

## WEST SIDE WATER CITIZENS ADVISORY COMMITTEE MINUTES

July 19, 2016

3:30 p.m.

MEMBERS PRESENT: John Broughton, Marilyn McKenzie, Tracie Harris, John Koval, Troy Sika and Mike Sudberry

ALSO PRESENT: Randy Seida, Laura Tegels, Matt Woodbury, Diontrae Hayes, Susan Aten

ABSENT:

### Approval of the Agenda

Moved by Koval, supported by Sudberry to approve the agenda. Motion approved unanimously.

### Approval of Minutes

Moved by Harris, supported by McKenzie, to approve the minutes of June 13, 2016.

Motion approved unanimously.

## NEW BUSINESS

### 2015 Audit Draft Review

Seida informed the committee about some new audit rules for 2015 regarding net other post-employment benefits obligation and net pension liability. Aten explained that due to new government regulations these line items must be included on the yearly audit. Discussion was held by the committee regarding the new line items and how to increase the net working capital.

### Future Projects – Backup Generator and Water Main Replacement

#### Backup Generator

Seida informed the committee about the two options for the backup generator. Option one is a diesel fuel generator with an estimated cost of \$153,000.00; Option two is a natural gas generator with an estimated cost of \$185,000.00. Seida explained the positive and negative features for both generators. Discussion was held by the committee regarding the two options. Seida asked the committee to sole source the purchase and installation of the backup generator. A motion to sole source the purchase and installation of a natural gas generator by R. M. Electric, Inc.; to be included in the USDA loan, moved by Sika and supported by Sudberry. A unanimous vote was taken.

Motion Approved

### Water Main Replacement

Seida informed the committee that the Ingham County Road Department is planning a road project on Waverly Road south of St. Joseph Street. Seida recommended that the water main under this section of Waverly Road be replaced during the ICRD road project and the estimated \$600,000.00 costs for this project to be included in the USDA loan. A motion to increase the USDA loan by \$600,000.00 to cover the Waverly Road water main replacement project, if Ingham County Road Department does their road project, moved by McKenzie and supported by Sudberry. A unanimous vote was taken.

### Discussion of Future Water Rates

Discussion of the Readiness to Service rate increase was led by Seida. Seida recommends increasing the readiness to service rate by \$1.00 in 2017 along with a 6% rate increase on consumption for 2017, 2018 and 2019, with the increase to begin on January 1<sup>st</sup> for each year. Motion to go to the Board of Trustees with the rate increases for 2017, 2018 and 2019, moved by Koval, supported by Sudberry. A unanimous vote was taken to go to the Board of Trustees with the rate increases.

Motion approved.

Meeting adjourned at 4:50 p.m. These minutes have not been approved.

Approved on

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