



10405 Merrill Road
P.O. Box 157
Hamburg, MI 48139
(810) 231-1000
www.hamburg.mi.us

TO: Hamburg Township Board of Trustees

FROM: Jason B. Negri, Supervisor

DATE: July 16th, 2026

AGENDA ITEM TOPIC: 9704 Kress Holdings LLC Request for Sewer Tap Fee
Deferment Payment Agreement
Number of Supporting Documents: 1

Requested Action

- Approval by the Board.

Background

- Applicant is renovating the Blue Water Grill on Kress Rd but the structure of their consolidated loan requires them to have permits in place before receiving their loan money, which they need to pay up front fees like our sewer tap fee. MUC reviewed the situation and determined to help them out by recommending the Township grant the permit, but allow them some time to pay the connection fee (October 8 of this year without interest, but October 8 of next year with interest due on unpaid balance). No hookup or Township action will take place until the fee is paid.

Fiscal Considerations

Does the agenda item require the expenditure of funds? Yes ☐ No ☒

Are funds budgeted? Yes ☐ No ☒

Fiscal year affected: 2026/2027

Is a budget amendment required?

Yes ☐ No ☒

General Ledger number(s) affected: _____

SEWER TAP FEE DEFERRED PAYMENT AGREEMENT

THIS AGREEMENT is made the _____ day of _____, 2026, by and between Hamburg Township, a general law township, 10405 Merrill Road, P.O. Box 157, Hamburg, Michigan, 48139 (hereafter "Township") and **9704 Kress Holdings LLC**, a Limited Liability Company whose address is 16617 Riverside Drive, Livonia, MI 48154 (hereafter "Owner"):

Township and Owner agree as follows:

1. **Property.** Owner has title to the "Property" covered by the terms of this Agreement which is described in *Exhibit A* attached.
2. **Connection.** Owner is required to, or has elected to, connect the commercial structure located on the Property to the Hamburg Township Sanitary Sewer System (HTSSS). The parties acknowledge the Property is not subject to an HTSSS special assessment levied by the Township.
3. **Fees and Costs.** The fees and costs for the sewer connection amount to \$ 22,500.00 (the "Cost") as set forth in the Engineer's Opinion of Probable Construction Cost attached as *Exhibit B*. The parties acknowledge the Cost is an estimate based on present engineering principles and market conditions. In the event the Cost exceeds this amount, Owner agrees to be solely responsible for the immediate payment of any such overruns. In the event the Project Costs are less than the estimated amount paid by the Owner, the Township will refund such overpayment as provided in the *Policies and Procedures for the Establishment of the Sewer Refund Calculation Guidelines* as adopted by the Township on March 31, 2001, as may be amended.
4. **Installment Payments.** Owner has elected to pay the amounts contemplated by this Agreement as follows:
 - A. An initial amount of \$ 0.00 is due and payable upon execution of this Agreement.
 - B. If the Cost is not paid in full on or before October 8, 2026, the balance shall be paid in two equal installments in the amount of \$ 11,250.00 each, or more, plus interest at the rate of eight (8%) percent on any unpaid balance still owing after the initial due date. The first installment payment of \$11,250.00 shall be due on October 8, 2026. The entire indebtedness due and owing on this Agreement shall be due on or before October 8, 2027.

- C. Until the entire Cost (plus interest, if applicable) is paid in full, Owner shall not be connected into the HTSSS.

5. **Sewer Connection & Use Requirements to be Completed by the Owner.** Pursuant to Township Ordinances, all permitted Food Service Establishments (FSEs) shall install, operate and maintain an outdoor grease interceptor at their own expense. Outdoor grease interceptors shall be constructed in accordance with designs approved by the Township and shall have a minimum of two compartments with fittings designed for grease retention. Sizing and installation shall conform to the current edition of the plumbing code used by the Township. The design for an outdoor grease interceptor shall be submitted to the Township for approval prior to submitting the building permit plans. The interceptor shall be installed, and deemed acceptable by the Township after inspection, prior to issuance of a certificate of occupancy. Outdoor grease interceptors shall be inspected monthly at a minimum, or more often if dictated by site-specific conditions. The FSE shall maintain a written record of inspections, pump-out, and maintenance of the outdoor grease interceptor for three years. All such records shall be available for review by the Township's representative during all operating hours.

Unless already installed and in working condition, all nonresidential sewer users shall have a water meter, of the size and type approved by the Township, installed on the user's water supply. The user shall purchase the meter through the Township. The cost of both the meter and the installation shall be paid for by the user with the installation to be made by the user and approved by the Township. Wiring the meter to an electronic touchpad shall be included as part of the water meter installation and will also be subject to Township approval.

