

PROJECT UPDATE

Sherman Lake

Mailer

Pierson noted the mailer and the 50 responses received thus far. Of the 50, 30% wanted to connect within 12 months or less. This means approximately 40 homes will want to connect first year. He presented a summary of his meeting with Jim White regarding financing the project. The unanswered issues to be addressed are:

- ❑ Financing of \$700,000 – Jim will put together cash flow analysis
- ❑ Use of installment purchase agreement - doesn't pay for soft costs
- ❑ Authority will therefore need to pay out \$70,000 +/- in soft costs on top of the \$56,000 paid to date until repayment is made with Y-camps' 1st installment
- ❑ Should we purchase grinder pumps (40) with the project?
- ❑ Should we install taps for 40 homes?
- ❑ Lift station must be "under contract" by 12/1 of this year.
- ❑ Cost recovery portion of the \$8500 connection fee = \$3075

Pierson apologized to Bither for his presentation to the Township regarding a hybrid mix of some gravity within the grinder system. *He will review the issues and discuss with the Township this possibility*, for the goal is to minimize the total number of grinder pumps and at the same time, minimize the potential conflicts for Ross Township with the project.

Hillcrest Sewer

Augusta contract

Pierson outlined the issues with Augusta and was hopeful that a successful agreement would be reached within 1-2 months. *Pierson to continue to work on this, plus prepare a summary and forward it to Augusta and to Ken Sparks for review.*

Hillcrest Water

Successful 1st test well

Hillcrest has funded the project thus far, and a successful 1st test well (4th one) yielded positive results. Hillcrest provided an additional \$25000 to drill a 2nd test well. If that shows the formation substantial, the next step is the 12" production well, then a full pump and sampling test, with hydrogeological report. *Pierson to prepare a summary and timeline for Hillcrest use.*

Pay estimate for Raymer (Hillcrest continued): Pierson reported the funds were in our account to process the 1st pay request as presented by Tom Wheat, payable to Raymer in the amount of \$31,833, reflecting a retainage of \$3,537. Motion by Barnum, seconded by Herzog to approve. **Motion carried, all ayes.**

DeDoes

Pierson reported the final payment to Balkema had been paid by DeDoes. Except for minor sprinkler damage and asphalt settling (Balkema to repair), the project is completed.

Cooper-D.Avenue water main

Wheat reported bids would soon be opened for the Visser water main on D. Avenue. *Pierson to submit an invoice to Cooper Township for his direct time in assisting Cooper with the project.*

Cooper

14th Street Sewer

New pump station on 14th street is quite probable. *Pierson is preparing a summary of the contract issues for Cooper's use.*

Cooper-Bracket Street Extension

Pierson to meet with Cooper Township, present estimated cost options, then send a mailer to the proposed district for a potential sewer project.

Tiburon Condominiums-easement

The easement issue had been resolved and sent to Chojnowski for recording. This project will have 32 condo units on 7-acres in the Village (behind Methodist Church).

34th St + D (Dollar General)

The two easements necessary for the first leg of the proposed pipe have been obtained, waiting on Stafford for the east-west leg. Blanchard stated some issues with DEQ were holding up the proposed building. *Pierson to obtain easement from Stafford, bids are to be opened on 7/27 and if price is within budget, Pierson to send notice to proceed.*

NEW BUSINESS

Pfizer

Pfizer has occasional violations of ph discharge into Gull Road sewer. The City does the monitoring of industrial wastes. Pfizer has asked for a modification of the City requirements in this regard. The City requires we endorse any modifications in discharge limits. This is a practical solution for Pfizer at this time. Motion by Bither, seconded by Barnum to approve recommendation as requested pending monitoring and compliance with City of Kalamazoo. *Pierson to sign and return.* **Motion carried, all ayes.**

Generator plug-CT Electrical quote

Ross Twp. Park (LS 22)

Pierson indicated the work had been authorized prior to full Board approval. Bither noted this work was already completed. This improvement benefits us and Ross Township. Motion by Bither, seconded by Barnum, to approve the quote and the work in the amount of \$2,625 (\$400 +/- less than quote). Ross will pay for \$600 of the \$2,625. **Motion carried, all ayes.**

Galesburg – delinquent account/franchise issue

The Board reviewed Sparks opinion letter that Galesburg can not “unreasonably” deny us the right of franchise for at least the 1 Charleston Township customer that was connected to our pipe prior to annexation into the City of Galesburg. After discussion, the Board,

CLOSING COMMENTS

Several non-agenda, non-utility informative items were discussed. No action was considered.

ADJOURN MEETING TO AUGUST 17, 2006.

The meeting was adjourned by Chairman Blanchard at 2:20 p.m.

Submitted for Approval

Michael Herzog-Secretary