

Bronson City Council
Minutes

Special Meeting

January 25, 2024

City Hall- 141 S. Matteson Street, Bronson MI 49028

5:00 pm

1. Call to Order & Pledge of Allegiance

Meeting called to order at 5:00 PM

2. Roll Call

Council Members Present: Mayor Matt Watkins, Vice Mayor Bill Earl, Councilmember Bill Rinehart, Councilmember Larry McConn, and Councilmember Rick Johannes

Staff Present: City Manager Brandon Mersman, and Clerk/Treasurer Tricia Rzepka

3. Public Comments - None

Public comments shall be limited to 3 minutes for items not listed on the agenda.

4. New Business Administrative Consent Order Financing/Engineering Discussion

City manager Brandon Mersman informed the council that the state is not willing to offer an extension. The City Of Bronson will either need to accept at 1% or have no extension. The state requires an answer by the end of the month and will need to know how much will be financed by February 16 as well as have the project plan completed. Prein & Newhof have stated that the loan could be in the amount of \$5 million.

Head works, and lift stations may not be necessary, which would allow the lower amount. Brandon also discussed that due to the increase in water and sewer payments last September with the lower amount financed there would not be a need for another large increase for rates. Brandon also stated that he looked at 40 year financing at 2.25%. At that rate we would be paying an extra \$1.9 million and would need a 25% grant in order for USDA to work.

Brandon stated that he will be working with EGLE and asked for a 90 day extension that would allow hiring of new engineers to review the existing plans. Brandon questioned if the council would like him to reach out to legislators if this is not given.

Mayor Matt Watkins questioned what the chances are of the extension and felt that 90 days to determine a new scope was not unreasonable.

Brandon stated if they are not willing to work with him he may go higher up in the chain.

Councilmember Larry McConn questioned if there was a list of what communities received funds also questioned that some of this seemed political, and whether or not, we would have issues of people living in homes with no water. City manager, Brandon Mersman, that the City Of Bronson is over 2% of the median income for water and sewer rates.

Mayor Matt Watkins suggested, explaining that the scope of the project has changed, and therefore would need more time.

Both Mayor Matt Watkins and City Manager Brandon Mersman stated that there would be some increase with rising cost if we delayed the project.

Mayor Matt Watkins question if the \$5 million would do enough to appease the State of Michigan?

Councilmember Rick Johannes stated that we are not asking for a year, we just need an additional 90 days.

Mayor Matt Watkins question when it was announced and 90 days later we're asking for an extension?

City manager Brandon Mersman stated that the extension was requested in November and that we had not heard back from them until now.

Mayor Matt Watkins questioned how the interviews of engineers went?

City manager Brandon Mersman stated that the interview with Avonmarche went well. They stated a person would be assigned who has worked with treatment plans in the past.

Councilmember Larry McConn stated that Prein & Newhof dropped the ball.

Mayor Matt Watkins felt that the game plan looked good.

Vice Mayor Bill Earl questioned if we decided to take the money on Wednesday, how much would we be taking?

Mayor Matt Watkins questioned when the contract with Prein & Newhof ends?

City Manager Brandon Mersman stated that it was not an ongoing contract and he will have to look at the specific project contract that is in place.

Councilmember Bill Rinehart questioned if we needed to make a decision on the amount?

If EGLE will not allow the extension, discussion took place as to how to move forward. Discussion also took place of possibly asking for \$10 million for the grounding and lining and then would need a special meeting to approve a new engineer.

Motion to adjourn made by councilmember, Larry McConn with support from vice mayor Bill Earl

5. Adjourn

Motion to adjourn made by Councilmember Larry McConn with support from Vice Mayor Bill Earl.

5 ayes/0 nays Motion Carried

Adjourned at 5:40 PM

Respectfully submitted,

Tricia Rzepka
Clerk/Treasurer
City of Bronson