for the easement needed on the Great Lakes Ford project. The appraised value of the easement is \$6,150.

Moved by Ken Mahoney, seconded by Sam St. Amour, to approve offering Spoelman Auto \$6,150 for the easement, and if they refuse to accept that amount, authorize Muskegon Township, through their attorney, to proceed to acquire the easement through eminent domain.

Roll call: Ayes - Arter; Buzzell; Kieft; Mahoney; Nash; St. Amour; Derezinski.

Nays - None.

Motion carried

Chairman Kieft inquired about the fence around the Evanston Avenue Pump Station.

Muskegon County Regional  
Water System Policy Board  
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Page Four

WSPB-10-055 - OLD BUSINESS CONT'D

John Warner stated that repairs are being made to the fence and a new fence will be constructed when the property is acquired.

WSPB-10-056 - NEW BUSINESS

There was no new business.

WSPB-10-057 - AUDIENCE PARTICIPATION

Supervisor Arter thanked the Public Works staff for their work on the sewer and water projects in Laketon Township.

WSPB-10-058 - ADJOURN

Moved by Ken Mahoney, seconded by Sam St. Amour, to adjourn the meeting at 2:15 p.m.


Motion carried

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David A. Kieft, Jr., Chairman

kf

**REQUEST FOR CONSIDERATION  
MUSKEGON COUNTY  
REGIONAL WATER SYSTEM POLICY BOARD**

<b>MUSKEGON COUNTY REGIONAL WATER SYSTEM POLICY BOARD</b>		BUDGETED <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> PARTIAL	
REQUESTOR Public Works	MEETING DATE December 7, 2010	REQUESTOR SIGNATURE 	
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)			
<p>The City of Muskegon developed a strategy to encourage businesses to locate in business parks located in renaissance zones which includes our Business Park North. The strategy includes giving away the land for free with the size dependent upon the number of new jobs created and to reduce the bills for water and sewer. The County Board of Commissioners has embraced this idea in order to create jobs in the Business Park North. We view the reduced water and sewer rates for the Business Park North as being a reduction in the connection fees based on the percentages shown on the attachment. Since neither the Regional Water System nor Dalton Township has money directly invested in constructing the utilities within the Business Park North, there is no loss to the system by reducing the connection fees. As these connection fees are set by township ordinance, staff feels that it is appropriate for the Regional Water System Policy Board to officially request that Dalton Township on behalf of the Water System, agree to allow the reduced connection fees to the water system for new businesses locating and creating new jobs within the Muskegon County Business Park North.</p>			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)			
<p>I move to request Dalton Township to allow the Muskegon County Regional Water System to collect reduced connection fees for the Water System for new businesses locating in the Muskegon County Business Park North and creating new jobs consistent with the reduction percentages shown on the attached advertisement and recommend that Dalton Township consider the same reductions to their sewer connection fees.</p>			

APPROVED <input type="checkbox"/> YES <input type="checkbox"/> NO      DATE
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FORWARD TO PUBLIC WORKS BOARD <input type="checkbox"/> YES <input type="checkbox"/> NO
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# MICHIGAN ECONOMIC DEVELOPM

West Michigan Industrial Development Opportunities

- 
- [Home](#)
- [Muskegon 25](#)
- [Development Incentives](#)
- [Transportation](#)
- [Quality of Life](#)
- [About Us](#)
- [Sitemap](#)

## Free Land! No Taxes! Discounted Utilities!

Posted by [admin](#) on April 30, 2010 · [Leave a Comment](#)

The City and County of Muskegon Michigan are pleased to offer one of *the* most comprehensive development incentive packages in the United States. This offer is made to new or existing industrial businesses locating in one of the industrial parks featured here. Commit to the creation of at least 25 new full-time jobs in Muskegon and your company will realize the following benefits:

Full-Time Jobs Created	Free Industrial Property	Tax Free Renaissance Zone	Reduced Water & Sewer Utility Costs
25	5 Acres	No State or Local Property or Income Taxes	Water/Sewer Charges Just 50% of Regular Rate
50	12 Acres	No State or Local Property or Income Taxes	Water/Sewer Charges Just 35% of Regular Rate
75	20 Acres	No State or Local Property or Income Taxes	Water/Sewer Charges Just 25% of Regular Rate
100+	30 Acres	No State or Local Property or Income Taxes	Water/Sewer Charges Just 20% of Regular Rate

In addition, state business tax credits as well as other incentives will be made available.

