

Muskegon County
Water System Policy Board
January 10, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Arter at 10:00 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Marcia Jeske, Fruitland Township Supervisor
Susie Hughes, Muskegon County Commissioner
David Kieft, Muskegon Charter Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Crystal Morgan, WSPB Attorney

ELECTION OF OFFICERS

Chair Arter opened nominations for Chair of the Muskegon County Regional Water System Policy Board.

Commissioner Snider nominated Marcia Jeske for Chair.
Commissioner Mahoney nominated Tony Barnes for Chair.
There were no other nominations for Chair.

Chair Arter closed the nominations for Chair.

WSPB-18-001 Elect Chair of the Muskegon County Regional Water System Policy Board

Roll Call:

Votes for Marcia Jeske: Snider, Jeske, Arter

Votes for Tony Barnes: Kieft, Mahoney, Hughes, Barnes

Tony Barnes assumed the Chair.
Chair Barnes presiding.

Chair Barnes opened nominations for Vice Chair of the Muskegon County Regional Water System Policy Board.

Commissioner Hughes nominated David Kieft for Vice Chair.
Kim Arter nominated Marcia Jeske for Vice Chair.
There were no other nominations for Vice Chair.

Chair Barnes closed the nominations for Vice Chair.

WSPB-18-002 Elect Vice Chair of the Muskegon County Regional Water System Policy Board

Roll Call:

Votes for David Kieft: Hughes, Barnes, Kieft

Votes for Marcia Jeske: Snider, Mahoney, Jeske, Arter

Marcia Jeske assumed the Vice Chair.

Chair Barnes opened designations for Secretary of the Muskegon County Regional Water System Policy Board.

ELECTION OF OFFICERS CONT'D

Commissioner Hughes nominated Tina Nash for Secretary.
There were no other nominations.
Chair Barnes closed the nominations.

WSPB-18-003 Designate Tina Nash for Secretary of the Muskegon County Regional Water System Policy Board.

Voice Vote: **Motion Carried**

Chair Barnes opened designations for Fiscal Officer of the Muskegon County Regional Water System Policy Board.

Commissioner Hughes nominated Carly Hines for Fiscal Officer.
There were no other nominations.
Chair Barnes closed the nominations.

WSPB-18-004 Designate Carly Hines for Fiscal Officer of the Muskegon County Regional Water System Policy Board.

Voice Vote: **Motion Carried**

WSPB-18-005 APPROVAL OF AGENDA

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to approve the agenda as presented.

Voice Vote: **Motion Carried**

WSPB-18-006 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Commissioner Snider, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on December 6, 2017.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR CONSIDERATION

WSPB-18-007 Approve 2018 Meeting Schedule

Moved by David Kieft, seconded by Commissioner Hughes, that the meeting schedule be monthly.

Discussion ensued.

A friendly amendment was moved by Commissioner Mahoney, seconded by David Kieft, to hold the meetings the first Wednesday of the month at 10:00 a.m.

Moved by David Kieft, seconded by Commissioner Hughes, to schedule meetings monthly on the first Wednesday of the month at 10:00 a.m.

Voice Vote: **Motion Carried**

WSPB-18-008 INFORMATIONAL ITEMS

Moved by David Kieft, seconded by Marcia Jeske, that the following information items be received and placed on file:

1. Local Fund Balance Sheet for December 2017
2. Meter Set List for December 2017

Voice Vote: **Motion Carried**

REPORTS

Water System Update

The Water System Update was accepted as written and distributed for information.

Matthew Farrar spoke on the channel crossing and informed the Board the route study RFP is being worked on. Matthew Farrar also stated staff will be meeting with the City of Muskegon this week to officially inform them of our plans.

Marcia Jeske asked questions about payments to Municipal Analytics Inc., Bank of America, and Tri City Backhoe. Matthew Farrar explained Municipal Analytics Inc. will only be paid up to their bid amount. The payment to Bank of America was for purchases of tools for the water system and for out of service disks placed on hydrants no longer in use. These purchases were made by Robert Ribbens using his P-card. Tri City Backhoe was for service we put in. Matthew Farrar explained when there is heavy maintenance work staff can't do, we obtain quotes and go with the low bidder who can do the work.

Commissioner Hughes asked about the two purchases for the out of service disks. Carly Hines explained they were for different types of disks.

OLD BUSINESS

None

NEW BUSINESS

None

AUDIENCE PARTICIPATION

None

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:21 a.m.

Tony Barnes, Chair

Muskegon County
Water System Policy Board
February 7, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:00 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Gary Foster, Muskegon County Commissioner [Alternate]
Marcia Jeske, Fruitland Township Supervisor
David Kieft, Muskegon Charter Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner

Excused: Susie Hughes, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Crystal Morgan, WSPB Attorney

WSPB-18-009 APPROVAL OF AGENDA

Moved by Marcia Jeske, seconded by David Kieft, to approve the agenda as presented.

Voice Vote: **Motion Carried**

WSPB-18-010 APPROVAL OF MINUTES

Moved by Commissioner Mahoney, seconded by Marcia Jeske, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on January 10, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

Chris Hall spoke on item F.1 and referred to the ready-to-serve charge. Chris Hall stated both Appendix B and C have charges in them. Chris Hall stated Appendix C hasn't been looked at since 2005 and thought by looking at the charges it may help with the ready-to-serve charge or possibly eliminate it.

ITEMS FOR CONSIDERATION

WSPB-18-011 Recommend Increase to the Commodity Rate and the Monthly Ready-To-Serve Charge Base

Chair Barnes stated the Rate Study was completed by Municipal Analytics and it was included in the Board packet.

Moved by Commissioner Mahoney, seconded by Marcia Jeske, to discuss the item.

Voice Vote: **Motion Carried**

Matthew Farrar stated Chris Hall's comment was accurate and we need to look at Appendix C. Matthew Farrar stated examples of items in Appendix C that were not part of the Rate Study. Matthew Farrar stated the recommendation in the motion came from the Rate Study.

Marcia Jeske asked Matthew Farrar if the percentage of change included the ready-to-serve charge. Matthew Farrar stated it did and explained the ready-to-service charge is to recover fixed costs.

Kim Arter asked Matthew Farrar who had an 8" meter. Matthew Farrar stated he believed Michigan's Adventure does because of the volume they need. Matthew Farrar stated he encourages customers to use the smallest possible meter.

Marcia Jeske asked Matthew Farrar if the proposed changes included any rate increases from the City of Muskegon. Matthew Farrar stated the proposed changes include what we are paying right now.

Matthew Farrar clarified that any future proposed rate increases would be revisited and brought back to the Board for consideration.

WSPB-18-012 Moved by Commissioner Mahoney, seconded by Commissioner Foster to postpone WSPB-18-011 to next month's meeting.

Voice Vote: **Motion Carried**

WSPB-18-013 INFORMATIONAL ITEMS

Moved by David Kieft, seconded by Marcia Jeske, that the following information items be received and placed on file:

1. Local Fund Balance Sheet for January 2018

Voice Vote: **Motion Carried**

REPORTS

Water System Update

The Water System Update was accepted as written and distributed for information.

Matthew Farrar stated the Public Works Department has hired a Public Works Technician and are looking at bringing some of the work contracted with the City of Muskegon in house. Matthew Farrar stated this should save money for the system.

Matthew Farrar informed the Board they have a bond callable in December. Our financial advisor and staff will be looking to see if there could be any savings.

OLD BUSINESS

None

NEW BUSINESS

David Kieft informed the Board that Muskegon Township's Board appointed Jeff Wood as the primary representative on the Water System Policy Board starting next month. David Kieft stated the Muskegon Township Board appointed Jennifer Hernandez as the new Township Supervisor. Chair Barnes wished David Kieft good luck in Manistee.

AUDIENCE PARTICIPATION

Joe Kemp representing the VFW #8846 Don Rea Post addressed the Board regarding a discussion in November concerning amending Appendix A. Joe Kemp asked if the Board took any action. Chair Barnes stated that the addition of the Veteran/Memorial post was approved. Kim Arter stated she would get him a copy. Chair Barnes asked Marcia Jeske the intent of her motion. Marcia Jeske stated Appendix A was amended to include not-for-profits so it would take the VFW out of the restaurant category. Kim Arter stated it was the auxiliary part. Marcia Jeske confirmed. David Kieft stated Muskegon Township has not considered it at their board level. Marcia Jeske stated Fruitland Township has adopted it.

Crystal Morgan stated what this Board voted to approve was adding Veterans/Memorial Post at .5 per thousand sq. ft. Crystal Morgan stated each municipality received an amended Schedule A along with draft resolution language. Chair Barnes asked if that was only for the auxiliary portion. Crystal Morgan stated the Board approved .5 per thousand sq. ft. Chair Barnes asked Crystal Morgan about an email sent. Crystal Morgan stated she sent an attorney/client privilege communication to the Board regarding the decision that was made so everyone was aware it was slightly different than how some other uses were addressed in the schedule. Crystal Morgan explained the reason for the email was due to an inquiry from Laketon Township regarding the intent of the motion. Crystal Morgan stated if there was confusion as to what the intent was, this Board would need to address it. Chair Barnes stated the intent was for the entire square footage. Crystal Morgan stated that is what was adopted.

Joe Kemp asked if a new category was added. Crystal Morgan stated the category added was Veteran/Memorial post and on the revised Appendix A it is its own separate use.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:24 a.m.

Tony Barnes, Chair

Muskegon County
Water System Policy Board
March 7, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:00 a.m.

ROLL

Present: Chris Hall, Laketon Township Building Inspector [Alternate]
Tony Barnes, Dalton Township Supervisor
Susie Hughes, Muskegon County Commissioner
Marcia Jeske, Fruitland Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner
Jeff Wood, Muskegon Charter Township Treasurer

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Robert Ribbens, Environmental Manager
Crystal Morgan, WSPB Attorney

WSPB-18-014 APPROVAL OF AGENDA

Moved by Commissioner Hughes, seconded by Commissioner Snider, to approve the agenda as presented.

