

**CITY OF OWOSSO
SPECIAL MEETING OF THE CITY COUNCIL
MINUTES OF APRIL 26, 2016
6:30 P.M.**

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

PLEDGE OF ALLEGIANCE: MAYOR BENJAMIN R. FREDERICK

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth, Councilpersons Loreen F. Bailey, Burton D. Fox, Elaine M. Greenway, Michael J. O'Leary, and Robert J. Teich, Jr.

ABSENT: None.

Motion by Councilperson Fox to set a meeting end time of 8:30 p.m.

Motion supported by Councilperson Teich and concurred in by unanimous vote.

CITIZEN COMMENTS AND QUESTIONS

None.

ITEMS OF DISCUSSION

Utilities Director Glenn M. Chinavare was present to detail each of the items listed on the agenda and to answer any questions from the Council.

1. Water-Transmission System

a. Chestnut Street water main replacement -

City workers are scheduled to complete this work in the coming fiscal year.

b. Water system expansion near Shiawassee Sanitary Landfill by the landfill group

Mr. Chinavare explained that bids have been received by the group, Fleis & Vandenbrink appear to be the low bidders but there are still issues that need to be worked out. This expansion will connect to the new water main on Chestnut Street. He noted that the City could encounter increased costs for repaving the streets affected by the project.

c. Sonoco/Cargill water main extensions

This work will be contracted out.

d. North Street culvert water main relocation

This project rerouted a water main that was in a poor location.

e. Oliver Street Phase I (Washington to Dewey) and Phase II (Dewey to Gould)

Phase I is scheduled to take place in 2017 and Phase II in 2018.

f. West water tower and standpipe inspection & cleaning

This work has already been completed. Mr. Chinavare anticipated the reports from the inspection would be available in a couple of weeks.

g. Hydrants

Mr. Chinavare indicated that he would like to team up with neighboring jurisdictions to determine if the use of a standard hydrant connection can be established. Any new hydrants installed would then have a universal connection that could be used by all local departments.

h. System modeling and geographic data

Orchard Hiltz & McCliment is working on this project for both the distribution and collection systems. He said the resulting information will provide an inventory of exactly what materials are in both systems and the location of those materials. In addition the information will be used to develop a comprehensive maintenance program for both systems.

i. Meter replacement and purchase of a new reading system (cost to water and sewer)

Mr. Chinavare indicated the replacement of meters and the purchase of a new reading system are necessary to update the current system and reduce revenue losses associated with use of the old meters and the manual reading of meters. He said he hoped to bid this work out yet this summer, and the work would complete the change-over to an auto-read system for the entire city. FAQ pamphlets will be produced to explain the project to residents and how it may affect them.

2. Water–Filtration System

a. Chemicals and lime

Director Chinavare indicated the City had recently made a change in its purchase of treatment chemicals and lime, piggy-backing on the contract with the Lansing Board of Water & Light. He estimated the change would save at least \$10,000 in the next fiscal year.

b. Operations and processing–labor and electricity

On the operations front the Director noted that he had requested two additional full-time employees, one heavy mechanic and one individual to maintain the new geographic database. He said he was also looking into automating more of the operations at the filtration plant. These changes could potentially eliminate two shifts at the plant. He said he would attempt to make any reductions in staff through attrition.

c. Lime disposal

The Director indicated that they would be altering the method for calculating the amount of lime residuals removed for disposal to a more accurate survey method. A survey of the City's four lagoons will be performed before and after residual removal to calculate the amount removed.

3. Water–Well System

a. Evaluation of wells

An evaluation of the wells has been completed and reports with recommended repairs received. Two wells will require significant repairs. He said he anticipated this work will be performed in the next couple of years.

b. Hintz Road replacement well–\$200,000

Mr. Chinavare noted that the current Hintz Road well was functional but not performing very well. Efforts to rehab the well are cost prohibitive as compared to drilling a new well, so a new well will be drilled near the current well. Work on this project is planned to start this year.

c. Well houses

The current well houses are in poor shape. Director Chinavare is researching cost effective coverings that could be quickly and easily installed and would far less costly than constructing a building around each well.

4. Sewer collection system

a. SAW Grant

Work continues on projects financed by the SAW Grant, with televising of the sanitary sewer system being performed currently. Mr. Chinavare pointed out that progress has been slower than anticipated with this portion of the project but all efforts are being made to remedy the situation.

b. Cleaning and televising

A DPW crew is cleaning sanitary sewer lines 3 days per week in an effort to speed the televising process along.

c. Flow monitoring

Flow monitoring of the City's sanitary sewer system continues because of a consent order with the DEQ. Engineering firm Orchard Hiltz & McCliment is working on this as a part of the SAW Grant.

d. GIS mapping and databases

This work is being handled as a part of the SAW Grant.

e. Lift station repairs—\$12,000

The City has 3 lift stations that require regular maintenance. This funding would cover the periodic maintenance of the pumps.

f. Portable generator—\$35,000 (cost to water and sewer)

This generator is needed for potential emergencies. The permanent generator at the filtration plant will be examined for possible replacement in the future as it is old and too large for our current needs.

5. Waste water treatment plant

a. Chemicals & sludge

Mr. Chinavare indicated that he was not anticipating much change in the usage of chemicals for the treatment process or the hauling of sludge to the landfill.

b. Operations and processing—labor and electricity

He indicated he was anticipating little change in the operations and processing areas in the coming year.

c. Plant equipment repair and upgrades—\$1.4 million for clarifiers, screens, heating system, motors, electrical

Director Chinavare indicated purchase and installation of the clarifiers and screens were already underway. The heating system at the plant is an old boiler that will be replaced with air-handling rooftop units. It was noted Consumers Energy should be offering rebates for the new heating system.

6. Revenues

a. Water—metered sales

b. Sewer—metered sales

c. Treatment—Mid-County Wastewater Treatment Plant

Director Chinavare said he was not aware of any major new customers for either water or sewer sales. Further he said he was not anticipating any major changes at the waste water treatment plant.

7. Expenditures not covered above

a. Debt service

b. Depreciation

Mr. Chinavare indicated the current debt is from filtration plant improvements in the early 2000's, with a balance of approximately \$1 million.

8. Rates

Director Chinavare said he believed last year's rate increases were pretty modest and he would like to do something similar this year along with an increase in the water capital charge. He said he wanted to start working on improving the overall infrastructure of the system and an increase in the capital charge would help with that effort. He went on to say that his philosophy on rates is to bump them up each year to avoid the need to make a large increase if at all possible. On the sewer and treatment side he said the information gathered as a part of the SAW Grants will determine the new rates that will be needed to fund the solutions to the issues that are discovered.

Mayor Frederick inquired whether the City would benefit from hiring a full-time grant writer. Staff members present did not feel the City was missing out on grant opportunities due to a lack of personnel. It was felt that staff was aware of a large portion of the grants available but the City simply didn't qualify for many of them.

Councilperson Fox inquired about what was planned to fix the catch basins in town. Staff indicated they had been researching cost effective processes to line the inside of basins. Councilperson Fox indicated he wanted to see an item addressing this issue on the next agenda. Mr. Chinavare indicated the catch basins could be added to their on-going survey and inventory efforts.

NEXT MEETING

Monday, May 02, 2016

BOARDS AND COMMISSIONS OPENINGS

Board of Review – term expires December 31, 2020
Building Board of Appeals – Alternate - term expires June 30, 2018

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 8:07 p.m.

Motion supported by Councilperson Teich and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk