



KAREGNONDI WATER AUTHORITY
Meeting of Authority Board
September 17, 2013
2 p.m.

Division of Water & Waste Services
G-4610 Beecher Road
Flint, Michigan 48532
(810) 732-7870

A G E N D A

Pledge of Allegiance
Prayer
Roll Call

1. Minutes: August 21, 2013
2. Reports: None
3. Communication: None
4. Consent Agenda: None
5. Public Comment – Agenda Items Only
6. Public Hearing on Fiscal Year 2013-2014 Budget
 - Motion to Open Public Hearing
 - Public Comment
 - Board Member/Staff Comment
 - Motion to Close Public Hearing and Return to Regular Meeting
7. Old Business: None
8. New Business:
 - Resolution 2013-05 – Budget Appropriations Act
 - Resolution 2013-06 – Establishment of Regular Meeting Dates
9. Second Public Comment
10. Board Comment
11. Adjournment



KAREGNONDI WATER AUTHORITY
Public Board Meeting
Worth Township
(810) 732-7870

MINUTES OF MEETING
August 21, 2013, at 3:00 p.m.

Meeting Convened 3:07 p.m.
The Pledge of Allegiance was recited.
Invocation was given by Greg Alexander.

Roll Call –

All Members Present:

Dayne Walling; Greg Alexander; Dale Kerbyson; Jamie Curtis; Joseph Suma

All Members Absent:

None

Also Present:

Kevin Daly, State of Michigan Representative; Jeff Wright, CEO; Kevin K. Kilby, Corporation Counsel; Phil Essenmacher, Worth Township Supervisor

Minutes:

- ❖ Motion for Approval of July 15, 2013 Minutes by *Dale Kerbyson*; Supported by *Greg Alexander*; No Discussion; Voice Vote – Motion Passed Unanimously.

Reports: None.

Communication: August 20, 2013 Memo from Corporation Counsel Kevin Kilby to the Board. Discussion Ensued.

- ❖ Motion: All votes cast by the Authority Board shall also be tallied independently as an Incorporating Board vote where a vote of the Incorporating Board is required. As part of the Authority Board vote, if a majority of the Incorporating Board members vote to approve the motion, the motion shall thereafter be deemed approved by the Incorporating Board. At any time, an Incorporating Board member may request a separate vote be taken of just the Incorporating Board. This voting procedure shall be for all current and past votes of the Authority and Incorporating Board by *Greg Alexander*; Supported by *Jamie Curtis*; Discussion; Voice Vote – Motion Passed Unanimously.

Consent Agenda: None.

First Public Comment:

Questions Raised by Rhonda Johnston; Jim Perry, Phil Essenmacher, and Mary Shide

1. Why are meetings held at 3 p.m. on a weekday? Why isn't the public informed of meetings?
 2. Who will be responsible to maintain Fisher Road for maintenance that needs to be done?
 3. Will blacktop be laid on Fisher Road?
 4. Could the land to the east of M25 be used as a park?
 5. Could a Tee be put in so in the future Worth Township may have the option of purchasing water from the KWA?
 6. Doesn't the withdrawal of 85 million gallons of water bring the lake level down?
- ❖ Motion to Amend Agenda to Add Additional Board Comment Period at this Time to Answer Questions by *Jamie Curtis*; Supported by *Dale Kerbyson* – Motion Passed.

First Board Comment:

- CEO Wright indicated that the tax payers are not paying any part of the project. No tax dollars from any community are used. The project is 100% funded by the water rates of the people that use the system. Many attempts have been made to reach out to the people and attempts will continue. All meetings are posted at the Incorporating Members' county offices.
- CEO Wright indicated that construction isn't anticipated on Fisher Road for close to a year. It will be early spring or summer of 2014 before work is physically started in the area. At that point in time, a letter will be sent out giving contact numbers of who to call if there are any problems. The road commissions do have some responsibility to chloride and road maintenance -- basically a dual effort -- but if there are any problems on the roads related to construction, a contact number will be available so a determination can be made as to what caused the problem and how it will be fixed. Any disturbed area by the project will be replaced with what is currently there and left in as good as or better condition. If there is a desire to pave Fisher Road, it could be made part of the project; however, the townships and road commissions would have to kick in a portion of the cost for that upgrade. CEO Wright again reiterated that the road will be put back in as good as or better condition than is currently there. The way this is determined is soils testing are first taken of the whole route; every driveway and culvert are videotaped; every tree and every foot of roadway back to Flint is videotaped so it is known exactly what is there before the project is started so it can be put back in same or better condition. Trustee Kerbyson informed the public that a long-term benefit to the communities is that fire suppression hydrants will be placed at every mile the full length of the route at the project's expense. This could lower the resident's homeowner insurance significantly because of fire suppression capabilities close by, as well as affording the townships a different rate also. The hydrants can only be used for fire suppression as it is not treated water.
- CEO Wright confirmed that the park request has been on the table since the inception of the project. It has been stated that as long as the park didn't disrupt the ability to access the underground pipe, if necessary, there would not be a problem with it. However, no agreements in this regard could be finalized until after the project is complete. However, the Authority Board can commit to the property being used for the public good in that area.
- Surveyors are currently gathering baseline information to give to the engineers who will perform the physical design. This design is passed on to the Division of Water & Waste Services who will review it, change it, and/or tweak it. The Division of Water & Waste Services will make sure the design and construction has a Tee available to Worth Township for future use.
- This project was the first project in the State of Michigan that had to go through a very strenuous review by seven states -- not just in Michigan -- but also two Canadian provinces. It is the first permit to be received under the Great Lakes Water Compact, and it allows withdrawal of up to 85 million gallons of water per day to serve Sanilac, Lapeer, and Genesee Counties. All water currently comes through a 50 year old pipeline system that Detroit put in back in the 60s. Instead of using a 50-year old pipe system that Detroit put in, we will be building our own new system. The lake level will remain as it is currently because the water is 100% recycled. Water is taken out, used, treated, and put back into the Flint River which goes to the Saginaw Bay, which then goes back to Lake Huron.

Old Business: None.

New Business:

Resolution 2013-03

- ❖ Motion to Adopt Resolution 2013-03 by *Dale Kerbyson*; Supported by *Jamie Curtis*; Discussion: Greg Alexander indicated he would like to Amend the Resolution to reflect the Sandusky Tribute Recorder as the paper of record, rather than the Sanilac County News -- Voice Vote; Motion Passed Unanimously.

Resolution 2013-04

- ❖ Motion to Adopt Resolution 2013-04 by *Jamie Curtis*; Supported by *Greg Alexander*; Discussion: The water purchase agreements and water purchase contracts that have been signed are called pre-financing agreements. Bond Counsel recommended that the financing agreements are signed to close all of the loop holes in bond sales -- Voice Vote - Motion Passed Unanimously.

Second Public Comment:

Questions Raised:

1. When is the next public meeting, and where will future meetings be posted?
2. Will Karegnondi be providing ditching where there is none?
3. Are Supervisors along the route receiving information about the project, because the residents are not hearing anything.

Second Board Comment:

- The next public meeting is scheduled for September 17, 2013, at 2 p.m., in Genesee County. Typically the Board tries to meet the third Wednesday of each month. All information will be posted at the five incorporator locations. The website www.karegnondi.com also posts each meeting and all project updates. All of the meetings are being rotated between Lapeer, Sanilac, and Genesee County. Chairman Walling requested that the website continue to be updated. Trustee Curtis requested that as a courtesy an e-mail be sent to all clerks in townships between here (Worth Township) and Genesee County of all future posting dates.
- The general rule is if we don't disturb it, we don't change it. If the project comes through and disturbs a driveway, culvert, and/or the exiting ditching, there is an obligation to put it back in as good or better condition. If there are upgrades that are wanted, part of the cost will need to be financially assisted by the local community that is asking for the upgrades.

CEO Wright indicated that at the next meeting he hopes to bring the recommendation to the Board of a pipe supplier to the project. Currently, this is in the final stage of getting pricing from three different suppliers, and he would like to be in a position to enter into final contract negotiations with whichever company ends up being. He also reminded the Board members to obtain names and contact numbers for the additional appointed officials who will be representing the respective communities by the September meeting so everything can be in place for the October meeting.

Trustee Kerbyson requested the press post the website for all residents. He also wanted to inform the Board that Lapeer County is diligently working on whether or not to sign up with the Authority at this time. He also inquired as to any comments received from St. Clair County as to whether or not they are planning on moving forward. CEO Wright indicated that he has heard comments about interest, but nothing directly yet. Lastly, Trustee Kerbyson inquired about the status of the bond sale. CEO Wright indicated that there are two sets of bonds. There is bonding for the intake, which is solely the obligation of the Genesee County Division of Water & Waste Services. Then there is a set of bonds for the KWA portion which are scheduled to be sold in October. The market is being watched for many reasons. It is hopeful that the October deadline will produce the interest rates applicable to the bonding status/technicals. However, just in case the market hasn't slowed down by then, other options will be presented to the Board for consideration at the next meeting.

Trustee Alexander thanked Worth Township for hosting the meeting, and also reiterated the fact that this project is not a taxpayer expense.

Chairman Dayne Walling also thanked Worth Township for hosting the meeting and believes the project is a wonderful opportunity for all to work together and should open up a great number of potential developments that could improve the economy.

Adjournment

Meeting Adjourned at 4:10 p.m.

MEETING MINUTES DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss:
COUNTY OF GENESEE)

I, Janis M. Wells, Deputy Secretary of the Karegnondi Water Authority Board, do hereby certify the foregoing is a true and complete copy of the Minutes of Meeting on August 21, 2013, adopted by the Karegnondi Water Authority Board, acting in Genesee County, at a meeting held on September 17, 2013, and that public notice of said meeting was given pursuant to Act 267 of the Michigan Public Acts of 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have affixed my official signature on this 17th day of September, 2013.

JANIS M. WELLS, Deputy Secretary
Karegnondi Water Authority