Voice Vote: **Motion Carried**

WSPB-18-015 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Jeff Wood, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on February 7, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR CONSIDERATION

Designate Excess Bond Proceeds

WSPB-18-016 Moved by Commissioner Hughes, seconded by Commissioner Snider, to recommend to the Muskegon County Board of Public Works that it designate the excess bond proceeds for the 2006 bond issue, refunded in 2015, to the Channel Crossing project anticipated to be completed within 3 years.

Commissioner Snider asked Matthew Farrar about the interest earned on the fund. Matthew Farrar stated it was very low. Commissioner Hughes asked Matthew Farrar if this was the only project presented for the bond proceeds. Matthew Farrar stated the MDEQ expressed that this project was a priority. Marcia Jeske requested the Board be kept involved as stated in the contract.

Roll call:

Yes –Mahoney, Snider, Wood, Jeske, Hall, Hughes, Barnes

No –

Motion carried

WSPB-18-017 INFORMATIONAL ITEMS

Moved by Commissioner Hughes, seconded by Commissioner Snider, that the following information items be received and placed on file:

1. New Meter Set List for February 2018
2. Local Fund Balance Sheet for February 2018

Voice Vote: **Motion Carried**

REPORTS

Water System Update

The Water System Update was accepted as written and distributed for information.

Matthew Farrar referenced Marcia Jeske's previous comment and stated he would send copies of the engineering proposals and evaluations to the members of the Board.

Marcia Jeske asked Matthew Farrar if the payment to ManagerPlus was a new program. Matthew Farrar stated the software has been used since he started with the County.

OLD BUSINESS

WSPB-18-011 Recommend Increase to the Commodity Rate and the Monthly Ready-To-Serve Charge Base

Chair Barnes read the motion as presented last month. Matthew Farrar stated he has presented additional information (attached) and John Kaczor, with Municipal Analytics, is present to answer questions.

Chris Hall clarified this would need to go to the municipalities to pass a Resolution. Crystal Morgan stated if this Board makes any decisions regarding changes to the water rates she has prepared a draft Resolution for the purpose of sending an amended Appendix B to the local units. Crystal Morgan stated based on decisions made today and approval of this Board, she would finalize the documents and send electronically to the local units to adopt.

Commissioner Snider stated he looked at the options and is encouraged by the discussion being made. Commissioner Snider stated he is not sure Options A is the best option to recommend and Option C may be the acceptable option for the participating units.

Jeff Wood stated his preference for Option C is because it relies more on the ready-to-serve charge increase verses the commodity rate. Jeff Wood stated Option C would eventually get us to 100% of our fixed asset costs. Jeff Wood stated as costs go up customers will want to conserve water and the system won't generate the amount of revenue that was thought. Jeff Wood stated examples of this. Jeff Wood stated with Option C the rates are fixed and there would be a better understanding of the revenues generated because we know how many meters are out there.

John Kaczor discussed the differences of Option C verses Option A, both on a management level and user level.

Marcia Jeske asked how to explain the ready-to-serve fee to a customer. John Kaczor stated it is a fixed monthly charge used to pay for the fixed costs of the system regardless of the amount of water used.

Chair Barnes asked about the percentage of increase with Option A and Option C. John Kaczor explained an initial rate adjustment would be made mid-year with another increase at the beginning of the fiscal year.

Chris Hall stated his concerns that some of the elected officials may not have seen the rate study or may not understand it. Jeff Wood suggested a presentation made to the board members of each township when they are considering the recommendation.

Commissioner Snider stated this is a cost to maintain an asset and we should go ahead and make the recommendation to the townships. Commissioner Snider stated with other municipalities having difficulties we are fortunate to have an excellent water system and we need to maintain it and keep its integrity.

Matthew Farrar stated he works with the County's Economic Development Manager and when speaking to large companies they ask what the rate is for water. Matthew Farrar stated when looking at the options, Option C may be a better option for those large companies.

Matthew Farrar stated if this is adopted by the townships and the Board of Public Works, we will have Municipal Analytics put together a flyer the townships can hand out to their residents.

WSPB-18-011 Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to recommend to the local units they adopt an amended Appendix B to reflect an increase to the commodity rate from \$3.32 per 100 cubic feet to \$3.82 per 100 cubic feet and increase the monthly ready-to-serve charge base from \$9.00 to \$11.25.

Roll call:

Yes –Snider, Wood, Jeske, Hughes, Mahoney, Barnes

No – Hall

Motion carried

Crystal Morgan stated she would finalize the Resolution based on the motion passed. Crystal Morgan confirmed with the Board they were comfortable with the content of the draft Resolution.

NEW BUSINESS

Chair Barnes asked that the townships approve the Resolution at their next meeting.

Marcia Jeske recommended Appendix C also be reviewed and updated. Commissioner Hughes agreed. Chair Barnes asked if this was something staff could work on and bring back to the Board for consideration. Matthew Farrar stated they would.

Matthew Farrar informed the townships if they would like staff at their next meeting to let him know.

AUDIENCE PARTICIPATION

Dave Bossenbroek stated he was happy the motion on the commodity rate and ready-to-serve charge base was modified to reflect the townships approval. Dave Bossenbroek stated his concern that a ready-to-serve charge fee is not charged to customers who have their water shut off for a period time. Marcia Jeske stated this may be something to consider when reviewing Appendix C.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:49 a.m.

Tony Barnes, Chair

Muskegon County
Water System Policy Board
June 6, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:00 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Susie Hughes, Muskegon County Commissioner
Marcia Jeske, Fruitland Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner
Jeff Wood, Muskegon Charter Township Treasurer

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Robert Ribbens, Environmental Manager
Crystal Morgan, WSPB Attorney

WSPB-18-018 APPROVAL OF AGENDA

Moved by Commissioner Mahoney, seconded by Jeff Wood, to amend the agenda by adding under New Business to reschedule the July 4th meeting.

Voice Vote: **Motion Carried**

Moved by Commissioner Snider, seconded by Jeff Wood, to approve the agenda as presented with amendment.

Voice Vote: **Motion Carried**

WSPB-18-019 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on March 7, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

PRESENTATION – Fiscal Year 2018-2019 Budget

A copy of the water system proposed budget was distributed to the Board members (attached). Matthew Farrar stated the proposed budget assumes the rate increase approved by this Board. Matthew Farrar stated there may be additional savings by refinancing the water bonds later this year.

Matthew Farrar requested all questions regarding the proposed budget be submitted to Tina Nash by June 21st. Questions will be answered by July 13th and a motion for approval will be brought to the August meeting.

Matthew Farrar noted the engineering for the channel crossing was not included. The cost will be coming out of the excess bond proceeds.

Commissioner Hughes questioned the amount under Contractual Services (801.000). Matthew Farrar stated we will look at those assumptions and report back.

ITEMS FOR CONSIDERATION

AT&T Agreement

Matthew Farrar stated AT&T is looking to change their contract. Matthew Farrar provided the Board a background as to how staff reached the terms presented. Kim Arter stated it's in the best interest of the Board to have the attorney look at this and make sure we are protected. Board members stated their concerns with the proposed contract.

WSPB-18-020 Moved by Commissioner Hughes, seconded by Marcia Jeske, to send the contract to Crystal Morgan for review and for Crystal Morgan to work with staff and report back.

Chair Barnes asked Matthew Farrar if we are in negotiations with the other carriers. Matthew Farrar stated we are not and we do have agreements with them. Commissioner Snider asked if this will impact the proposed emergency services tower. Matthew Farrar stated he wasn't sure. Jeff Wood stated he doesn't find a guarantee if the company gets bought out. Matthew Farrar stated he believed that language was in the original contract and he will also send the original contract to Crystal Morgan.

Roll call:

Yes – Arter, Hughes, Mahoney, Snider, Wood, Jeske, Barnes

No –

Motion carried

WSPB-18-021 INFORMATIONAL ITEMS

Moved by Snider, seconded by Kim Arter, that the following information items be accepted and placed on file:

1. New Meter Set List for May 2018
2. Local Fund Balance Sheet for May 2018

Voice Vote: **Motion Carried**

REPORTS

Water System Update

The Water System Update was accepted as written and distributed for information.

Matthew Farrar stated at the last meeting it was requested staff review Appendix C and staff has started to do that. Matthew Farrar requested the members of the Board also provide their input. Matthew Farrar stated staff will email a copy of Appendix C to the Board members to review.

Matthew Farrar stated the annual Cross Connection, Pumpage and Water Quality reports are included in the agenda packet. Matthew Farrar noted the Eastside System and Northside System have separate WSSN numbers and separate reports. Kim Arter asked Matthew Farrar about item E on the Northside Water System Cross Connection Report. Matthew Farrar explained the process and noted we are in compliance.

Commissioner Snider asked Matthew Farrar if staff is satisfied with the cooperation of the MDEQ in respect to the water system. Both Matthew Farrar and Robert Ribbens stated they have a good working relationship with the MDEQ. Commissioner Snider suggested a visit by the MDEQ in the future.

Matthew Farrar stated the channel crossing engineering RFP is due on June 29th. Matthew Farrar stated copies of the proposals along with the evaluation form will be sent to the Board.

OLD BUSINESS

None

NEW BUSINESS

Reschedule the July 4, 2018 Water System Policy Board Meeting

WSPB-18-022 Moved by Commissioner Mahoney, seconded by Commissioner Hughes, to reschedule the July 4, 2018 Water System Policy Board meeting to July 18, 2018 at 10:00 a.m. in the Board of Commissioners Board Room, 4th Floor of the Hall of Justice.

Voice Vote: **Motion Carried**

AUDIENCE PARTICIPATION

None

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:36 a.m.

Tony Barnes, Chair

*Preliminary Minutes
To be approved at the next Water System Policy Board Meeting*

Muskegon County
Water System Policy Board
July 18, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:00 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Susie Hughes, Muskegon County Commissioner
Marcia Jeske, Fruitland Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner
Jeff Wood, Muskegon Charter Township Treasurer

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Robert Ribbens, Environmental Manager
Steve Fink, Public Works Engineer & Projects Manager
Crystal Morgan, WSPB Attorney

WSPB-18-023 APPROVAL OF AGENDA

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to approve the agenda as presented.

Voice Vote: **Motion Carried**

WSPB-18-024 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Jeff Wood, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on June 6, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR DISCUSSION

Engineering Services RFP – Channel Crossing

WSPB-18-025 Moved by Commissioner Hughes, seconded by Commissioner Snider, to accept the proposal from Johnson and Anderson, Inc.

Commissioner Mahoney stated Johnson and Anderson has been a great partner in the past. Kim Arter informed the Board that Johnson and Anderson put in the waterline that will be connected to.

Commissioner Hughes stated knowledge of the project was important. Jeff Wood stated Muskegon Township also has a good relationship with Johnson and Anderson.

Roll call:

Yes – Arter, Hughes, Mahoney, Snider, Wood, Jeske, Barnes

No –

Motion carried

AT&T Agreement

Crystal Morgan provided the Board members with copies of the agreement with red line changes (attached). Crystal Morgan stated she has been working with staff and also had discussions with the AT&T consultant, Mike Atkins. Crystal Morgan went through the agreement and explained each of the changes made.

Jeff Wood asked Crystal Morgan about an assumption clause. Crystal Morgan stated it is in the original 2009 agreement and is pulled into this.

Commissioner Hughes stated she had concerns with them being able to make changes to the structure. Matthew Farrar stated any changes will need our approval first. Steve Fink stated the antennas are attached to the railings on the water tower so that nothing disturbs the paint on the tower bowl and all changes go thru Dixon Engineering for their recommendation prior to staff giving approval.

Chair Barnes asked how the rent is paid. Carly Hines stated they already know the rent amount due and payments are sent every month.

WSPB-18-026 Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to recommend to the Board of Public Works to approve the Second Amendment to Structure Lease Agreement (draft date 7-17-18) between the County and New Cingular Wireless PCS, LLC d/b/a AT&T Mobility Corporation.

Roll call:

Yes –Snider, Wood, Jeske, Arter, Hughes, Mahoney, Barnes

No –

Motion carried

Water Supply System Refunding Bonds

Matthew Farrar covered the current payments, what the proposed payments would be and the savings. Matthew Farrar asked the Board to recommend to their local units and the County Board to proceed with the refunding. Matthew Farrar stated it's a good time to do this.

Chair Barnes asked about Hilltop Securities. Matthew Farrar stated the County is currently under contract with Hilltop Securities.

Kim Arter asked about the percentage. Matthew Farrar stated to look at the All-In TIC. Jeff Wood referred to the coupon schedule for the refinance which is a 4% to 5% step up.

Matthew Farrar stated there are some risks. Matthew Farrar stated we will not be able to refinance this again and it cannot be paid off early.

WSPB-18-027 Moved by Jeff Wood, seconded by Commissioner Hughes, to recommend to our boards that we approve the refinancing of this bond and do so at our next board meetings.

Roll call:

Yes – Jeske, Arter, Hughes, Mahoney, Snider, Wood, Barnes

No –

Motion carried

Matthew Farrar informed the Board he would get those resolutions from Miller Canfield and to the Board members right away.

ITEMS FOR CONSIDERATION

Budget Recommendation

Matthew Farrar informed the Board he has had meetings with the City of Muskegon concerning the City of Muskegon raising rates and expressed his concerns on other matters as well. Matthew Farrar stated the city understood his concerns and proposals are being worked on. Matthew Farrar stated the city made no guarantees.

Kim Arter asked if the City of Muskegon has passed the rate increase. Matthew Farrar stated they did. Matthew Farrar explained our rates will not increase until 90 days after we receive a letter notifying us of the increase. Matthew Farrar stated we have not received that letter.

Jeff Wood asked how this is reflected in the proposed budget. Carly Hines stated the budget presented was amended for the wholesale rate to increase the 5%. Carly Hines stated this can be adjusted as things progress.

Kim Arter asked about Laketon Township's connections. Carly Hines stated it is an average based on history. Robert Ribbens stated it is difficult to estimate.

There was discussion concerning the budget deficit.

Kim Arter asked what happens if all municipalities don't pass the rate increase. Crystal Morgan stated we would have to go back to the contract and see what the options would be. Discussion ensued regarding the rate increase and the budget approval process.

WSPB-18-028 Moved by Jeff Wood, seconded by Commissioner Hughes, to recommend to the Board of Commissioners the approval of the fiscal year 2019 budget for the Muskegon County Regional Water System as presented.

Roll call:

Yes – Mahoney, Snider, Wood, Jeske, Hughes, Barnes

No – Arter

Motion carried

WSPB-18-026 INFORMATIONAL ITEMS

Moved by Commissioner Hughes, seconded by Commissioner Snider, that the following information items be accepted and placed on file:

1. New Meter Set List for June 2018
2. Local Fund Balance Sheet for June 2018

Voice Vote: **Motion Carried**

REPORTS

Water System Update

The Water System Update was accepted as written and distributed for information.

Chair Barnes questioned the installation of the new 250 HP variable frequency drive. Steve Fink clarified the previous installation was for Harvey Street pump station and this one was for Quarterline pump station.

OLD BUSINESS

Kim Arter asked about Appendix C. Kim Arter suggested a subcommittee be created to work on this.

WSPB-18-029 Moved by Marcia Jeske, seconded by Commissioner Hughes, to create a subcommittee to review appendix C and to bring the recommendation back to the Board.

Marcia Jeske and Kim Arter volunteered to be on the subcommittee and work with staff.

Voice Vote: **Motion Carried**

NEW BUSINESS

Marcia Jeske asked staff about payments for laptops, a license renewal and the payment to William Hughes Law Office. Matthew Farrar stated laptops are used to read meters; the license is for his Water System license renewal and the breakdown for the payment to William Hughes Law Office will be sent to the Board by Carly Hines.

Chair Barnes asked if there was a better location on the agenda to list the check disbursement.

WSPB-18-030 Moved by Jeff Wood, seconded by Commissioner Snider, to place the check disbursement under informational items.

Voice Vote: **Motion Carried**

AUDIENCE PARTICIPATION

Commissioner Mahoney informed the Board of the Berry Junction Trail ribbon cutting on Friday at 11 a.m. Chair Barnes stated everyone is welcome to attend.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:59 a.m.

Tony Barnes, Chair

PARCEL #: [insert]

SPACE ABOVE FOR RECORDER'S USE

Prepared by, and
after recording return to:

Md7, LLC
Michael Fraunces, President
10590 West Ocean Air Drive, Suite 300
San Diego, CA 92130

Re: Cell Site #: GRANMI5605
Cell Site Name: Muskegon Twp WT (MI)
Fixed Asset Number: 10124752
State: MI
County: Harrison

First Amendment to Memorandum of Lease

This First Amendment to Memorandum of Lease is entered into on this ____ day of _____, 20__, by and between The County of Muskegon, by the Board of Public Works, operating as The Muskegon County Regional Water System, a Michigan municipal corporation, having a mailing address of 131 East Apple Avenue, Muskegon, MI 49442 (“**Landlord**”) and New Cingular Wireless PCS, LLC, a Delaware limited liability company, having a mailing address of 575 Morosgo Drive NE, Atlanta, GA 30324 (“**Tenant**”).

1. Landlord and Tenant entered into a certain Structure Lease Agreement dated March 1, 2009, as amended by the Consent Letter dated March 20, 2014, and as subsequently amended by that certain First Amendment to Structure Lease Agreement dated December 10, 2015, and as further amended by that certain Second Amendment to Structure Lease Agreement dated _____, 20__ (collectively, the “**Agreement**”) for the purpose of installing, operating and maintaining a communications facility and other improvements. A Memorandum of Lease reflecting the Agreement was recorded on January 19, 2016, as Liber No. 4075, in the public records of Harrison-Muskegon County, State of Michigan.
2. The parties have agreed, commencing on March 1, 2019, to add five (5) successive periods of five (5) years each upon the same terms and conditions of the Agreement. The Agreement will be automatically renewed unless Tenant notifies Landlord in writing of Tenant’s intention not to renew the Agreement at least sixty (60) days prior to the expiration of the existing term.

3. The portion of the land being leased to Tenant (the “**Premises**”) is described in **Exhibit 1** annexed hereto.

4. This First Amendment to Memorandum of Lease is not intended to amend or modify and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Agreement, all of which are hereby ratified and affirmed. In the event of a conflict between the provisions of this First Amendment to Memorandum of Lease and the provisions of the Agreement, the provisions of the Agreement shall control. The Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject to the provisions of the Agreement.

[NO MORE TEXT ON THIS PAGE - SIGNATURES TO FOLLOW ON NEXT PAGE]

DRAFT

IN WITNESS WHEREOF, the parties have executed this First Amendment to Memorandum of Lease as of the day and year first above written.

