

A G E N D A
JULY 21, 2011 - 5:00 P.M.
CHARTER TOWNSHIP OF BREITUNG
WATER & SEWER BOARD MEETING

1. Call to Order
2. Roll Call
3. Pledge to the Flag
4. Public Comment
5. A. Minutes from the previous meeting.
B. Approval of the Agenda.
6. Reports/Informational
 - A. Phase I Sanitary Sewer Special Assessment District
 - B. Water Project/Romitti Property
7. Board discretionary time.
8. Adjournment

NEXT REGULAR MEETING-AUGUST ____ 2011

HYDRAULIC ANALYSIS
FOR
WATER SUPPLY FROM QUINNESEC
TO
FAYAS PIT AT BREITUNG CUT-OFF ROAD

BREITUNG TOWNSHIP
DICKINSON COUNTY, MICHIGAN

Prepared By:

U.P. Engineers and Architects, Inc.
2906 N. Stephenson Ave., Suite 2
Iron Mountain, MI 49801

April 2011

Hydraulic analysis for the Fayas Pit at Breitung Cut-Off Road

Water supply from Quinnesec.

Existing

Quinnesec water distribution west most point (connection point) at the intersection of Lincoln/Third.

Available flow = 1,455 GPM @ 20 PSI residual (with well pumps **on**)
Available flow = 750 GPM @ 20 PSI residual (with well pumps **off**)
Elevation = 1,045'
Static Pressure = 100 PSI (with well pumps **on**)
Static Pressure = 63 PSI (with well pumps **off**)
Assumed Hazen-Williams factor = 120

Projected

At Fayas Pit at Breitung Cut-Off Road

Estimated Flow Requirements at Pit 1,000,000 gallons per year. Required peak flow at concrete plant = ?

Elevation @ Fayas Pit =1,045'

WELL PUMPS ON

Static Pressure =100 PSI (with well pumps **on**)

<u>Proposed Pipe Size</u>	<u>Pipe Length (Lincoln/ Third to Fayas Pit)</u>	<u>Flow @ 20 PSI Residual (with well pumps on)</u>
4"	4300'	175 GPM
6"	4300'	475 GPM
8"	4300'	850 GPM
12"	4300'	1190 GPM

WELL PUMPS OFF

Static Pressure =63 PSI (with well pumps **off**)

<u>Proposed Pipe Size</u>	<u>Pipe Length (Lincoln/ Third to Fayas Pit)</u>	<u>Flow @ 20 PSI Residual (with well pumps off)</u>
4"	4300'	165 GPM
6"	4300'	400 GPM
8"	4300'	600 GPM
12"	4300'	700 GPM

Note: These calculated values have not been calibrated against an actual hydrant flow test.

Proposed Sewer/Special Assessment Structure
January 20, 2011

The following is a tentative financial outline for the establishment of a special assessment financing package for the implementation of the Phase I Sanitary Sewer Project utilizing the 3.3 million loan and grant from Rural Development:

1. 2011 Budget contains \$105,000 General Fund transfer to the Sewer Fund consisting of \$70,000 for the Phase I and \$35,000 for the casing pipe at Breitung Cut Off Rd. and US Hwy 141 intersection. (See attached exhibit 1)
2. The \$70,000 General Fund contribution is made up of the following sources of real property tax, personal property tax, 425 shared revenues, and a general fund contribution. (See attached Exhibit II)
 - a. Real property tax generated in the district \$48,354
 - b. Personal property tax generated in the district \$ 3,774
 - c. 425 Revenue (Exhibit III) \$10,000
 - d. General Fund Revenue(Exhibit IV) \$ 7,872

Total **\$70,000**

This is an extremely important point to understand. The revenue sources shown in Exhibit II contain more properties than the special assessment district properties. Parrish Properties, Forward Financial, Goodwill and Wal-Mart all have sanitary sewer and therefore can not be special assessed. We are essentially creating a property tax capture district that will retain all real and personal property taxes generated in the sewer service area and allocated them to the special assessment district. (See Exhibit V)

The aerial photograph labeled Proposed Initial Service area and Exhibit V are the same, with one being a photo and the other identifying the real properties subject to the special assessment.

3. Now that the General Fund has established a \$70,000 match for the special assessment district, the 33 properties identified in Exhibit V would therefore each have a lump sum special assessment of \$1,560 per year or \$130 per month. Initially this would be for a term of 40 years. In reality it will be shorter because when the sewers are in they would be paying based on use and that will offset the special assessment.