Filed under [Unique Economic Development Opportunity](#) · Tagged with

### Speak Your Mind

**Tell us what you're thinking...**

**and oh, if you want a pic to show with your comment, go get a [gravatar!](#)**



Regional Water System Fund 5910

Consumers Energy	Service 616 W. Giles	\$ 640.63
City of Muskegon	Water bill - Ottawa	85,092.00
City of Muskegon	Water bill - Keating	5,683.23
City of Muskegon	Water bill - Quarterline	33,783.75
City of Muskegon	Water bill - Harvey	32,181.03
City of Muskegon	Energy Usage - Harvey St.	2,977.81
City of Muskegon	Water Dept. services - August 2010 - NS	6,236.11
DTE Energy	Service 616 W. Giles	43.40
Britton & Bossenbroek	Legal services	425.00
DTE Energy	Service 99 Quarterline	50.00
DTE Energy	Service 1316 Keating	39.08
Muskegon Township	Cross connection inspections	2,356.25
Beaver Research Co.	White grease	122.42
City of Muskegon	Water Dept. services August 2010 - ES	9,699.03
Consumers Energy	No lights investigation @ 5000 Whitehall Rd.	55.00
Metron Farnier	100 3/4" meters	21,668.86
Consumers Energy	Service 1316 Keating	243.68
City of Muskegon	Water bill - Harvey St.	27,408.78
City of Muskegon	Water bill - Quarterline	26,346.60
City of Muskegon	Water bill - Keating	8,722.35
City of Muskegon	Water bill - Ottawa	33,549.25
Consumers Energy	Service 99 Quarterline	1,064.85

Consumers Energy	Service 1655 Evanston	36.19
Consumers Energy	Service 54 Ottawa	67.89
Michigan Office Solutions	Copier quarterly maintenance & copies	50.65
Johnson & Anderson	Engineering - Bayer water extension	295.00
City of Muskegon	Area-wide water study	12,783.58
		<u>\$311,622.42</u>

REGIONAL WATER SYSTEM PAYABLES

Regional Water System Fund 5910

DTE Energy	Service 54 Ottawa	\$ 58.31
City of Muskegon	Water Dept. services - September 2010 - NS	6,120.46
MDNRE	Water Supply Annual Fee Eastside	2,320.58
MDNRE	Water Supply Annual Fee Northside	977.10
Consumers Energy	Service 616 W. Giles	450.50
DTE Energy	Service 54 Ottawa	58.31
PSI	Water bill cards	1,048.83
BS&A Software	Annual service/support fee	1,310.00
Acme Tree	Final work on Quarterline Pump Station radio antenna	500.00
Consumers Energy	Service 1655 Evanston	55.60
Consumers Energy	Service 1316 E. Keating	159.39
Johnson & Anderson	Water system map updates	2,400.00
		<hr/>
		\$15,459.08

### New Meters Set

Property Location	Customer Name	Install Date	TWP	Size	REU
425 BEAR LAKE R	JIMMY/BONNIE WATSON	RES 10/06/10	LAK	3/4 I	1.0000

### New Meters Set

Property Location	Customer Name	Install Date	TWP	Size	REU
1444 HARVEY	CHRISTY LARSEN	RES 10/11/10	MUS	3/4	1.0000

### New Meters Set

Property Location	Customer Name			Installed	TWP	Size	REU
2755 MARAREBECAH	WILLIAM SUTTON	RES	W A	11/11/10	MUS	3/4	1.0000

### New Meters Set

Property Location	Customer Name			Installed	TWP	Size	REU
.86 BEAR LAKE R	COURTNEY GUST III	RES	LAK	11/02/10	LAK	3/4 I	1.0000
1818 SHERIDAN	JAMES/LYNDA JONES	RES	W A	11/24/10	MUS	3/4 I	1.0000

LOCAL FUND BALANCE SHEET

as of October 31, 2010

	YTD .05 PER UNIT OF WATER	YTD REU REIMBURSEMENT	CURRENT ACCOUNT BALANCE
DALTON TWP	\$ 335.31	\$ 400.00	\$ 3,873.53
FRUITLAND TWP	\$ 5,875.60	\$ -	\$ 3,371.80
LAKETON TWP	\$ 2,548.06	\$ 900.00	\$ 7,339.69
MUSKEGON TWP	\$ 13,627.35	\$ 1,835.00	\$ 14,476.47

LOCAL FUND BALANCE SHEET

as of November 30, 2010

	YTD .05 PER UNIT OF WATER	YTD REU REIMBURSEMENT	CURRENT ACCOUNT BALANCE
DALTON TWP	\$ 362.93	\$ 400.00	\$ 3,901.16
FRUITLAND TWP	\$ 6,105.45	\$ -	\$ 3,601.65
LAKETON TWP	\$ 2,818.59	\$ 1,000.00	\$ 7,710.23
MUSKEGON TWP	\$ 15,176.98	\$ 2,726.00	\$ 16,917.10