LANDLORD:
The County of Muskegon, by the Board of
Public Works, operating as "The Muskegon
County Regional Water System"
a Michigan municipal corporation

TENANT:
New Cingular Wireless PCS, LLC,
a Delaware limited liability company

By: AT&T Mobility Corporation
Its: Manager

By: NOT FOR EXECUTION _____

By: NOT FOR EXECUTION _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

[ACKNOWLEDGEMENTS APPEAR ON NEXT PAGE]

Exhibit 1 to First Amendment to Memorandum of Lease

Legal Description

Street Address: 1655 Evanston Avenue #B, Muskegon, MI 49442

Parcel #: _____

That certain Premises (and access and utility easements) on a portion of the real property described as follows:

[INSERT LEGAL DESCRIPTION HERE]

DRAFT

Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

SECOND AMENDMENT TO STRUCTURE LEASE AGREEMENT

THIS SECOND AMENDMENT TO STRUCTURE LEASE AGREEMENT (“Second Amendment”) dated as of the later date below is by and between The County of Muskegon, by the Board of Public Works, operating as The Muskegon County Regional Water System, a Michigan municipal corporation, having a mailing address at 131 East Apple Avenue, Muskegon, MI 49442 (hereinafter referred to as “Landlord”) and New Cingular Wireless PCS, LLC, a Delaware limited liability company, having a mailing address at 575 Morosgo Drive NE, Atlanta, GA 30324 (hereinafter referred to as “Tenant”).

WHEREAS, Landlord and Tenant (or their predecessors in interest) entered into a Structure Lease Agreement dated March 1, 2009, as amended by the Consent Letter dated March 20, 2014, and as subsequently amended by the First Amendment to Structure Lease Agreement dated December 10, 2015 (hereinafter, collectively, the "Agreement"), whereby Landlord leased to Tenant certain Premises therein described, that are a portion of the Property located at 1655 Evanston Avenue #B, Muskegon, MI 49442; and

WHEREAS, Landlord and Tenant desire to extend the term of the Agreement; and

WHEREAS, Landlord and Tenant desire to modify, as set forth herein, the Rent (as defined below) payable under the Agreement; and

WHEREAS, Landlord and Tenant desire to modify, as set forth herein, the Tenant’s obligations to pay Rent to Landlord for a Rent Guarantee Period (as defined below); and

WHEREAS, Landlord and Tenant desire to amend the Agreement to clarify the scope of Tenant's permitted use of the Premises; and

WHEREAS, Landlord and Tenant, in their mutual interest, further wish to amend the Agreement as set forth below.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Term.** The Term of the Agreement shall be amended to provide that the current term, which commenced on March 1, 2014, shall expire on February 28, 2019 (“Current Term”), and commencing on March 1, 2019, will be automatically renewed, upon the same terms and conditions of the Agreement, for up to five (5) additional sixty (60) month terms (each an “Extension Term”). Hereafter, “Term” shall include the Current Term and any applicable Extension Term. The Terms will automatically renew without further action by Tenant, unless Tenant notifies Landlord in writing of Tenant’s intention not to renew the Agreement at least sixty (60) days prior to the expiration of the Current Term or any Extension Term. Landlord agrees and acknowledges that, except as such permitted use or other rights may be amended herein, Tenant

Cell Site No.: GRANMI5605
 Cell Site Name: Muskegon Twp WT
 Fixed Asset No.: 10124752
 Market: MI / IN
 Address: 1655 Evanston Avenue #B

may continue to use and exercise its rights under the Agreement as permitted prior to the first Extension Term.

2. **Modification of Rent.** Commencing on ~~July 1~~August 1, 2018, the Rent payable under the Agreement shall be Two Thousand Two Hundred Fifty and No/100 Dollars (\$2,250.00) per month (the "Rent"), and shall continue during the Term, subject to adjustment, ~~if any~~, as provided ~~below in the Agreement, as modified below.~~

3. **Modification of Tenant's Obligation to Pay – Rent Guarantee.** Notwithstanding Tenant's obligations to pay Rent set forth under the Agreement, for an One Hundred Eighty-Eight (188) month period commencing July 1, 2018, and ending February 28, 2034 ("Rent Guarantee Period"), Tenant's obligation to pay Rent is guaranteed and such obligation will not be subject to offset or cancellation by Tenant, except as due to loss from casualty that cannot be restored within six (6) months or condemnation. Notwithstanding the foregoing, if Landlord exercises any of Landlord's rights to terminate the Agreement, if any, other than the Landlord's right to terminate the Agreement due to the default of Tenant under the terms of the Agreement beyond any applicable grace period. Tenant will be released from any and all of its obligations to pay Rent during the Rent Guarantee Period as of the effective date of the termination. In addition, Tenant shall be released from any and all of its obligations to pay Rent during the Rent Guarantee Period if any of the following shall occur: (a) Landlord is in breach of the Agreement, including but not limited to any default under the terms of the Agreement beyond any applicable grace and cure period; (b) there is a foreclosure of the Property which results in a termination of the Agreement; (c) the Landlord shall require Tenant to relocate Tenant's equipment and facilities to a location that is not acceptable to Tenant in its reasonable business judgment if allowed for in the Agreement; or (d) any existing government permits and/or approvals cannot be obtained or maintained, at no fault of the Tenant; or (e) Tenant terminates the Agreement pursuant to the terms of the Expansion of Permitted Use section as modified below. If the Agreement is further modified in the future with an obligation for Tenant to pay additional Rent, the payment of Rent guarantee established in this paragraph will not be diminished or limited, but such Rent guarantee will not extend to that future additional Rent obligation. Except as expressly provided in this Section, the Rent guarantee provided in this Section is intended to survive the expiration or termination of the Agreement and failure to satisfy the Rent obligation during the Rent Guarantee Period shall constitute a breach of the Agreement.

4. **Future Rent Increase / Monthly Payments.** The Agreement is amended to provide that commencing on March 1, 2019, and annually each March 1 thereafter, Rent shall increase by three percent (3%) over the Rent paid during the previous year.

5. **Expansion of Permitted Use.** Tenant, its personnel, invitees, contractors, agents, subtenant, or its authorized subtenants, or assigns may use the Premises, at no additional cost or expense except as otherwise provided in the Agreement, as amended, for the transmission and reception of any and all communications signals and, with prior written notice to ~~H~~Landlord and prior written approval by the Landlord which shall not be unreasonably withheld, to ~~to~~ modify, supplement, replace, or upgrade its equipment, ~~expand in space currently used by AT&T within the Premises,~~ including but not limited to the number and type(s) of antennas, or to refurbish the

Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

equipment and/or improvements thereon, or to relocate the same within the Premises at any time during the term of this Agreement for any reason, so long as these changes do not exceed the structural capacity of the tower/structure (which structural capacity may be reasonably upgraded at the Tenant's sole expense with prior written approval of the Landlord) at this height, or at Tenant's sole expense upgrade the structural capacity, or in order to be in compliance with any current or future federal, state or local mandated application, including but not limited to emergency 911 communication services or for any other reason. Landlord shall reasonably cooperate in obtaining governmental and other use permits or approvals necessary or desirable for the foregoing permitted use. If Landlord does not comply with the terms of this section, in addition to any other rights it may have at law, Tenant may terminate this Agreement and shall have no further liability to Landlord. If Landlord does not comply with the terms of this section, Tenant will have the right to exercise any and all rights available to it under law and equity, including the right to cure Landlord's default and to deduct the costs of such cure from any monies due to Landlord from Tenant. If the Tenant increases the number of antennas at the Property, the Tenant shall pay Fifty Dollars (\$50.00) per month in additional Rent for each additional antenna installed by the Tenant (if any) within the existing Premises, and the Tenant shall pay Five Hundred Dollars (\$500.00) per month in additional Rent for each additional antenna installed by the Tenant (if any) in any area that is an expansion of the Premises or Additional Premises.

6. **Acknowledgement.** Landlord acknowledges that: 1) this Second Amendment is entered into of the Landlord's free will and volition; 2) Landlord has read and understands this Second Amendment and the underlying Agreement and, prior to execution of this Second Amendment, was free to consult with counsel of its choosing regarding Landlord's decision to enter into this Second Amendment and to have counsel review the terms and conditions of this Second Amendment; 3) Landlord has been advised and is informed that should Landlord not enter into this Second Amendment, the underlying Agreement between Landlord and Tenant, including any termination or non-renewal provision therein, would remain in full force and effect.

7. **Notices.** Section 18 of the Agreement is hereby deleted in its entirety and replaced with the following:

"**NOTICES.** All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to the parties as follows:

If to Tenant:

New Cingular Wireless PCS, LLC
Attn: Network Real Estate Administration
Re: Cell Site # GRANMI5605
Cell Site Name Muskegon Twp WT (MI); Fixed Asset No.: 10124752
575 Morosgo Drive NE
Atlanta, GA 30324

Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

With a required copy of the notice sent to the address above to AT&T Legal at:

New Cingular Wireless PCS, LLC
Attn: AT&T Legal Department
Re: Cell Site # GRANMI5605
Cell Site Name Muskegon Twp WT (MI); Fixed Asset No: 10124752
208 S. Akard Street
Dallas, Texas, 75202-4206

A copy sent to the Legal Department is an administrative step which alone does not constitute legal notice.

And as to Landlord:

The County of Muskegon, by the Board of Public Works,
operating as The Muskegon County Regional Water System
131 East Apple Avenue
Muskegon, MI 49442

Either party hereto may change the place for the giving of notice to it by thirty (30) days prior written notice to the other as provided herein."

8. **Charges.** All charges payable under the Agreement such as utilities and taxes shall be billed by Landlord within one (1) year from the end of the calendar year in which the charges were incurred; any charges beyond such period shall not be billed by Landlord, and shall not be payable by Tenant. The foregoing shall not apply to monthly Rent, including but not limited to any Rent obligations during the Rent Guarantee Period, which is due and payable without a requirement that it be billed by Landlord. The provisions of this subsection shall survive the termination or expiration of the Agreement.

9. **First Amendment to Memorandum of Lease.** Either party will, at any time upon fifteen (15) days prior written notice from the other, execute, acknowledge and deliver to the other a recordable First Amendment to Memorandum of Lease substantially in the form of the Attachment 1. Either party may record this memorandum at any time, in its absolute discretion.