4. If the General Fund Revenue is increased from \$7,872 as show in item 2 above by \$10,000 the total is then increased to \$80,000. The real and personal property tax capture would remain the same along with the 425 revenue totaling \$62,128.

Real, Personal property tax and 425 revenue	\$62,128
General Fund Revenue	<u>\$ 7,872</u>
Total	\$70,000

Real, Personal property tax and 25 Revenue	\$62,128
General Fund Revenue	<u>\$17,872</u>
Total	\$80,000

If \$80,000 is used to offset the special assessments the 33 property owners would pay an annual assessment of \$1,257 or \$104.75 per month.

The more the General Fund assumes, the less the special assessment will be to the properties in the district and the more likely the special assessment would pass. However, the General Fund cannot assume to large a role, given the current financial condition of the State of Michigan.

PLEASE SPEND SOME TIME REVIEWING THIS SUMMARY AND IF YOU HAVE ANY QUESTIONS CALL OR COME IN AND TALK TO ME.

IN ORDER TO PROCEED WITH PRESENTATIONS TO THE PROPERTY OWNERS, I NEED TO KNOW IF THE BOARD MEMBERS SUPPORT THIS APPROACH. IF YOU DO, PLEASE SIGN THE SPACE BELOW WITH THE AMOUNT OF SPECIAL ASSESSMENT YOU ARE COMFORTABLE WITH AND RETURN IT IN THE SELF ADDRESSED, STAMPED ENVELOPE.

_____ \$1,560.00 SPECIAL ASSESSMENT IS WHAT I SUPPORT.

_____ \$1,257.00 SPECIAL ASSESSMENT IS WHAT I SUPPORT.

Signature

Date

Breitung Township, MI					
US-2 Service Road Planning					
Proj. No. 11-0030					
Opinion of Probable Project Costs					
By: dcc 11-18-10					
Last Revision: dcc 06-11-11					
Item	Quantity	Unit	Description	Price	Amount
Service Road - WATER					
101	1	LS	50% of General Conditions, Bonds & Insurances	\$4,000	\$4,000
102	1	LS	50% of Mobilization	\$6,000	\$6,000
103	2,055	SY	50% of Existing Pavement Removal - Full Width (a)	\$2	\$4,110
104	475	LF	50% of North Side Concrete Curb Removal	\$2	\$950
105	1,095	LF	12" Class 350 Ductile Iron Water Main	\$65	\$71,175
106	30	LF	6" Class 350 Ductile Iron Hydrant Lead	\$45	\$1,350
107	240	LF	1" Type 'K' Copper Water Service Within ROW	\$30	\$7,200
108	360	LF	1" Type 'K' Copper Water Service on Private Property (b)	\$30	\$10,800
109	3	EA	12" Gate Valve & Box	\$2,500	\$7,500
110	6	EA	1" Service Corporation & Curb Stop Brass Sets	\$250	\$1,500
111	2	EA	Hydrant Assembly Including 6" Gate Valve & Box	\$2,500	\$5,000
112	3	EA	Connect to Existing Water Mains	\$2,500	\$7,500
113	6	EA	Water Meters - Furnish Only	\$120	\$720
114	2,025	LF	12" MDOT 22A Gravel Base over Utility (a)	\$15	\$30,375
115	2,055	SY	50% of 3" MDOT 13A Asphalt Pavement - Full Width	\$15	\$30,825
116	475	LF	50% of North Side Concrete Curb Replacement	\$20	\$9,500
117	1	LS	50% of Traffic Control	\$1,000	\$1,000
118	1	LS	50% of Soil Erosion & Sedimentation Control	\$1,000	\$1,000
			Construction Subtotal		\$200,505
			10% Contingencies		\$20,051
			10% Administrative, Permits, Legal & Financing (c)		\$20,051
			20% 18% Engineering		
			Mapping	\$0	
			Soil Borings	\$2,005	
			Design	\$8,020	
			Permits	\$2,005	
			Bidding	\$4,010	
			Construction General Engineering & Admin	\$6,015	
			Construction Resident Proj Representative	\$10,025	
			Construction Testing	\$2,005	
			Construction Road Restoration Stake-out	\$2,005	
			Engineering Total	\$36,091	\$36,091
			Service Road Total - WATER		\$276,697

