

**VILLAGE OF KENT CITY  
SPECIAL COUNCIL MEETING  
March 25, 2021  
83 Spring Street, Kent City MI**

**2021-45** CALLED TO ORDER AND ROLL CALL

The meeting was called to order at 6:00 p.m. by President Rose.

Council present: Randy Clay, Greg Goss, Jill Krikke, Sue Smalley and Bert Rose.

Council absent: Merry Barron and Curtis Rice.

Officers present: Mary Portell, Clerk and Debbie Forth, Treasurer.

Others present: Scott Mouthaan.

**2021-46** APPROVAL OF AGENDA

**Motion** by Goss, 2<sup>nd</sup> by Smalley to approve the agenda as presented.

Vote: 5 Ayes; 0 Nays.

Motion CARRIED

**2021-47** PUBLIC COMMENT ON AGENDA ITEMS

Mr. Scott Mouthaan presented a proposal to increase the sewer rates based on property values.

**2021-48** BUSINESS

A. Sanitary Sewer System Capital Improvement Plan

Mr. Kevin Gritters, P.E. (P&N) stated this is a continuation of the council meeting he attended. It is the old sewers that were not replaced in 1998 and improvements at the WW treatment plant. The focus is not on the improvements that were done in the 1990's.

Mr. Andy Campbell from Baker Tilly presented a financial plan of the based on information from the SAW Grant. He's worked with over 400 communities. Typical operating income is 6 months, but the smaller communities should have more.

that included spreadsheets titled:

Comparative Statement of Net Position

Comparative Statement of Revenues, Expenses and Net Position

Comparative Detail of Operating Expenses (Mary will submit changes for Test Year)

Sewer Revenue Refunding Bonds, Series 2015

Cash Flow Analysis ~ increasing the sewer rates

There are inequities with a system that does not have meters. REU – every unit is based on 1. He thanked Mr. Mouthaan for his interest, but stated it's not legal to use home values. Sewer rates are based on how much it costs to run the system ~ not what other communities are charging. The low is \$105.00/qt. and high is \$155.00/qt.

There are 3 options for funding:

1. Open bank loan
2. State Revolving Fund
3. USDA ~ have to spend the money in 3 years. (best interest rates)

Improvements usually last 70 -100 years. No replacement for what was done with 1998 project. After further discussion, a resolution will be prepared to increase the sewer rates to \$35.00/mo (\$105.00 per quarter) for the June, 2021 billing. This increase will be for 3 years, with a \$3.00 increase in 2024/25, and so forth.

The next council meeting is April 8<sup>th</sup>. Kevin will be on vacation and will contact Mary for any special meetings. May 13<sup>th</sup> is tentatively scheduled for storm/roads.

- B. **Motion** by Goss, 2<sup>nd</sup> by Smalley to purchase a JOHN DEERE 3039R Compact Utility Tractor with mower for Fifty thousand, Two hundred Seventy-seven and 52/100 (\$50,277.52), financing with a 2-year lease, 0% interest, ½ down to be paid out of General Fund and equipment rental scheduled with O & M Sewer Fund paying for mowing.

Roll call Vote:

Ayes: Clay, Goss, Krikke, Smalley and Rose.

Nays: None.

Motion CARRIED

- C. **Motion** by Goss, 2<sup>nd</sup> by Krikke to award the drilling services bid to Stearns Drilling, for the amount of Seven thousand, Seven hundred four and 00/100 (\$7,704.00) dollars per EGLE requirements to repair 4 monitoring wells to be in compliance with the permit.

Roll call Vote:

Ayes: Goss, Krikke, Smalley, Clay and Rose.

Nays: None.

Motion CARRIED

**2021-49** ADJOURNMENT – **Motion** to adjourn by Krikke, 2<sup>nd</sup> by Smalley at 7:20 p.m.

Vote: 5 Ayes; 0 Nay.

Motion CARRIED

Respectfully submitted,

Mary Portell, Village Clerk