10. **Other Terms and Conditions Remain.** In the event of any inconsistencies between the Agreement and this Second Amendment, the terms of this Second Amendment shall control. Except as expressly set forth in this Second Amendment, the Agreement otherwise is unmodified and remains in full force and effect. Each reference in the Agreement to itself shall be deemed also to refer to this Second Amendment.

11. **Capitalized Terms.** All capitalized terms used but not defined herein shall have the same meanings as defined in the Agreement.

Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

[NO MORE TEXT ON THIS PAGE - SIGNATURES TO FOLLOW ON NEXT PAGE]

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Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

IN WITNESS WHEREOF, the parties have caused their properly authorized representatives to execute and seal this Second Amendment on the date and year below.

LANDLORD:
The County of Muskegon, by the Board of Public Works, operating as "The Muskegon County Regional Water System"
a Michigan municipal corporation

TENANT:
New Cingular Wireless PCS, LLC,
a Delaware limited liability company

By: AT&T Mobility Corporation
Its: Manager

By: NOT FOR EXECUTION

By: NOT FOR EXECUTION

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

[ACKNOWLEDGEMENTS APPEAR ON THE NEXT PAGE]

Cell Site No.: GRANMI5605
Cell Site Name: Muskegon Twp WT
Fixed Asset No.: 10124752
Market: MI / IN
Address: 1655 Evanston Avenue #B

Attachment 1

First Amendment to Memorandum of Lease

DRAFT

Muskegon County
Water System Policy Board
October 3, 2018
10:00 a.m.
Muskegon County Governmental Complex
97 E. Apple Avenue
Training Center, Room 119

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:05 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Susie Hughes, Muskegon County Commissioner
Marcia Jeske, Fruitland Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner
Jeff Wood, Muskegon Charter Township Treasurer

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Robert Ribbens, Environmental Manager
Crystal Morgan, WSPB Attorney

WSPB-18-031 APPROVAL OF AGENDA

Moved by Commissioner Mahoney, seconded by Commissioner Hughes, to add item G. 2 Declaratory Ruling and approve the agenda as amended.

Voice Vote: **Motion Carried**

WSPB-18-032 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on July 18, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR DISCUSSION

Management Contract Subcommittee

Chair Barnes stated it has been discussed to form a subcommittee that would include two township representatives and one commissioner.

Kim Arter and Jeff Wood volunteered to be the township representatives.

Jeff Wood stated he had asked for this because the contract in place has outdated language which doesn't reflect how the system is currently being operated. Jeff Wood stated the idea is to go through the contract and prepare a document which everyone agrees on how the system should be operated. Jeff Wood stated the document needs to define what everyone's role is. Jeff Wood stated there is currently conflicting language within the contract that needs to be looked at.

Commissioner Mahoney volunteered to be the representative for the commissioners.

MANAGEMENT CONTRACT SUBCOMMITTEE

WSPB-18-033 Moved by Commissioner Hughes, seconded by Marcia Jeske, to have Kim Arter, Jeff Wood and Commissioner Mahoney make up the subcommittee to look at the Management Contract along with staff and the attorney and bring to the Board recommendations.

Chair Barnes asked what kind of time frame we are looking at. Jeff Wood stated it could be up to a year.

Commissioner Hughes asked the members of the Board to let a subcommittee member know if they have any concerns with the contract.

Matthew Farrar stated having Crystal Morgan involved will help due to the amount of documents and rulings that will need to be reviewed.

Crystal Morgan will send out the contract to everyone to make suggestions for the subcommittee to take in consideration.

Voice Vote: **Motion Carried**

Chair Barnes requested a discussion item regarding the Management Contract be placed on the next meeting's agenda.

ITEMS FOR CONSIDERATION

Recommend the First Amendment to Agreement for Municipal Water Supply

WSPB-18-034 Moved by Commissioner Snider, seconded by Commissioner Hughes, to recommend to the Muskegon County Board of Public Works that it approve the First Amendment to agreement for Municipal Water Supply.

Commissioner Hughes thanked Matthew Farrar for working with the City on this. Matthew Farrar stated the credit goes to the City.

Matthew Farrar provided the Board a background as to how they came to this agreement. Many members of the Board expressed how pleased they were that staff and the City were able to work together and reach this agreement.

Roll call:

Yes – Arter, Hughes, Mahoney, Snider, Wood, Jeske, Barnes

No –

Motion carried

Recommend Petitioners' Request for Declaratory Ruling

WSPB-18-035 Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to recommend to the Muskegon County Board of Public Works that it concur with petitioners' request for declaratory ruling and authorize the Chair to sign the same.

Matthew Farrar stated this goes back to the Flint lead crisis. Matthew Farrar explained how lead can get into water and how it is treated. Matthew Farrar stated we test for lead in our water supply and none was detected. Matthew Farrar stated because of what happened in Flint the State of Michigan has enacted new rules that are not necessary or feasible and are not based on facts. Matthew Farrar stated Miller Canfield has filed for declaratory ruling.

Crystal Morgan stated the petitioners were involved in the rule making process and raised a number of concerns they felt the MDEQ did not address. Crystal Morgan explained in order to challenge the new rules there is an administrative process they have to go through first, which is to request this declaratory ruling from the MDEQ. Crystal Morgan stated they are asking us to sign the concurrence form in support of their position. Crystal Morgan stated this doesn't require us to incur any expenses or actively participate in the case. Crystal Morgan explained by filing the concurrence it gives us grounds to participate in a lawsuit, if there is one, because it shows we were involved in the administrative process.

Matthew Farrar stated that Doug Hughes concurs that this doesn't require us to pay anything.

Discussion ensued.

Voice Vote: **Motion Carried**

WSPB-18-036 INFORMATIONAL ITEMS

Moved by Commissioner Hughes, seconded by Commissioner Snider, that the following information items be accepted and placed on file:

1. New Meter Set List for September 2018

Voice Vote: **Motion Carried**

WSPB-18-037 INFORMATIONAL ITEMS

Moved by Commissioner Hughes, seconded by Marcia Jeske, that the following information items be accepted and placed on file:

2. Local Fund Balance Sheet for September 2018
3. Check Disbursement Report for September 2018

Voice Vote: **Motion Carried**

REPORTS

WSPB-18-038 Water System Update

Moved by Commissioner Hughes, seconded by Commissioner Snider, that the Water System Report be accepted and placed on file.

Voice Vote: **Motion Carried**

OLD BUSINESS

Kim Arter updated the Board regarding Appendix C and stated they are getting close to having a document ready to present to the Board.

Chair Barnes requested this be placed on the next agenda under Old Business.

NEW BUSINESS

None

AUDIENCE PARTICIPATION

Matthew Farrar thanked the Board for their willingness to look at the contract and for the support on the agenda items presented.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:48 a.m.

Tony Barnes, Chair

Muskegon County
Water System Policy Board
December 5, 2018
10:00 a.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Board of Commissioners Room, 4th Floor

Tony Barnes, Chair

Marcia Jeske, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Barnes at 10:00 a.m.

ROLL

Present: Kim Arter, Laketon Township Supervisor
Tony Barnes, Dalton Township Supervisor
Susie Hughes, Muskegon County Commissioner
Marcia Jeske, Fruitland Township Supervisor
Kenneth Mahoney, Muskegon County Commissioner
I. John Snider II, Muskegon County Commissioner
Jeff Wood, Muskegon Charter Township Treasurer

Excused:

Staff

Present: Matt Farrar, Public Works Director
Tina Nash, Public Works Coordinator
Carly Hines, Public Works Finance and Sustainability Administrator
Robert Ribbens, Environmental Manager
Crystal Morgan, WSPB Attorney

WSPB-18-039 APPROVAL OF AGENDA

Moved by Commissioner Snider, seconded by Commissioner Hughes, to add item F. 2 - Management Contract Discussion.

Voice Vote: **Motion Carried**

Moved by Commissioner Hughes, seconded by Marcia Jeske, to approve the agenda as amended.

Voice Vote: **Motion Carried**

WSPB-18-040 APPROVAL OF MINUTES

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to approve the minutes of the Muskegon County Regional Water Policy Board meeting held on October 3, 2018.

Voice Vote: **Motion Carried**

PUBLIC COMMENT (on an agenda item)

None

ITEMS FOR DISCUSSION

Appendix C

Chair Barnes noted a new copy of Appendix C was distributed to the Board members (attached). Matthew Farrar informed the Board there were additional recommendations by the subcommittee included in the document distributed. Matthew Farrar informed the Board the subcommittee members met four times and the document presented is for everyone to consider. Kim Arter informed the Board they had input from other committee members and took everything into consideration. Kim Arter pointed out they worked on updating the rates/charges. Marcia Jeske stated as they worked on this they looked at what would be best for the system. There was discussion on how to handle fees for customers who get their water shut-off. Marcia Jeske stated there should be some kind of responsibility for the maintenance and upkeep of the system and for those who don't pay their bills.

Matthew Farrar informed the Board that some of the items in Appendix C duplicate the plumbing code. Matthew Farrar stated those items were taken out.

Matthew Farrar will email the Board members the changes made to the document in the agenda packet verses the document distributed today.

Chair Barnes thanked Kim Arter, Marcia Jeske and staff for the work done on Appendix C.

Crystal Morgan recommended Appendix C incorporate language that references the plumbing code; the language regarding insurance/indemnity be left in the document; the terms customer, consumer, user and owner be looked at so there isn't any confusion.

Crystal Morgan will incorporate her comments and send out a draft of Appendix C next week.

Chair Barnes requested the Board members send any recommendations to staff. Staff will forward those to Crystal Morgan.

Management Contract Subcommittee

Chair Barnes asked the subcommittee members for direction on how to handle suggestions. Jeff Wood asked the Board member to send him their comments regarding the Management Contract. Commissioner Hughes asked if we were going to work on the whole contract or separate it into sections. Jeff Wood stated the way the contract is written we would need to work on the whole contract. Jeff Wood stated the subcommittee will probably meet after the next meeting in January due to the holidays.