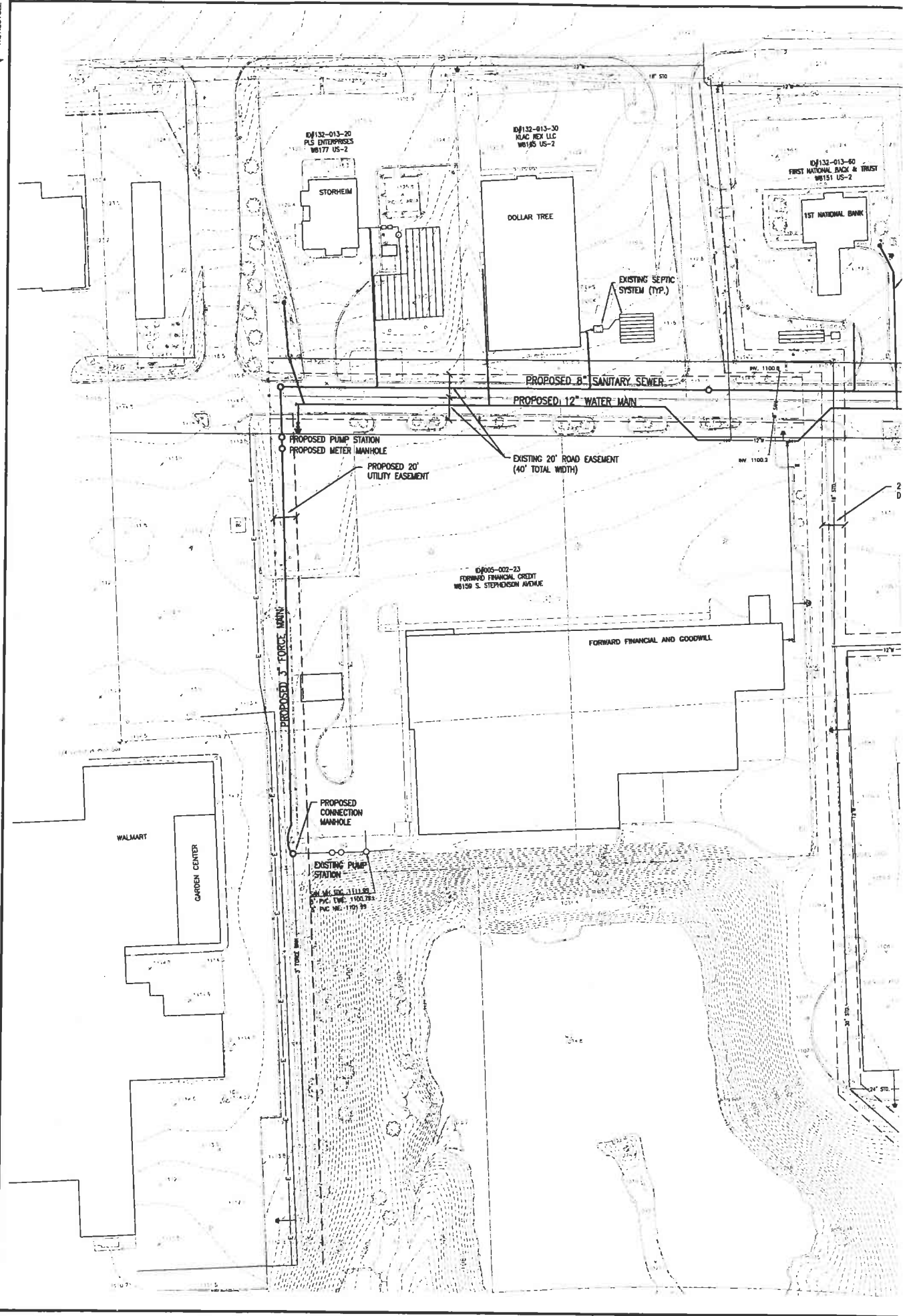
Breitung Township, MI					
US-2 Service Road Planning					
Proj. No. 11-0030					
Opinion of Probable Project Costs					
By: dcc 11-18-10					
Last Revision: dcc 06-11-11					
Item	Quantity	Unit	Description	Price	Amount
Service Road - WASTEWATER					
201	1	LS	50% of General Conditions, Bonds & Insurances	\$4,000	\$4,000
202	1	LS	50% of Mobilization	\$6,000	\$6,000
203	2,055	SY	50% of Existing Pavement Removal - Full Width (a)	\$2	\$4,110
204	475	LF	50% of North Side Concrete Curb Removal	\$2	\$950
205	980	LF	8" SDR 26 PVC Sanitary Sewer	\$65	\$63,700
206	60	LF	6" SDR 26 PVC Sanitary Lateral within ROW	\$45	\$2,700
207	490	LF	6" SDR 26 PVC Sanitary Lateral on Private Property (b)	\$45	\$22,050
208	\$360	LF	3" SDR 17 HDPE Force Main	\$35	\$12,600
209	4	EA	48" Diameter Pre-cast Concrete Gravity Sewer Manhole	\$2,500	\$10,000
210	1	EA	48" Diameter Pre-cast Concrete Force Main Manhole	\$3,500	\$3,500
211	1	EA	Duplex Grinder Pump Station and Meter Vault	\$75,000	\$75,000
212	300	LF	12" MDOT 22A Gravel Base over Utility (a)	\$15	\$4,500
213	2,055	SY	50% of 3" MDOT 13A Asphalt Pavement - Full Width	\$15	\$30,825
214	475	LF	50% of North Side Concrete Curb Replacement	\$20	\$9,500
215	1	LS	50% of Traffic Control	\$1,000	\$1,000
216	1	LS	50% of Soil Erosion & Sedimentation Control	\$1,000	\$1,000
			Construction Subtotal		\$251,435
			10% Contingencies		\$25,144
			10% Administrative, Permits, Legal & Financing (c)		\$25,144
			20% 18% Engineering		
			Mapping	\$0	
			Soil Borings	\$2,514	
			Design	\$10,057	
			Permits	\$2,514	
			Bidding	\$5,029	
			Construction General Engineering & Admin	\$7,543	
			Construction Resident Proj Representative	\$12,572	
			Construction Testing	\$2,514	
			Construction Road Restoration Stake-out	\$2,514	
			Engineering Total	\$45,258	\$45,258
			Service Road Total - WASTEWATER		\$346,980
..					