**BLACK & VEATCH**  
Building a world of difference.

Muskegon, Michigan  
Muskegon Area Water System Study

B&V Project 163985  
B&V File A-1.1  
October 12, 2010

Mr. Robert Veneklasen  
City of Muskegon  
Water Filtration Plant  
1900 Beach Street  
Muskegon, Michigan 49441

cc: Mr. John Warner, Muskegon County  
Mr. Bruce Moore, City of North Muskegon  
Mr. W. David Boehm, City of Roosevelt Park

Subject: Request for Amendment

Dear Mr. Veneklasen:

As we continue to move toward completion of the Water System Master Plan and Reliability Study for the Muskegon Area water systems, and as we assess our efforts expended throughout the process and to complete the project, we are compelled to request your consideration of an increase to our authorized fees to address unanticipated efforts and time required in the execution of the project. As you know, the completion of this project has extended beyond the original anticipated duration, with the primary causes of the extended duration also related to the impacts to our level of effort on the project.

You may recall our progress reports making note of some of these issues as they arose. As these notices were made, we reserved decision until we could more accurately identify whether our level of effort would be impacted, and if so, by how much. In reviewing this now, we have come to resolution, and while attempting to absorb as much of the additional efforts as possible, have identified what we believe to be a reasonable level of proposed reimbursement for efforts not anticipated at the time of our proposal.

The primary impacts to our level of effort were:

- Our proposal assumed each of the existing system models would be reasonably accurate and up to date in its construction such that our efforts would be focused on conversion of the models to the new platform, with effort required for linking of the models limited. During the course of the investigations with the existing models, issues were found that required a higher than expected level of manipulation, correlation, and investigation with project participant staff to ensure accuracy of the compiled system model, primarily within the Muskegon and Muskegon County models, and at the interfaces of all models.
- We also assumed the level of calibration of the models would be such that effort would be focused on a calibration verification analysis of the complete system. After assembling the compiled model and working out connectivity details, several areas of concern were identified that required further investigation to resolve. In some cases, this resolution involved cost, effort and time from project participant staff as well, such as Muskegon SCADA system data extraction, and Muskegon and Muskegon County staff assistance with hydrant pressure tests, etc.



Muskegon, Michigan  
 Mr. Robert Veneklasen, et.al.

B&V Project 163985  
 October 12, 2010

The estimated additional efforts expended on these impacts are as follows:

Description	Level of Effort - Hours				Total	Fee
	Project Manager	Senior Engineer	Project Engineer	Staff Engineer		
Model Compilation	2	12	24	0	38	\$6,165
Model Calibration	2	10	16	20	48	\$7,348
<b>TOTAL</b>					<b>86</b>	<b>\$13,513</b>

Although not anticipated efforts, we do believe value has been added to the end product through these efforts, both in the development of the water system model for continued use in the future and the accuracy and validity of results of the system evaluations of this project, and that the incremental cost proposed herein is justified, with dividends to the end product at least in direct proportion to the added cost.

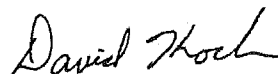
Please note that this request represents an increase of 7.3 percent from our original authorized fee.

Rest assured that the completion of this project and the quality of the end product will not be impacted by your decision on this request. We are committed to, and will deliver, the comprehensive, valuable system reliability and regional planning report desired by the project participants.

We greatly appreciate your consideration of this request, and of your continuing confidence in the value Black & Veatch can bring to the Muskegon area water systems. Should you have any questions on this request or desire to further discuss, please contact me.

Sincerely,

BLACK & VEATCH



David S. Koch, P.E.  
 Project Manager

**John Warner**

**From:** Veneklasen, Bob [bob.veneklasen@postman.org]  
**Sent:** Friday, October 15, 2010 11:36 AM  
**To:** John Warner; NMDPW@aol.com; David Boehm  
**Cc:** Al-Shatel, Mohammed  
**Subject:** Additional compensation requested by Black & Veatch

Gentlemen,

I suspect you have had an opportunity to review the email attachment sent earlier this week by Dave Koch, Black & Veatch, requesting compensation above the agreed upon amount for additional effort expended on the area-wide water distribution system study. I believe B&V has made significant effort toward completion of this project and the final outcome will be a universally valuable document and system model from which we will all receive benefit and value. I am also confident that the B&V staff has expended additional effort beyond their estimates and expectations. However, I believe all parties have shared responsibility and benefit from the additional effort – including B&V. For everyone's benefit I have calculated the requested amount of \$13,513.00 according to the formula we have established for the project payments.