ITEMS FOR CONSIDERATION

Approve 2019 Meeting Schedule

WSPB-18-041 Moved by Marcia Jeske, seconded by Commissioner Hughes, to adopt the 2019 meeting schedule for the Muskegon County Regional Water System Policy Board.

Voice Vote: **Motion Carried**

WSPB-18-036 INFORMATIONAL ITEMS

Moved by Commissioner Snider, seconded by Jeff Wood, that the following information items be accepted and placed on file:

1. New Meter Set List for November 2018
2. Local Fund Balance Sheet for November 2018
3. Check Disbursement Report

Voice Vote: **Motion Carried**

REPORTS

Graphs – Usage in Gallons, Monthly User Fees, Expenses/Revenue

Commissioner Hughes asked if the spikes were normal. Matthew Farrar stated the Eastside system has low chlorine residuals. Fruitport and Norton Shores also have low chlorine residuals. What happened was Fruitport and Norton Shores was fed through our system for a short period of time to see if we could raise their chlorine residuals and ours. Matthew Farrar stated it accomplished both by working together. Matthew Farrar informed the Board this was just a test to see if it would work. Matthew Farrar stated they are now looking at what the solution will be from an engineering standpoint.

Commissioner Hughes asked Matthew Farrar what causes low chlorine residuals. Matthew Farrar stated it's caused by time, age and temperature. Matthew Farrar stated there was no impact to the County financially. Matthew Farrar stated staff was pleased that the municipalities came together to work on this.

Commissioner Snider asked if City of Muskegon tests for PFAS. Matthew Farrar stated the City of Muskegon has been testing for PFAS for years. A recent test at the Water Filtration plant only detected 2 parts per trillion. Matthew Farrar stated the lifetime exposure health advisory is 70 parts per trillion. Matthew Farrar asked the Board to contact staff with any questions to water quality.

Commissioner Snider inquired as to the relationship between the County and Muskegon Heights plant. Staff is aware of the firm capacity of the Heights plant and takes this into consideration when dealing with economic development opportunities. Currently DPW staff is no in direct communications with any specific project.

OLD BUSINESS

None

NEW BUSINESS

Matthew Farrar updated the Board regarding the Channel Crossing engineering. Matthew Farrar stated they are currently going through the permitting process with the Army Corp. of Engineers. The project managers are Steve Fink, Dave Baker and Randy Parrett. Bids for the project should go out around August 1, 2019.

Matthew Farrar informed the Board that North Muskegon had to switch to our system. Robert Ribbens stated they had a coupling problem at their pump. North Muskegon will have a company come in to look at it. Robert Ribbens stated he doesn't expect this to be long term. Robert Ribbens stated North Muskegon will be billed appropriately.

Marcia Jeske asked why North Muskegon is not part of this board if we provide water to them. Matthew Farrar stated we are only a backup to their system which they paid for.

Chair Barnes asked about Egelston Township hooking into our water system. Commissioner Hughes stated in order to make it feasible, water would need to run out to the Wastewater site and right now there isn't anyone out there that needs it. Commissioner Hughes explained there is not a demand for water at this time.

Chair Barnes wished everyone a Merry Christmas and a Happy New Year.

AUDIENCE PARTICIPATION

Chris Hall cautioned the Board regarding North Muskegon's aging infrastructure.

Chris Hall asked the Board if the municipalities could receive a monthly report on homes that the water has been turned off and on. Commissioner Hughes thought this would be beneficial to the municipalities.

Chris Hall informed the Board the Fenner Glen subdivision could possibly expand in 2019. Chris Hall stated it is in the early stages.

ADJOURN

There being no further business to come before the Water System Policy Board, the meeting adjourned at 10:48 a.m.

Tony Barnes, Chair

APPENDIX "C"

Rules and Regulations

Effective October 1, 2005

INDEX

PREFIX	DEFINITIONS
SECTION I	APPLICATION FOR SERVICE
SECTION II	INSTALLATION OF WATER SERVICE
SECTION III	FEES AND CHARGES
SECTION IV	METERS
SECTION V	OWNERSHIP OF LINES
SECTION VI	HYDRANTS & UNMETERED USAGE
SECTION VII	LIMITATION OF SERVICE
SECTION VIII	COLLECTIONS
SECTION IX	DISCONTINUANCE OF SERVICE

PREFIX

DEFINITIONS

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- APPLICATION - A form furnished by the townships to be filled out by anyone desiring water service.
- CONNECTION CHARGE - A fee paid by a property owner for the right to utilize water from the System.
- DPW BOARD - Muskegon County ~~Department-Board~~ of Public Works.
- INSTALLATION OR HOOKUP - Includes the STUB SERVICE, SERVICE LINES, METER, REMOTE READING DEVICE AND INSPECTION necessary to complete the furnishing of water service to the property.
- MCDPW - Muskegon County Department of Public Works.
Whenever this term is used, it represents those persons designated by the DPW Board to carry out the operation and maintenance of the System with the concurrence of the Policy Board (Public Works personnel, township personnel, or any other specifically designated party).
- POLICY BOARD - Muskegon County Regional Water System Policy Board.
- SERVICE LINES - Refers to that part of the service on the property from the property line to the ~~meter~~structure.
- STUB SERVICE - That part of a service from the mains to the property line, including necessary valves and boxes.
- SYSTEM - Muskegon County Regional Water System.
- TOWNSHIP - Township of Dalton ~~or~~ Fruitland ~~or~~ Laketon ~~or~~ Muskegon.
- TRUNKS - Mains used to carry water to large areas, usually over ~~6"-12"~~
- UNMETERED SERVICE - Those services where a meter is not used. Usually fire protection lines or temporary services furnished for special purposes.

SECTION I

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APPLICATION FOR SERVICE

1.1 Residents, or owners, desiring water service must file an application on appropriate forms with the Township. The application shall show the legal description, ~~plate-plat~~ number, or street address of the property to be served, the size of service desired and any other pertinent data required by the Townships or County.

1.2 The application must be accompanied by payment ~~in-cash~~ of the required service charges. No action will be started to install or provide service until all ~~necessary~~ fees and charges are paid.

1.3 When the application is signed by the property owner, no guarantee deposit will be required. If the applicant is a tenant, the application must be accompanied by the required deposit to guarantee payment of the service bills.

1.4 An application will be required of each new customer even though water service may already be installed ~~in-to~~ the premises. Should the original application stipulate a billing address separate from the service address and a change in the billing address is desired, the request must be made in writing to MCDPW or the Township.

~~1.5 Every person who shall be supplied with water service shall be deemed to have accepted and approved all of the Rules and Regulations as herein provided.~~

SECTION II

INSTALLATION OF WATER SERVICES

2.1 Connections to the water distribution lines shall be made only by duly authorized personnel or by a licensed plumber or licensed contractor specially employed by the Muskegon County Department of Public Works. A licensed plumber or licensed contractor designated to make such connections shall be required to file a bond and furnish evidence of compensation and public liability insurance coverage before proceeding with any work as outlined herein.

Comment [FM1]: This means that no-one can work within the PROW on the water system without County "Permission." This only applies in the PROW.

2.2 ~~No two (2)~~ Not more than one (1) residences shall be placed on one water meter, nor shall the service ~~pipe-line~~ be run from one house to another but shall be run directly to the main adjacent to the premises served. Multi-unit residential complexes shall have one domestic service and meter per facility unless complex is metered at the property line with the internal water mains being privately owned.

~~2.3 All service pipes between the main and the meter shall have a minimum internal diameter of 1 inch. Services up to 2 inch diameter shall be of annealed seamless copper tubing, type K (ASTM Spec. B88-45) or galvanized iron. Services larger than 2 inch shall be of standard cast iron, Class 150. Under certain ground conditions, Muskegon County Department of Public Works may specify the particular type of pipe to be used.~~

~~2.4 Services shall be laid a minimum of four feet below the surface of the ground or the established street grade. In areas of high water table, the Plumbing Inspector may permit a lesser~~

~~depth, but no service shall be laid in any position where there is a danger of freezing or hazard of breakage. Such waiver of cover requirements must be so noted on the permit.~~

Comment [FM2]: This is covered by the code

2.5 Every service line shall be furnished with a valve on the influent and effluent side of the meter. ~~On 2 inch or larger meters, a valve shall also be furnished for the effluent side of the meter.~~

~~2.6 Copper service tubing shall be connected by use of a flanged or furled or compression joint with the necessary coupling or fitting. Joints sweated in with solder will not be permitted.~~

~~2.7 If any application for service shall require a service pipe-line of a diameter of three (3) inches or larger, water shall not be turned on until the owner at his own cost and expense, shall have first furnished to the Plumbing Inspector the written results of tests conducted by qualified test operators certifying that the service pipe and all the owner's connections thereto have been hydrostatically tested and disinfected in accordance with the then existing rules and regulations of the System.~~

Comment [FM3]: This is covered by code but may need to remain depending on pipe material. The intent here originally was to pressure test lines over three inches because of the number of joints. Pipes over 3 inches do not come in long rolls but typically in 20' sections.

~~2.8 Service pipe laid in the same trench with a sewer shall be at least 18 inches distant from the sewer in a horizontal plane. The water service shall be shelved into the bank to a solid bottom at least 12" above the top of the sewer. In no case shall the service pipe be laid on a fill.~~

2.9 Trenches shall remain open with service pipes exposed until inspection and testing for leakage by the Plumbing Inspector. ~~All services shall be pressure tested under 100 pounds per square inch pressure.~~ The curb cock or valve on any stub service shall not be opened, except to flush the valve at time of connection, and left open so that water may be supplied to the premises through the service unless and until the service pipes-line and installation has been inspected and tested.