Breitung Township, MI					
US-2 Service Road Planning					
Proj. No. 11-0030					
Opinion of Probable Project Costs					
By: dcc 11-18-10					
Last Revision: dcc 06-11-11					
Item	Quantity	Unit	Description	Price	Amount
Future R.O.W. to Breitung Ave. - WATER					
301	1	LS	General Conditions, Bonds & Insurances	\$2,000	\$2,000
302	1	LS	Mobilization	\$3,000	\$3,000
303	2,235	LF	12" Class 350 Ductile Iron Water Main	\$60	\$134,100
304	20	LF	6" Class 350 Ductile Iron Hydrant Lead	\$45	\$900
305	150	LF	24" Casing Pipe for Railroad Crossing	\$350	\$52,500
306	5	EA	12" Gate Valve & Box	\$2,500	\$12,500
307	1	EA	Hydrant Assembly Including 6" Gate Valve & Box	\$2,500	\$2,500
308	1	EA	Connect to Existing Water Mains	\$2,500	\$2,500
309	2,100	LF	Topsoil, Seed and Mulch Surface Restoration	\$3	\$6,300
310	1	LS	Restoration at Breitung Ave.	\$10,000	\$10,000
311	1	LS	Soil Erosion & Sedimentation Control	\$1,000	\$1,000
			Construction Subtotal		\$227,300
			10% Contingencies		\$22,730
			10% Administrative, Permits, Legal & Financing (c)		\$22,730
			20% 18% Engineering		
			Mapping	\$0	
			Soil Borings	\$2,273	
			Design	\$9,092	
			Permits	\$2,273	
			Bidding	\$4,546	
			Construction General Engineering & Admin	\$6,819	
			Construction Resident Proj Representative	\$11,365	
			Construction Testing	\$2,273	
			Construction Road Restoration Stake-out	\$2,273	
			Engineering Total	\$40,914	\$40,914
			Future to Breitung Ave. Total - WATER		\$313,674
NOTES:					
			(a) Assumes full width existing base will not need removal and replacement - soil borings will indicate existing base depth		
			(b) Will require Temp. easement - USDA funds can not be used on private property if they are providing financing		
			(c) Does not include land (R.O.W.) purchase, assumes bond counsel assistance in financing		
			..		



