

Muskegon County
Water System Policy Board
September 13, 2016
2:00 p.m.
Training Center
97 E. Apple Avenue, Room 119
Muskegon, Michigan 49442

Jerry McIntyre, Chair

Susie Hughes, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair McIntyre at 2:00 p.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Susie Hughes, Muskegon County Commissioner
David Kieft, Muskegon Charter Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
Jerry McIntyre, Dalton Township Supervisor
Jan Deur, Fruitland Township Trustee
Terry Sabo, Muskegon County Board Chair

Excused:

Staff

Present: Steve Fink, Public Works Project Manager
Robert Ribbens, Regional Water System Supervisor
Tina Nash, DPW Departmental Clerk
Carly Hines, DPW Administrative Analyst
Beth Dick, Muskegon County Assistant Administrator & Finance Director
David Bossenbroek, Attorney

APPROVAL OF AGENDA

WSPB-16-025 Moved by Commissioner Hughes, seconded by Jan Deur, to approve the agenda as presented.

Voice Vote: **Motion Carried**

APPROVAL OF MINUTES

WSPB-16-026 Moved by Commissioner Hughes, seconded by Kim Arter, to approve the minutes of the meeting held August 9, 2016.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR CONSIDERATION

RECOMMEND THE FISCAL YEAR 2017 BUDGET

WSPB-16-027 Moved by Commissioner Mahoney, seconded by Jan Deur, to recommend to the Muskegon County Board of Commissioners the approval of the fiscal year 2017 budget for the Muskegon County Regional Water System as presented.

Commissioner Hughes asked if there were any changes or amendments to the budget since they looked at it last month. Carly Hines stated there were a few GASB overhead type costs.

Dave Kieft expressed concern about passing a budget with a \$278,000 deficit, and the inclusion of the hydrant rental fees that would potentially increase the deficit to \$484,000.

Steve Fink stated even though we know the outcome of the lawsuit regarding hydrant fees, we are not at that point of finality that they could subtract the hydrant fees at this time, and we have not received any direction to take those out of the budget. He also stated those numbers did stay in at the county level approval last week, so we did not modify that at this point.

Additional discussion ensued regarding concern about approving a budget that is not balanced. Beth Dick advised that the budget can be amended at any time, and that any deficit or funds for an emergency would come out of the \$1.7 million in reserves.

Roll call:

Yes – Arter, Deur, Hughes, Mahoney, Sabo, McIntyre

No – Kieft

Motion carried

INFORMATIONAL ITEMS

WSPB-16-028 Moved by David Kieft, seconded by Commissioner Hughes, that the following information items be received and placed on file:

1. New Meter Set List for August 2016
2. Local Fund Balance Sheet for August 2016

Voice Vote: **Motion Carried**

REPORTS

Water System Monthly Operations, August 2016

The Water System Monthly Operations was accepted as written and distributed in a memo for information.

Steve Fink stated staff gathered the information requested by the consultant for the reliability study. There was a September 6th deadline and that was met. The next step will be to get a list of fire hydrants they would like to flow test to help calibrate the system.

Steve Fink stated due to Michigan Adventure closing for the season it will be necessary to flush the system approximately 3 to 4 times from this fall through winter.

Robert Ribbens stated main flushing will be conducted in late September into October. A notice will be placed in the Muskegon Chronicle and a notice was printed on the water bills. Robert Ribbens stated if the municipalities should receive calls regarding rusty water they may direct those calls to the Water Department. David Kieft asked Robert Ribbens to send him an email when the flushing starts.

Commissioner Hughes asked Steve Fink if there has been any contact from North Muskegon in regards to hooking up to our water system. Steve Fink stated he is not aware of any. Commissioner Hughes asked if North Muskegon had any other issues causing them to hook up to us. Robert Ribbens stated there were two times in late July, but not since that time. Steve Fink stated later this month a letter will be sent to North Muskegon regarding a deadline to have the interconnect meter in place.

OLD BUSINESS

David Kieft asked if there has been any discussion regarding the rate study. Steve Fink stated a rate study is needed and staff has looked at what the rate would need to be to cover the shortfall in the budget. The water user rate and/or the ready-to-serve charge could be increased to help cover the shortfall. However more information will be needed to do a rate study using a consultant. Steve Fink stated they could get started on a request for proposals (RFP) to select a consultant. Kim Arter stated a rate study is a good thing to do, but would like to wait until a director is in place. Chair McIntyre asked what the time frame would be on a rate study. Robert Ribbens stated he has been involved in a few studies and it takes months to complete. Steve Fink stated the Board could consider a rate increase now to help the budget. Upon completion of the rate study, the Board could then review the consultant's suggestions as to what the rate should be. Jan Deur asked how long the RFP process would take. Steve Fink stated he would draw off of what other communities have used and then post the RFP on MITN. Steve Fink stated we have some control as to how long the process will take.

NEW BUSINESS

Commissioner Hughes informed the Board members that there is a scheduling conflict regarding the October 11, 2016 Water System Policy Board meeting and suggested moving the meeting to October 13, 2016 prior to the Public Works meeting.

WSPB-16-029 Moved by Commissioner Mahoney, seconded by Commissioner Hughes, that the October 11, 2016 Water System Policy Board meeting be moved to October 13, 2016 at 2:00 p.m.

Voice Vote: **Motion Carried**

AUDIENCE PARTICIPATION

Jan Deur informed the Board that Fruitland Township took action and he will now be the regular member of the Water Policy Board and Melissa Beegle will be the alternate. Jan Deur also informed the Board that Sidney Shaw is no longer the Deputy Supervisor of Fruitland Township.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 2:25 p.m.

Susie Hughes, Vice-Chair