Comment [FM4]: Covered by code on private property and 10 state standards in the PROW

2.10 Upon completion and inspection of service connections a meter will be installed by the MCDPW and the water will be turned on. All necessary fees and charges must be paid before this is done.

2.11 No person shall make any attachment or connection with the water distribution system or make any repairs, additions or alterations of any fixtures connected with the system except in accordance with the plumbing code approved by the Township. All work performed shall be subject to inspection by the Plumbing Inspector which will have the authority to order any part disconnected or changed if it does not comply with the code. No work will be performed on any part of the service between the main and the meter without written authorization of the MCDPW and the Plumbing Inspector.

2.12 Stand pipes or other pipes for the automatic suppression of fires in buildings, and intended only for such use, may be attached direct to the water supply system without a meter. A separate application accompanied by a plan of the proposed installation must be submitted with each application for approval. No changes will be made in the system after installation without prior approval. A special maintenance contract shall be written to cover service of this nature. A detector check must be installed.

2.13 Fire hydrants may be installed on private property to be used solely for fire purposes. Such installations must have prior written approval of the MCDPW and the Plumbing

Inspector. An easement shall be dedicated to the System and the hydrants and mains shall become part of the System unless otherwise approved by the Water Policy Board and the Board of Public Works. Special rates will be negotiated for this service.

2.14 Water service may be installed beyond the end of an existing main when approved by the MCDPW and the Plumbing Inspector. A meter pit may be required. It is to be understood that such an extension does NOT eliminate such property from being assessed if the mains are extended past the property, if it is not already being assessed. When the mains are extended, a new stub service may be required. All expenses on such a connection, including a new stub, will be the responsibility of the property owner requesting service.

~~2.15 A private property owner shall be issued a permit only if the owner hires a licensed contractor or signs an affidavit, supplied by the Township, that the applicant is the owner and occupant, or eventual occupant of the structure where the work is to be performed, and the applicant will in fact, be doing the work without any help from a licensed contractor.~~

Comment [FM5]: This is covered by code.

2.16 Any person, partnership, firm or corporation desiring to secure permits to perform the construction of service connections to structures of other persons, partnerships, firms, or corporations, shall prior to issuance of said permits, provide the Township in which the work is to be performed, the following information:

- a. A satisfactory corporate surety bond, renewable yearly, in the amount of at least ~~Two-Ten~~ Thousand and No/100 (\$~~210~~,000.00) Dollars as security for the faithful performance of the work in accordance with the Township ordinances, these rules and regulations, and the plumbing code. The corporate surety bond shall be kept in full force and effect by the licensed contractor until said licensed contractor shall have given ten (10) days written notice to the Township of his intention to terminate said corporate surety bond and shall thereafter have received a written release from the Township.
- b. The corporate surety bond shall be continued in effect for a period of 1 year (12 months) or such shortened time as shall be allowed by the Township after a final inspection and approval of the Plumbing Inspector. Only upon final inspection and approval, the same corporate surety bond may be used toward the issuance of another permit, as a blanket bond. In this case, the corporate surety bond shall be in effect as to whatever permits the licensed contractor might have made within a period of 1 year (12 months), or such lesser period of time as may be allowed by the Township. The blanket corporate surety bond or combination of bonds shall include at least ~~Two-Ten~~ Thousand and No/100 (\$~~210~~,000.00) dollars for each and every permit that is outstanding and has not had final inspection and approval by the Township.
- c. The corporate surety bond shall be available to the Township Board for one or combination of, or all of the following:
 - (1) Repairs.
 - (2) Indemnity for damages.

(3) Deficiencies caused by the licensed contractor.

(4) Deficiencies caused by the property owner done with knowledge of the licensed contractor.

- d. A licensed contractor shall purchase and maintain such insurance as will protect himself and the Township and the County of Muskegon from claims under the State of Michigan Workmen's Compensation Laws, disability benefit laws or other similar employee benefit laws; from claims or damages because of bodily injury, occupational sickness or disease, or death of his employees, and claims insured by usual personal injury liability coverage; from claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees including claims insured by usual personal injury liability coverage; and from claims for injury to or destruction of tangible property, including loss of use resulting therefrom any or all may rise out of or result from the licensed contractor's operations under the water connection permit, whether such operations were by himself or by any subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be legally liable. This insurance shall include the specific coverages and be written for not less than the limits listed below. This insurance shall have coverage against loss due to the perils of explosion, collapse and underground hazards, (XCU).
- e. A certificate of insurance indemnifying the Township and Muskegon County for Public Liability and Property Damage, with limits of at least ~~Three-Five~~ **Five Hundred** Thousand and No/100 Dollars (~~\$300~~**500**,000.00) for each person and ~~Five Hundred Thousand-One Million~~ **Five Hundred** Thousand and No/100 Dollars (~~\$500~~**1,000**,000.00) for each occurrence, together with Workmen's Compensation insurance, shall be issued to the Township. The Township, Muskegon County, Township and County officials, employees and agents shall be additional named insured parties on the policy as shown in the certificate of insurance and the policy shall contain a provision that the coverage afforded under the policy will not be canceled or materially changed until at least ten (10) days written notice has been given to the Township.
- f. After a licensed contractor has complied with all of the above requirements and other laws relating to licensing of businesses within the Township, he shall be called a licensed contractor and shall be allowed to perform construction of water service connections within the Township under the rules, regulations, specifications and ordinances of the Township.
- g. A contractor's license may be suspended or revoked or both, upon noncompliance with the Township Ordinances, these rules and regulations, standards, rules and regulations or a finding by the Township that work is being done in less than a workmanlike manner or both, or that there are claims from faulty work or materials for which the licensed contractor has failed to promptly respond by making reparations or demonstrating the claims are unfounded or both.

Comment [FM6]: This is in reference to work for the System and is already covered in the County's standard agreements which can change. Not sure if this language is needed here.

2.17 All water connection permits shall expire one (1) year from the date of issuance.

One six-month extension may be requested in writing to the Township by the original applicant for unusual or special circumstances, and such request should not be unreasonably denied.

2.18 With respect to written or oral agreements, contracts or transactions between property owners and licensed contractors herein, the Township and the County of Muskegon, notwithstanding any provisions contained in this ordinance, shall not be deemed to have knowledge of a contract between said parties, shall not be deemed a principal or master or the agent or servant of the licensed contractor. The Township and the County do not in any way act as guarantor or surety for any licensed contractor herein and does not extend warranties, expressed or implied for the licensed ~~contractors~~contractors' performance other than duties and obligations assumed by the Township in the provisions of this ordinance. Licensed contractors shall hold harmless the Township and the County from any and all actions and statements.

SECTION III

FEES AND CHARGES

3.1 INSTALLATION FEES:

- a. Stub Service Fee See Ordinance Appendix B
- b. Meter Fee _____ See Ordinance Appendix B
- c. Service Lines:
Costs for installation and scheduling are applicants responsibility.
- d. Other Fees:
Other fees are listed in Ordinance Appendix B and may also include, but are not limited to, estimates, detector checks, special meter pits, etc.
- e. All installation fees must be paid in full at time of application along with connection fees.

3.2 RE-SETTING OR REPLACING A METER

- a. A meter will be reset at the request of the property owner or after acts of the property owner necessitate resetting the meter. ~~\$25.00~~50.00
- a. A meter replaced due to damage caused by carelessness or neglect by the tenant or owner. Actual cost of meter plus reset charge.

3.3 TESTING METERS

At owner's request when not satisfied with readings. (Charge is refunded if meter is found defective.) ~~\$25~~50.00

3.4 TURN ON CHARGE

After service has been turned off for nonpayment. (Not required for new installations.)

- a. During regular work hours. ~~\$25~~50.00 (or actual cost)
- b. After regular work hours and weekends. ~~\$35~~100.00 (or actual costs)

3.5 TEMPORARY SERVICE

~~a. Service to new buildings where meter cannot be installed due to no heat and freezing weather. 30 day service, minimum. \$25.00~~

a. Service from hydrants:
Connection charge plus cost of water used, plus \$150 meter deposit. (All such service to be approved in writing before actual use starts.)
\$25150.00 + cost

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3.6 SPECIAL WATER SERVICE

~~Any service not specified above. Charges to be made according to the type of service desired and method of obtaining the service. Applications must be approved before the service will be granted. Charges will be covered by a deposit based on the estimate of the cost.~~
Any service not contemplated herein shall be on a time & material basis and at the discretion of the System

3.7 UNAUTHORIZED USE OF WATER

~~Any use of water, from any source, by any means, from the water system without express permission of the MCDPW or in violation of these rules and regulations.~~
The fine for water theft (illegal use of fire hydrant or service line) as defined in the Muskegon County Regional Water System rules and regulations, is \$1,000 plus \$100 per day for the first offence; \$2,500 for subsequent offences plus \$250 per day to the Muskegon County Regional Water System and subject to prosecution under the cross connection ordinance.

Comment [FM7]: This is the 2007 Update

3.8 RENTER'S DEPOSIT

~~Required where owner refuses responsibility (refunded when service is discontinued and all bills are paid). \$60.00~~
When a tenant is responsible for the payment of the charges and the Township is so notified in writing and provided a copy of a fully executed lease which includes specification of

responsibility for associated water use fees, charge shall not become a lien against the premises after the date of the notice. After the filing of the notice, no further service shall be rendered to the premises until a cash deposit of \$300 per REU is made as security for the payment of future charges (to be refunded when service is discontinued and all bills are paid)

3.9 Frozen Service Call

When a water service freezes outside of the public ROW, the first call there is no charge. Service calls thereafter are charged at \$50 per call.

3.9 GUARANTEE DEPOSIT

Required when water is turned off for nonpayment of bills. (All bills must be paid in full, with interest and penalties, plus this deposit before service will be again turned on.) \$60.00

3.10 FIRE SPRINKLER SUPPRESSION DEMAND CHARGE

The property owner will be required to provide a detector check meter of a type approved by MCDPW on internal fire service lines. A demand charge for this service will be issued based on the minimum billing for an equivalent meter size equal to ½ the size of incoming fire lines (e.g. an 8" fire line will be charged at the minimum billing rate for a 4" meter).