NOT TO SCALE

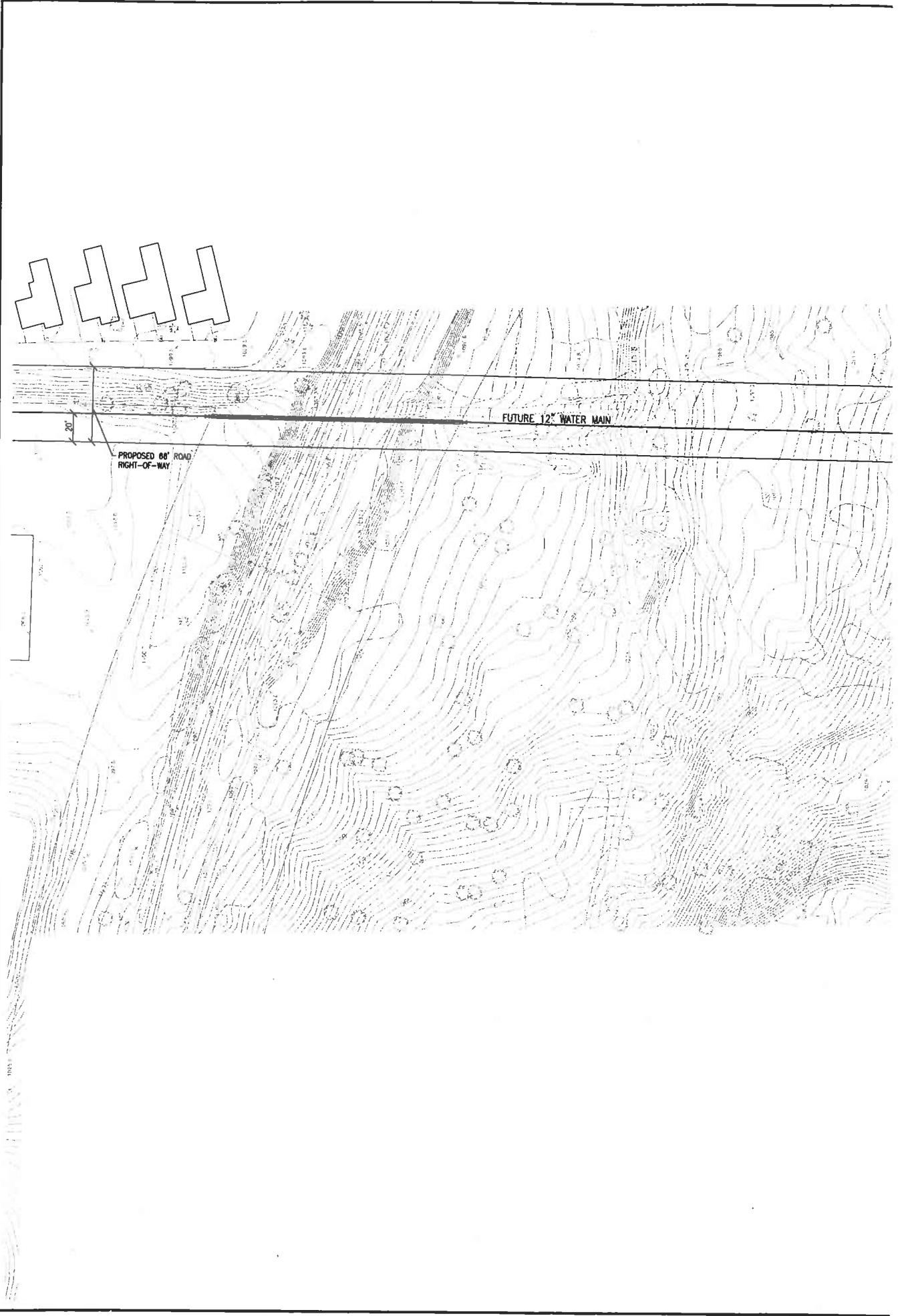
DESIGNED BY: DEBORAH JILL HAZARDI/LS&J AM
CHECKED BY: JAMES MADRYN
PLOTTED BY: DEBORAH JILL HAZARDI/LS&J AM
PROJECT: 10115 S. STEPHENSON AVE. SOUTH OF WALKMART - CITY OF WALKMART





NOT TO SCALE

PLATTED BY: DENVER, ALL RIGHTS RESERVED
DESIGNED BY: DENVER, ALL RIGHTS RESERVED
DRAWN AND BY: DENVER, ALL RIGHTS RESERVED