Requested Amount of Roosevelt Park	Muskegon County	City of Muskegon	City of North Muskegon	City
\$13,513.00	\$10,342.74	\$2,538.61	\$336.42	\$295.23

As previously mentioned; I believe all parties have some responsibility for the additional effort, including Black & Veatch. A simple approach is to allocate 20% responsibility to all parties and reduce the request amount accordingly. I have similarly calculated this commitment according to the existing established formula.

Requested Amount of Roosevelt Park	Muskegon County	City of Muskegon	City of North Muskegon	City
\$10,810.00	\$8,273.89	\$2,030.81	\$269.13	\$236.18

This information is intended only to open conversation on the subject as you feel warranted.

So you are aware; I have just processed a pay request from Black & Veatch – request #13. The pay request is not related or inclusive of the additional compensation being requested and it is not a final payment request. For example: the agreed upon project cost is \$185,000.00 and payment requested to date, including request #13, is \$178,292.00. This suggests that the request for additional compensation is based on realized additional work only. The final report draft and final report are not part and parcel to the additional compensation request and continue to be appropriately budgeted.

Since the City has been the instigator and contact point for this project I feel it is important to share my recommendation with you. It is my recommendation to the City that we provide compensation to Black & Veatch in the amount of \$2,030.81 for the additional effort and value they have provided for this project. This amount reflects the aforementioned shared responsibility by all participants as indicated in the second box. However, it is important to recognize that I cannot provide any assurance that my recommendation will be found acceptable or will be followed by the City.

I hope you will find this information helpful in determining the course you take with regard to the request by Dave Koch. Please feel free to call or email me if you would like to discuss this further.

Sincerely,  
 Bob Veneklasen

# MUSKEGON COUNTY

M I C H I G A N

## MEMORANDUM

### BOARD OF PUBLIC WORKS

Marvin R. Engle  
Chair, District 5

James J. Derezinski  
Vice Chair, District 4

David Fisher  
Secretary

Charles L. Buzzell  
District 2

Lewis J. Collins  
District 6


Louis A. McMurray  
District 9

Charles Nash  
District 7

I. John Snider II  
District 3

Roger C. Wade  
District 10

TO: Chairman Kieft & Muskegon County Regional Water  
System Policy Board Members

FROM: John K. Warner, Deputy Director of Public Works 

RE: Project Update

DATE: November 4, 2010

Northside - We performed a Whitehall Road flushing on November 3, 2010. The Giles Road pump station is experiencing problems with the #2 pump. The discharge valve will not open when called for. We are troubleshooting this situation and we will get it solved very soon. We are again experiencing the presence of xylenes and ethylbenzene in the elevated tank at Michigans Adventure. We have ordered a valve for the outfall/vent which will hopefully prevent this. The test was done before the tank was drained and flushed on November 3 so we will see what happens.

Eastside - Everything running smoothly with no problems to report.

Great Lakes Ford - Still awaiting the easement from Spoelman Auto.

Bayer-fortu - Since fortu would not agree to the terms required by MEDC, the grant request for water was withdrawn. Currently fortu wants to run a small length of dead-end main into the project. This is against staff recommendations as it will cause us excessive maintenance and has no redundancy in case of emergency.

JKW:kf

# MUSKEGON COUNTY

M I C H I G A N

## MEMORANDUM

### BOARD OF PUBLIC WORKS

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Chair, District 5

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Vice Chair, District 4

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Secretary

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District 2

Lewis J. Collins  
District 6

Louis A. McMurray  
District 9

Charles Nash  
District 7

I. John Snider II  
District 3

Roger C. Wade  
District 10

TO: Chairman Kieft & Muskegon County Regional Water  
System Policy Board Members

FROM: John K. Warner, Deputy Director of Public Works *JKW*

RE: Project Update

DATE: December 1, 2010

Northside - We installed a valve on the overflow/drain line for the Michigan's Adventure tank so that we can hopefully keep vapors and other material from entering the tank by the overflow line. We have been flushing at Memorial Drive and in Greenridge every 3 weeks or so due to low chlorine residuals. Pump station running fine at present.

Eastside - Everything running smoothly with nothing to report.

Great Lakes Ford - We are close to having the easement in hand from Spoelman Auto and we will bid the project as soon as we have it signed and recorded.

Bayer/fortu - We were notified recently that EDA is interested in giving us a grant for this project. We will be having a team meeting on December 3 to discuss how to proceed. Grant application has to be submitted by December 15.

JKW:kf