Comment [FM8]: Covered by code, state, and 10 state standards. Which is subject to change.

SECTION IV

METERS

4.1 All permanent service connections with the water distribution system must be provided with an approved type of water meter. (See Section II, par. 2.12 for fire lines.)

4.2 All meters must be set in a horizontal position in a clean sanitary place which is easily accessible. They will not be installed in locked closets, coal bins, under toilet room floor, in pits below the basement floor, under buildings having no basement, under porches or in any other place difficult of access. Whenever practical, the meter will be installed in the basement where the service pipe enters the building.

4.3 All meters, when possible, will be equipped with an outside reading device and shall be of a type and design selected by the MCDPW. ~~Services two inches or larger shall have a compound type meter, or type determined as best for the use intended and approved by the MCDPW.~~ Meters shall be installed by the MCDPW after the property owner has provided an approved and inspected service from the stub line to the building and all fees and charges have been paid. If a meter pit is required for service greater than one inch, it will be provided by the property owner and approved by the MCDPW. All meters will remain the property of the MCDPW.

4.4 The MCDPW will maintain all meters and make all necessary replacements caused by normal wear. The consumer will be held responsible for care and protection of the meter from freezing or hot water and from damage by any person while installed on his property. Repairs to meters will be made only by the MCDPW or its designated agent. Any meter damaged by carelessness or neglect on the part of the tenant, owner or agent will be repaired by the MCDPW and the cost of such repair, plus resetting charge, will be assessed against the tenant, owner or agent.

4.5 Failure of a meter to register consistently, or in case a meter fails to register, the amount of ~~quarterly~~ monthly consumption of water shall be estimated by the MCDPW. In making such estimate, ~~the amount used in the previous quarter and the corresponding quarter of the previous year will be considered, but special circumstances, such as leaking fixtures, abnormal demands, etc., may also govern the determination the customer's billing history will be used. Special consideration will be given to the same months usage in previous years.~~ The MCDPW shall have the authority to adjust water bills in cases of faulty meters.

4.6 If a customer is not satisfied with ~~his~~ the meter performance, ~~he~~ they may request, in writing, that the MCDPW test the meter. Payment of the required testing charge must be made with the request. If the meter is found to be defective, it will be replaced and the testing charge will be refunded. In case of a defective meter, an adjustment may be made in the water bill upon proper approval by the MCDPW.

4.7 A water meter shall be deemed accurate if it falls within the current AWWA standard for water meter accuracy. ~~when subjected to a standard test, its register indicates a percentage of~~

~~error not exceeding two (2) per cent more or less than the actual quantity of water passing through it. If its register indicates an error in excess of two (2) per cent more than the actual quantity of water passing through it, it shall be considered fast to that extent. If its register indicates less than ninety-eight (98) per cent of the actual water passing through it, it shall be deemed slow to the extent it is under one hundred (100) per cent correct.~~

Whenever the MCDPW makes a test of a water meter voluntarily and not pursuant to any request, the testing shall be done without cost to the property owner or consumer.

4.8 All persons, other than MCDPW employees, are forbidden to tamper with the meter, ~~reroute the flow of water to bypass the meter,~~ or remove ~~it the meter~~ from the line. No person shall break the seal, or permit others to break or remove or ~~molest-tamper with~~ any seal which is placed on the meter by the MCDPW. Any meter which has the seal removed or shows indication of tampering may be assumed to have had the reading changed and the maximum water bill previously issued may be assessed against the customer.

~~4.9 Where the owner desires auxiliary meters installed at his own expense, permission may be granted upon written application and approval by the MCDPW.~~

Comment [FM9]: They can do this anyway.

SECTION V

OWNERSHIP OF WATER LINES

5.1 All water distribution lines, fire hydrants, and stub services, including the corporation cock, curb box and stop cock and all meters shall be and remain the property of the MCDPW and it shall have exclusive jurisdiction over their operation and maintenance.

5.2 All water distribution lines installed in subdivisions by the developer thereof shall become the property of the MCDPW when they are connected to the main.

5.3 It shall be unlawful for any person to disturb, remove, alter, or tamper with any water line or any municipality-owned attachment thereto, including the shut off cocks and meters. No person other than an employee of the MCDPW shall open or close any valve or gate in the water mains or open or shut any curb cock. No person other than a member of the Fire Department or MCDPW shall unlock or remove the cap or cover from any fire hydrant or open or close the valve thereof, except by written order from the MCDPW.

5.4 All water lines within the limits of the property line are the property of the owner of the premises. They must be maintained in proper condition at all times by the property owner.

5.5 Any extensions to the System shall meet the minimum standards for construction as shall be established by the ~~MCDPW~~the 10 State Standards.

SECTION VI

HYDRANTS AND UNMETERED USAGE

6.1 Water hydrants are provided primarily for fire protection and no other use shall obstruct or cause delay in the attaching of fire lines. Hydrants shall not be operated by anyone other than employees of the MCDPW, or members of the Fire Department ~~except by written order from the MCDPW or insurance inspectors on regular inspection, except as may be approved by special permit as outlined below.~~

6.2 Temporary permits may be issued for water service from a fire hydrant to contractors or other responsible persons. This service may be either metered or unmetered according to the need. The user must request in advance, and in writing, the service desired from MCDPW who will arrange for the necessary connections and/or meter and instruct the user in the proper procedures. Advance payment or a meter deposit for this service may be required and must then be paid before the service is furnished.

6.3 In using water from a hydrant, the main valve shall be opened full each morning and closed each night at the cessation of work and shall be pumped down to eliminate any water in the barrel. The small valve on the connector will be used to control the flow of water. A hydrant wrench must be used to operate the hydrant valve and any damage to the operating nut caused by the use of improper tools will be charged to the user. PIPE WRENCHES ARE NOT ALLOWED.

6.4 A separate application must be made for each unmetered or hydrant connection desired. No permit will be made during freezing weather unless adequate protection from freezing is made by the applicant.

6.5 A request for a temporary water connection must be made in writing to the MCDPW and accompanied by the required fee.

6.6 The Fire Department shall notify the maintenance agency immediately after the use of any hydrant in case that hydrant may need pumping after its use.

SECTION VII

LIMITATIONS OF SERVICE

7.1 The MCDPW reserves the right to limit the amount of water to any customer should circumstances seem to warrant such action.

7.2 In cases where new connections, new construction, repairs, leakage tests, or in case of fire, the right is reserved to shut off all or any number of mains or service connections. Advance notice will be given when possible, but no liability will be assumed for discontinuing water service in cases of emergency, or accident.

7.3 The MCDPW and the Townships shall not be liable for any damage or loss of any nature caused by any change in water pressure or the shutting off of water. Persons operating steam boilers, hot water tanks and other equipment supplied with water from the system are warned to provide such equipment with suitable safety valves or other devices to prevent damage from explosion or collapse and to install check valves to prevent the back flow of hot water or steam into the meter.

SECTION VIII

COLLECTIONS

8.1 Water charges will be computed ~~quarterly-monthly~~ based upon meter readings. Meter readings will be taken as nearly as possible on the same day of the month, ~~at or near the end of the quarter. Quarterly minimum billings are listed at the end of this section.~~

8.2 Bills will be mailed to the consumer at the address at which service is rendered unless special notification has been provided. Failure to receive a bill does not avoid penalty. It shall be the obligation of the occupant to pay such bills, or forward it to the owner.

8.3 ~~Quarterly~~ Monthly bills for water service are due and payable ~~at the office of the Township Hall~~ either in person or by mail on the due date. A penalty of 10% shall be added to all bills ~~remaining~~ unpaid ~~on after~~ the due date ~~enforced against all consumers making payment after that date. Any subsequent payment received will be first applied to any penalty owing.-~~

8.4 All water rates shall be chargeable to and payable by the owners of the property in or on which service is rendered, and such charges shall constitute a lien on the property served by such connection, and may be collected in the same manner as general taxes as outlined in the ~~Uniform Rate Township~~ Ordinance. Credit for water or water service beyond the regular ~~quarterly-monthly~~ period shall not be extended to any property owner or user.

~~8.5 The Township shall pay, out of the appropriate general funds of the Township, the reasonable cost and value of water furnished to the township by the system, based on the amount of water used by the several departments of the Township, including their respective fire~~

~~departments unless fire hydrant assessment districts have been established which cover these costs.~~

~~8.6 Complaints regarding the meter readings or operation or the amount of the bill must be registered within ten days at the office of the MCDPW or the appropriate Township.~~

SECTION IX

DISCONTINUANCE OF SERVICE

9.1 The consumer will notify the MCDPW whenever they desire to discontinue service, either permanently or for a seasonal period. After the water is turned off, the ~~minimum charge for water is discontinued~~ ~~RTS charge is discontinued~~ although the connection charge is still applicable to the property. Failure to notify the MCDPW will result in minimum billing although the property may be unoccupied.

9.2 In cold weather when the water is turned off and the property will be unheated, the meter will be removed to prevent freezing. Owner of the property is responsible for any damage to the meter caused by freezing if the MCDPW was not advised that the property was to remain unoccupied.

9.3 Promptly after notice, the meter will be read and the service turned off. The final billing will be mailed to any address given. Reinstatement of service and reinstallation of the meter, if required, will be made upon request and payment of the fees required.

9.4 Change of tenancy or ownership requires the filing of a new application whether or not the service is turned off. Failure to notify the MCDPW of any change does not relieve a tenant or owner whose application is on file from responsibility for charges even though he may have moved out.

9.5 Any of the above referenced changes must be requested in writing. No verbal requests will be honored except those requiring emergency status.