

Yankee Springs Water Advisory Board August Meeting Minutes

1. **Call to Order:** The August 20th meeting of the Yankee Springs Water Advisory Board was officially called to order by Chairman Greg Purcell at 6:02 PM.
2. **Roll Call:** Board Members Alice Jansma, Richard Beukema, Michael Peiffer, and Greg Purcell were present. Todd Delamar was absent with notice. Gun Lake Area Sewer Authority Director Larry Knowles and Office Manager Tara Palandri were present, along with Michigan Rural Water Association representative John Monsees.
3. **Public Comment:** None present.
4. **Hookup Rates**
 - a. The Board explained to Mr. Monsees that the Yankee Springs Township Water System currently has a direct and an indirect connection fee. The issue is that there is no definition in the ordinance differentiating a direct fee from an indirect fee. Mr. Purcell asked Mr. Monsees, in his experience, how other municipalities establish connection fees.
 - b. Mr. Monsees explained that each municipality establishes connection fees differently. Some take into account the value of the system, some base on pace for growth, others differentiate based on the size of the water line, etc. It depends on the characteristics and priorities of each municipality. He also stated that he has never seen a direct and indirect connection fee for a water system in his experience.
 - c. Mr. Purcell asked Mr. Knowles to present his findings on what the cost of the connection fee would be based on the value of the water system. Mr. Knowles' findings are as follows:

Total Assets:	\$2,156,197
Total Debt:	<u>\$ 448,281</u>
Total for Capacity Study:	\$1,707,916
Total Water System REUs: 268	
	$\$1,707,916 / 268 = \underline{\$6,372.82}$
<i>If meter size is taken into account for REUs, use 300</i>	
	$\$1,707,916 / 300 = \underline{\$5,693.05}$
Current direct connection fee: \$3,600.00	
Current indirect connection fee: \$3,100.00	
 - d. After much discussion, Ms. Jansma suggested that the entire water ordinance should be updated due to a lack of definitions and inconsistencies throughout.
 - e. More discussion ensued. The Board agreed to propose \$4,000.00 as the new singular connection fee to the Township Board, eliminating direct and indirect fees. Mr. Purcell volunteered to draft a resolution containing the proposed \$4,000.00 connection fee to be presented at the next meeting.
5. **New Business:** None.
6. **Discussion:** None.
7. **Adjournment:** Meeting adjourned at 7:07 PM by Mr. Purcell, supported by Ms. Jansma, passed 4-0.

Next Scheduled Meeting: August 27, 2019 @ 6:00 PM