APPROVED BY: DENVER, ALL RIGHTS RESERVED
CHECKED BY: DENVER, ALL RIGHTS RESERVED

SPECIAL ASSESSMENT PETITION FOR PUBLIC IMPROVEMENTS (SANITARY SEWER)

TO: Township Board
Charter Township of Breitung, Dickinson County, Michigan

We, the undersigned, being the "record owners" (person or persons, private or corporate possessed of the most recent fee title to the lands or of a land contract purchaser's interest in the lands as shown by the records of the county register of deeds) of lands situated in a proposed special assessment district to be situated in Section 3, T39N, R30W, Section 4, T39N, R30W, Section 5, T39N, R30W, Section 32, T40N, R30W of the Charter Township of Breitung, County of Dickinson, Michigan, and consisting of:

SECTION 3, T39N, R30W

THE W ½ X NW ¼ X NW ¼ LYING N OF THE US-2 R/W EXCEPT: COMM AT THE SW FORTY COR, TH N ALG THE W LINE TO THE N R/W OF US 2, TH E ALG THE R/W 145.00 FT TO THE POB: TH N 250.00 FT, TH E 100.00 FT, TH S 250.00 FT TO THE N R/W OF US-2, TH ALG THE R/W 100.00 FT TO THE POB

SECTION 4, T39N, R30W

BEG AT THE INT OF THE S R/W C & NW RR & THE W SEC LINE, TH E ALG THE R/W TO THE W R/W OF US 141, TH S ALG THE R/W TO THE N R/W OF LINCOLN ST, TH E ALG THE R/W TO THE W LINE OF THE NE ¼, TH N ALG THE W LINE TO THE N SEC LINE, TH E ALG THE N SEC LINE TO THE E SEC LINE, TH S ALG THE E SEC LINE TO THE N R/W OF MENOMINEE ST, TH W ALG THE R/W TO THE W LINE OF THE NE ¼ X NE ¼, TH S ALG THE W LINE OF THE NE ¼ X NE ¼ AND W LINE OF THE SE ¼ X NE ¼ TO THE S LINE OF THE SE ¼ X NE ¼, TH W ALG THE S LINE OF THE SE ¼ X NE ¼ AND THE NW ¼ TO THE W SEC LINE, TH N ALG THE W SEC LINE TO THE POB, EXECPT BEG AT THE NW COR OF THE NE ¼, TH E ALG THE N LINE 320.00 FT, TH S 04 DEG 02' 00" W 231.80 FT, TH S 84 DEG 35' 00" W TO THE W LINE, TH N ALG THE W LINE TO THE POB, ALSO EXCEPT PART OF THE NW ¼ X NW ¼ COMM AT THE SW COR, TH N ALG THE W FORTY LINE TO THE N R/W OF US-2, TH E ALG THE R/W 145.00 FT TO THE POB: TH N 250.00 FT, TH E 100.00 FT, TH S 250.00 FT TO THE N R/W OF US-2, TH W ALG THE R/W 100.00 FT TO THE POB

SECTION 5, T39N, R30W

BOUNDED ON THE N BY THE S C & NW RR R/W IN THE N ½ OF THE NE ¼ X NE ¼, ON THE E BY THE E SEC LINE, ON THE S BY THE S LINE OF THE NE ¼ X SE ¼, AND ON THE W BY THE W LINE OF THE NE ¼ X SE ¼ AND THE W LINE OF THE E ½ X NE ¼. ALSO ALL THAT PART OF THE NW ¼ OF THE NE ¼ LYING N OF THE R/W OF THE C & NW RR

SECTION 32, T40N, R30W

ALL OF THE SW ¼ OF THE SE ¼ LYING S OF THE R/W OF US-2

hereby petition the Township Board of the Charter Township of Breitung, County of Dickinson, Michigan, under the provisions of Act 188, Public Acts of Michigan, 1954, as amended, to acquire, construct and maintain certain sanitary sewer improvements and all necessary and related accessories and appurtenances for the aforesaid lands in the aforesaid district and to create and establish a special assessment district for the purpose of assessing the cost of said improvements on the properties in the district. Such improvements are to consist generally of sewer lines, laterals, lift station, temporary power and manholes.

(WARNING: SIGN ONLY YOUR NAME. EACH PERSON WHOSE NAME APPEARS ON THE REGISTER OF DEEDS' RECORDS AS OWNER OR LAND CONTRACT PURCHASER MUST SIGN IN ORDER TO INCLUDE THE LAND IN THE MORE THAN 50% OF THE TOTAL LAND AREA REQUIREMENT.)

