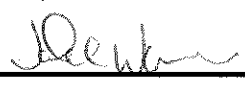


MUSKEGON COUNTY REGIONAL
WATER SYSTEM POLICY BOARD
MICHAEL E. KOBZA HALL OF JUSTICE
990 TERRACE STREET
BOARD OF COMMISSIONERS ROOM, 4TH FLOOR
APRIL 10, 2012
2:00 P.M.

A G E N D A

- A. Call To Order.
- B. Roll.
- C. Approval of Minutes.
- D. Item for Consideration:
 - 1. Water Rate Increase.
- E. Information Items:
 - 1. Regional Water System Payables.
 - 2. Budget Status.
 - 3. New Meters Set List.
 - 4. Local Fund Balance Sheet.
- 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

MUSKEGON COUNTY REGIONAL WATER SYSTEM POLICY BOARD	BUDGETED <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> PARTIAL	
REQUESTOR Public Works	MEETING DATE April 10, 2012	REQUESTOR SIGNATURE 
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)		
Approve the minutes of the meeting held March 6, 2012.		
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)		
I move to approve the minutes of the meeting held March 6, 2012.		

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

FORWARD TO PUBLIC WORKS BOARD <input type="checkbox"/> YES <input type="checkbox"/> NO
--

M I N U T E S

Muskegon County Regional
Water System Policy Board
Board of Commissioners Room
Michael J. Kobza Hall of Justice
990 Terrace Street
Muskegon, Michigan
March 6, 2012

CALL TO ORDER

The meeting was called to order by Chairman David Kieft at 2:00 p.m.

ROLL

Members

Present: Rod Siegel, Laketon Township
Alan Jager, County Commissioner
David Kieft, Muskegon Charter Township
Ken Mahoney, County Commissioner
Scott Plummer, County Commissioner
Sam St. Amour, Fruitland Township
James Derezinski, County Commissioner

Excused: Chris Hall, Dalton Township

Absent: I. John Snider

Staff

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

Others

Present: Dave Bossenbroek, Attorney
Mike Thompson, Egelston Township
Deb Ackerman, Egelston Township
Dave Smith, City of Muskegon
Jerry Sanders, Muskegon Charter Township
Jan Deur, Fruitland Township

WSPB-12-013 - APPROVAL OF MINUTES

Moved by Scott Plummer, seconded by Sam St. Amour, to approve the minutes of the meeting held January 10, 2012.

Motion carried

Muskegon County Regional
Water System Policy Board
March 6, 2012
Page Two

WSPB-12-014 - INFORMATION ITEMS

Moved by James Derezinski, seconded by Scott Plummer, that the following information items be received and placed on file:

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

Motion carried

WSPB-12-015 - WATER SYSTEM UPDATE

The Water System Update was distributed for information.

John Warner, Director of Public Works, informed the Board that there will be a rate increase by the City of Muskegon in July but at this point we don't know how much the increase will be.

Mr. Warner informed the Board that the agendas for the Board of Commissioners, Board Committees and the Public Works Board are now being sent electronically. He stated that, with Board approval, the Water System Policy Board agendas would also be send electronically.

Moved by Scott Plummer, seconded by Ken Mahoney, to approve sending out the Water System Policy Board agendas electronically.

Motion carried

WSPB-12-016 - OLD BUSINESS

There was discussion regarding negotiations with the City of Muskegon regarding a water contract. Attorney Bossenbroek gave the Board a summary of his discussions with the City of Muskegon. The negotiations between the County and the City have stopped. There was also discussion on the issue of the City supplying water to Norton Shores and Fruitport.

Discussion followed.

Muskegon County Regional
Water System Policy Board
March 6, 2012
Page Three

WSPB-12-016 - OLD BUSINESS CONT'D

Moved by Scott Plummer, seconded by Rod Siegel, to authorize John Warner and Attorney Bossenbroek to explore options with other municipalities.

Motion carried

WSPB-12-017 - NEW BUSINESS

There was no new business.

WSPB-12-018 - AUDIENCE PARTICIPATION

There was no audience participation.

WSPB-12-019 - ADJOURN

Moved by Ken Mahoney, seconded by Sam St. Amour, to adjourn the meeting at 2:40 p.m.


Motion carried

David A. Kieft, Jr., Chairman

kf

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

MUSKEGON COUNTY REGIONAL WATER SYSTEM POLICY BOARD	BUDGETED <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> PARTIAL
---	---

REQUESTOR Public Works	MEETING DATE April 10, 2012	REQUESTOR SIGNATURE 
------------------------	--------------------------------	--

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

The City of Muskegon will be raising the wholesale water rate charged to Muskegon County, effective July 1, 2012, by \$0.18/unit on the Northside part of the Regional Water System and by \$0.19/unit on the Eastside part of the Regional Water System. Based on the fact that using the volumes of water sold in 2011, the difference in the rate increase between the two portions of the Regional Water System is negligible, staff recommends an increase in system-wide retail rates of \$0.18/unit, bringing the retail rate to \$3.13/unit effective July 1, 2012. Staff recommends that all member municipalities amend Appendix B to their water ordinance to reflect this increase prior to July 1, 2012.

