

Melrose Township Board of Trustees Approved Minutes

Public Hearing

December 3, 2013 7:00pm

Call to Order V. Goodwin called to order 7:01 pm

Present: L. Meadows, S. Burr, V. Goodwin, P. Cotanche, R. Hissong Berry

(Audience of 30+ citizens)

Approval of Agenda

Motion to amend the agenda by moving the Resolution to item II.

Motion L. Meadows, 2nd P. Cotanche; 5/0 Approved

- I. Accept the validated petitions- motion
Clerk confirmed the names on the petitions have been validated with the Assessors records of property owners. More than 80% of water system customers have signed in support of the purchase.
Motion to accept the validated petitions as presented.
Motion: P. Cotanche 2nd S. Burr; 5/0 Approved
- II. Resolution 2013-12-03-08 Purchase of Walloon Lake Water System
See attached resolution.
V. Goodwin read the motion out loud .
Motion to approve Resolution #2013-12-03-08 Purchase of Walloon Lake Water System.
Motion V. Goodwin 2nd P. Cotanche
Roll Call vote: L. Meadows – Y, S. Burr- Y, V. Goodwin- Y, P. Cotanche-Y, R. H. Berry-Y
Approved 5/0
- III. Review the process to be followed for the Hearing
The general information will be reviewed and then questions will be taken from the audience.
- IV. Summary of the Walloon Lake Water System status.
The purchase negotiations will begin with this formal approval.
The targeted price is \$1.3 million. The existing system would be purchased with the customers paying a monthly fee to make the payments. The DEQ has a revolving fund that can be applied to for a loan to make this purchase. They are now working on 2015 grants. Rates are not yet set for that period. Using the current rates the cost of the loan is reflected below:

Years of loan	Rate	Single Annual Payment	12 monthly Payments	Monthly Cost per User based upon 190 users
10	3%	\$152,400.	\$150,635.	\$66
10	5%	\$168,356.	\$165,462.	\$73
20	3%	\$87,380.	\$86,517.	\$38
20	5%	\$104,315.	\$102,953.	\$45

FIXED COST: Estimates based upon annual cost / 12 months/ 190 users

These will be in the monthly fee users will pay per user:

Insurance	\$.94
Electric Bill	\$.47
Testing	\$.40
Operation-	\$6.41 Includes hiring a licensed company to operate the system

The customer will be responsible from the valve to the house. The system will be responsible for the other repairs.

The process is now to negotiate the purchase. When that is detailed a second Public Hearing will be held, then a firm price structure will be available.

There will be a price per gallon used fee to be determined. That revenue will be the funds for maintenance, building and improving the system.

Remember that the DEQ will have a lot of input and expectations for the improvement process and priorities.

The cost will not go down.

Books will be open because it will be held publicly.

V. Public Input

Mr. V. Goodwin read letters of concern that have been received from:

S. Gilmette

Mr. & Mrs. Michael Scarpello

C. Butler

Public Comment

Every user will pay a fair share of the operation of the water system.

Thank you to the board for sticking with this project.

Adjournment at 8:12 pm