We, the undersigned, understand that the improvements shall be constructed in accordance with the plans for the same to be prepared for, and reviewed and approved by the Township Board, and that the costs thereof, including expenses connected with engineering, financing and legal costs will be assessed against each parcel of land within the proposed district in accordance with applicable laws of the State of Michigan.

<u>Signature of Owner</u>	<u>Date</u>	<u>Lot or Parcel Number, Address or Description of Parcel of Land</u>
<u>Town & Country Sales Co.</u>	_____	<u>003-010-00</u>
_____	_____	_____
<u>Thomas Theater Group Inc.</u>	_____	<u>004-001-20</u>
_____	_____	_____
<u>Thomas Sullivan/ Beth T</u>	_____	<u>004-002-00</u>
_____	_____	_____
<u>Scott Morin Excavating</u>	_____	<u>004-030-00</u>
_____	_____	_____
<u>MBM Realty</u>	_____	<u>132-013-40</u>
_____	_____	_____
<u>Midwest Gravel Inc.</u>	_____	<u>005-014-00</u>
_____	_____	<u>005-006-00</u>
<u>David L Carey/ Sandra J</u>	_____	<u>004-010-01</u>
_____	_____	<u>005-001-20</u>
_____	_____	<u>005-006-20</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

CIRCULATOR – Do not sign or date certificate until after circulating petition

(SIGNATURE OF CIRCULATOR) (DATE)

(CITY OR TOWNSHIP WHERE REGISTERED)

COMPLETE ADDRESS (STREET AND NUMBER OF RURAL ROUTE)

CITY OR TOWNSHIP

Water Board Meeting
July 21, 2011 5:00 P.M.

Romitti Water Supply

Kevin Romitti who, purchased the Fayas gravel pit on the Breitung Cut Off Rd., has been in discussions with the Township to obtain water to that property. His plans are to move the cement operation and office from the Kingsford site to the Fayas site and make burial vaults, septic tanks and blacktop at that location. In order to move the cement operation he needs a source of potable water as the standards for cement require potable water to be used. He does have the option of drilling a well to get the water necessary but he is limited by DEQ requirements since he is close to Jones Creek and also faces the potential of hitting contamination from the old landfills that surround the site.

Attached is an evaluation of supplying the water and an option of coming from US-2 by Home Depot with a water main. The Quinnesec option is the most expensive based on the length of the line needed. The US-2 option is shorter but requires easements from Home Depot to run the line to the South

There is limited grant money available from the MEDC in the amount of \$160,000. There are very few other sources of money other than loans that are available to assist in financing this project. As a result, the purpose of this discussion is to start looking at ways to get water to the site and minimize the need to develop a groundwater source. The risk of hitting contaminated water would be extremely costly to the local governments because they are contributors to the landfills in the area. What this comes down to is where the greater risk is and which is the most cost effective way to reduce the risk.

Phase I Sanitary Sewer Special Assessment

The Phase I sanitary sewer project which consists of 2.55 million loan and \$750,000 grant from Rural Development is nearing the beginning of the special assessment stage. At this point the annual assessment per property is \$1,287 per year. So far there are property owners with over 50% of the acreage who have verbally committed to supporting the special assessment district. As of this writing a petition is being circulated for those who have expressed interest in the project.

When the petitions are received the Township Board has the option of moving forward with the special assessment district or declining the district and returning the funds to Rural Development. The General fund is assuming roughly 70% of the principal and interest on the loan. The annual payment will be \$121,500 with an interest rate of 3.63%

for a term of 40 years. If the pipe is installed and there is flow generated, there will be the ability to reduce the general fund subsidy of the loan payment.

The special assessment process consists of 4 public hearings, the creation of a special assessment role and the establishment of the district. Once the district is in place the Township will attempt to sell a capital improvement bond which allows the use of money from many different sources to pay the loan. There is a 45 day notice period in which opponents of the bond must secure signatures from 20% of the registered voters to put the bond issue on a ballot and call for a township wide vote on it. If that does not happen, the project will go into the design stage.

I am not asking the Water Board to take any action at this time. This is only to bring you up to speed on where we are in the process and ask for your input and suggestions on the project. The properties highlighted in yellow are ones who have verbally committed to the project.