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

I move to recommend to Dalton Township, Fruitland Township, Laketon Township and Muskegon Charter Township Boards that they amend Appendix B to their respective water ordinances to reflect a new retail water rate of \$3.13/unit effective July 1, 2012.

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

FORWARD TO PUBLIC WORKS BOARD <input type="checkbox"/> YES <input type="checkbox"/> NO
--

MUSKEGON COUNTY

M I C H I G A N

M E M O R A N D U M

BOARD OF PUBLIC WORKS

Marvin R. Engle
Chair, District 5

Scott Plummer
Vice Chair, District 7

David S. Fisher
Secretary
Drain Commissioner

Lewis J. Collins
District 6

Benjamin E. Cross
District 10

James J. Derezinski
District 4

Alan Jager
District 2

I. John Snider II
District 3

Rillastine R. Wilkins
District 9

TO: Chairman Kieft and Regional Water System
Policy Board Members

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

RE: Water Rate Increase

DATE: April 3, 2012

We have been notified by the City of Muskegon of a water rate increase effective July 1, 2012 (see attached). The City is raising the rates by 10% to their customers, from \$1.40/unit to \$1.54/unit. One unit equals 100 cubic feet or 748 gallons. This rate increase means that beginning on July 1, 2012, Muskegon County will be paying \$1.93/unit for water purchased on the Northside Water System ($\$1.54 \times 1.25 = \1.93) and \$2.08/unit for water purchased on the Eastside Water System ($\$1.54 \times 1.35 = \2.08).

As this is a substantial increase in the wholesale rate of water to Muskegon County, the Regional Water System cannot absorb this increase and must pass a rate increase on to the customers. The City of Muskegon's 10% rate increase means an actual increase of \$0.18/unit for water purchased for the Northside Water System and \$0.19/unit increase for water purchased for the Eastside Water System.

By ordinance, we charge the customers the same rate whether they live on the Northside or Eastside part of the Regional System. A rate must be computed which will be charged to all customers yet will cover the wholesale rate increase which we pay to the City of Muskegon.

Upon review, it is noted that the rate increases are only \$0.01 different between the Northside and Eastside parts of the Regional Water System using the volume of water purchased in 2011 for each part of the Regional System (311,044 units on Northside and 295,025 units on the Eastside) and computing the difference between the

Chairman Kieft and Regional Water System
Policy Board Members
April 3, 2012
Page Two

wholesale rates for this volume = \$160.19 for the year.
Based on the very small difference in the income, staff is
recommending an increase of \$0.18/unit for the Regional
Water System. This will bring the rate we charge our
customers to \$3.13/unit across the Regional Water System,
up from the \$2.95/unit currently charged.

JKW:kf

Affirmative Action
(231)724-6703
FAX: (231)722-1214

Assessor/Equalization
(231)724-6708
FAX: (231)726-5181

Cemetery Department
(231)724-6783
FAX: (231)726-5617

City Manager
(231)724-6724
FAX: (231)722-1214

Civil Service
(231)724-6716
FAX: (231)724-4405

Clerk
(231)724-6705
FAX: (231)724-4178

Community and
Neigh. Services
(231)724-6717
FAX: (231)726-2501

Computer Info.
Systems
(231)724-6744
FAX: (231)722-4301

Engineering Dept.
(231)724-6707
FAX: (231)727-6904

Finance Dept.
(231)724-6713
FAX: (231)724-6768

Fire Dept.
(231)724-6792
FAX: (231)724-6985

Income Tax
(231)724-6770
FAX: (231)724-6768

Inspection Services
(231)724-6715
FAX: (231)728-4371

Leisure Services
(231)724-6704
FAX: (231)724-1196

Mayor's Office
(231)724-6701
FAX: (231)722-1214

Planning/Zoning
(231)724-6702
FAX: (231)724-6790

Police Department
(231)724-6750
FAX: (231)722-5140

Public Works Dept.
(231)724-4100
FAX: (231)722-4188

Treasurer's Office
(231)724-6720
FAX: (231)724-6768

Water Billing Dept.
(231)724-6718
FAX: (231)724-6768

Water Filtration
(231)724-4106
FAX: (231)755-5290



REC'D MAR 28 2012

March 28, 2012

Ms. Bonnie Hammersley
County Administrator
County of Muskegon
990 Terrace Street
Muskegon MI 49442

CERTIFIED MAIL 7006 0100 0004 8340 5981

Mr. John Warner
Director of Public Works
County of Muskegon
131 E. Apple Avenue
Muskegon MI 49442

CERTIFIED MAIL 7006 0100 0004 8340 6018

SUBJECT: Water Rate Increase

Dear Ms. Hammersley and Mr. Warner:

This letter is to provide you with notice of a water rate increase, pursuant to the water agreement between the City of Muskegon and the County of Muskegon. Effective July 1, 2012, the City of Muskegon is increasing its water rates from \$1.40 per hundred cubic feet to \$1.54 per hundred cubic feet. Therefore, the rate charged to the County of Muskegon will increase from \$1.75 per hundred cubic feet to \$1.93 per hundred cubic feet effective July 1, 2012.

Please contact me if you have any questions or would like to discuss this matter.

Sincerely,

CITY OF MUSKEGON

Bryon L. Mazade
Bryon L. Mazade
City Manager

Cc: Derrick Smith
Tim Paul
Mohammed Al-Shatel

BICEBLM WTR RATE ^ CO MUSK 032812

REGIONAL WATER SYSTEM PAYABLES APRIL 2012

Regional Water System Fund 5910

Metron Farnier	Meters & flanges	\$ 2,824.26
Consumers Energy	Service 44 Ottawa	67.08
Consumers Energy	Service 99 Quarterline	2,170.77
City of Muskegon	Water bill - Ottawa	27,336.75
Consumers Energy	Service 5000 Whitehall	48.40
City of Muskegon	Water Dept. services January 2012 - NS	6,246.51
City of Muskegon	Water Dept. services January 2012 - ES	8,753.82
DTE Energy	Service 1316 Keating	159.17
Consumers Energy	Service 616 W. Giles	475.23
DTE Energy	Service 44 Ottawa	60.67
DTE Energy	Service 99 Quarterline	123.49
AWWA	Membership renewal - John Warner	170.00
Trace Analytical Lab.	Water sample testing	707.00
Consumers Energy	Service 1316 Keating	68.34
City of Muskegon	Water bill Ottawa St.	23,548.00
City of Muskegon	Water bill Quarterline	20,340.01
City of Muskegon	Water bill Harvey St.	28,729.89
City of Muskegon	Water bill Keating	1.89
Consumers Energy	Service 1655 Evanston	185.52
Consumers Energy	Service 99 Quarterline	2,308.95
Consumers Energy	Service 44 Ottawa	84.72
		\$124,410.47

New Meters Set

Property Location	Customer Name		Installed	TWP	Size	REU
1690 BECKER	ERIC MATTSON	RES	W AND S 03/05/12	MUS	3/4 I	1.0000

LOCAL FUND BALANCE SHEET
as of March 31, 2012

	YTD .05 PER UNIT OF WATER	YTD REU REIMBURSEMENT	CURRENT ACCOUNT BALANCE
DALTON TWP	\$ 99.24	\$ 100.00	\$ 5,451.32
FRUITLAND TWP	\$ 10.25	\$ -	\$ 2,751.30
LAKETON TWP	\$ 651.99	\$ 200.00	\$ 27,659.45
MUSKEGON TWP	\$ 4,406.39	\$ 523.00	\$ 3,996.95

MUSKEGON COUNTY

M I C H I G A N

BOARD OF PUBLIC WORKS

Marvin R. Engle
Chair, District 5

Scott Plummer
Vice Chair, District 7

David S. Fisher
Secretary
Drain Commissioner

Lewis J. Collins
District 6

Benjamin E. Cross
District 10

James J. Dereziński
District 4

Alan Jager
District 2

I. John Snider II
District 3

Rillastine R. Wilkins
District 9

MEMORANDUM

TO: Chairman Kieft and Regional Water System Policy Board Members

FROM: John K. Warner, Director of Public Works 

RE: Water System Update

DATE: April 2, 2012

Regional Water System

The Whitehall Road line and the elevated storage tank on the Northside Water System were flushed on 6 March. This should be able to keep our disinfectant levels acceptable until the summer high water use begins.

We have completed our first round of extra copper and lead sampling, with 44 buildings participating. All of the sample results were below action limits for both copper and lead. We will need to perform a second round of sampling from these same buildings between July and December 2012.

There are still some minor punch list items to complete on the Evanston Avenue elevated water storage tank. We will get the contractor back in April or May to complete these items.

A recent round of regular disinfection byproduct sampling showed a detection of volatile organic compounds (VOC's) other than disinfection byproducts at the Muskegon Township Hall. A second verification sample taken at the same location resulted in no VOC's being detected other than the expected disinfection byproducts.

JKW:kf