6. **Commencement of Sewer Service.** The parties acknowledge that commencement of sewer service as contemplated by this Agreement shall be at the option of the Township and the Township shall not be required to commence service until the sewer connection/tap fee payment is received in full and all items have been completed as described in Paragraph 5. The Township reserves the right to delay said commencement of sewer service until such time as payment has been received and all sewer-related requirements have been met for the Property.

7. **Operation and Maintenance Costs.** In addition to the amounts set forth in Paragraph 3, the property will be subject to continuing operating and maintenance (O & M) charges and any other rates or charges for use of the HTSSS as set forth in any and all applicable ordinances, including the Wastewater Treatment and Administration Ordinance as may be amended.

8. **Special Assessment Lien.** The Owner and the Township further agree this Agreement shall constitute a special assessment lien on the Property pursuant to Act 188, Public Acts of 1954, as amended, MCL 41.721 et seq ("Act 188") for any unpaid amounts that may become due and owing as a result of this Agreement. Owner specifically acknowledges they are entitled to certain public hearings and notices pursuant to the provisions of Act 188, as the Owner voluntarily agrees to waive any rights it may have to such public hearings and notices.

Owner specifically agrees that the special assessment lien created by this Agreement is a valid and binding lien, enforceable in accordance with the terms of Act 188 and the Laws of the State of Michigan. Township shall have all rights to enforce this lien as provided under Act 188 and the laws of the State of Michigan, including but not limited to imposing penalties and the additional interest, placing delinquent special assessments on the Township's Ad Valorem property tax roll, selling the Property at a tax sale, and disconnecting the Property from the HTSSS. Owner agrees this Agreement may be recorded with the Livingston County Register of Deeds. Owner warrants, agrees and covenants with the Township that they shall take no action to challenge the lien created hereby and the Owner warrants, agrees and covenants that they will not take any other steps to question the legal effect of the lien created by this Agreement.

9. **Easement Grants.** Owner agrees to grant and convey to the Township whatever easements may be necessary in order to install and connect sewer service to the Property, including grinder pump and utility easements over, across, and under the property. Owner acknowledges this provision applies to the needs of the Township for present or future utility services.

10. **Entire Agreement, Modification, Severability.** This Agreement presents the entire understanding between the parties and any representations, inducements, promises, or agreements, oral or otherwise, entered into prior to the execution of this agreement are null and void and will not alter the conditions set forth herein. The Agreement shall not be modified in any manner, except by an instrument in writing executed by the parties. In any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be declared invalid or unenforceable, the remainder of the terms of the Agreement shall remain in full force and effect and shall not be affected by any such declaration.

11. **Ordinance Compliance.** Owner acknowledges that the Owner is subject to and will comply with all present and future township ordinances pertaining to sewer installation and operations, pursuant to the Code of General Ordinances for Hamburg Township, Chapter 14 – Environment; Article III. – Wastewater Treatment and Administration.

12. **Ownership of System.** Owner agrees to execute whatever easements or other documents as may be necessary to establish the sewer connection and services contemplated by this Agreement. The parties acknowledge that the Township shall be the sole owner and operator of the system as and when extended over and under the Property pursuant to the terms of this Agreement. The Township shall be solely and separately responsible for the operation and maintenance of the HTSSS.

Executed in duplicate, each of which shall have the force and effect of an original, by the Township on the ____ day of _____, 2026 and the Owner on ____ day of _____, 2026.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year above written.

WITNESSES:

HAMBURG TOWNSHIP

By: Jason B. Negri
Its: Supervisor

By: Michael Dolan
Its: Clerk

STATE OF MICHIGAN)
)ss
COUNTY OF LIVINGSTON)

On this _____ day of _____, 2026, before me, a Notary Public, in and for said County, State of Michigan, personally appeared Hamburg Township, Jason B. Negri, Supervisor and Michael Dolan, Clerk, who being duly sworn depose and say that they have read the foregoing document, by them subscribed and know the contents thereof; that the same is true of their own knowledge, and to those matters therein contained and stated to be upon information and belief, they believe them to be true.

_____, Notary Public
Livingston County, MI
My commission expires:

WITNESSES:

OWNER
9704 Kress Holdings, LLC

By: April Wood
Its: Managing Member

STATE OF MICHIGAN)
)ss
COUNTY OF LIVINGSTON)

On this ____ day of _____, 2026, before me, a Notary Public, in and for said County, State of Michigan, personally appeared 9704 Kress Holdings LLC, April Wood, Managing Member, who being duly sworn deposes and say the he/she/they read the foregoing document, by him/her/them subscribed and know(s) the contents thereof; that the same is true of his/her/their own knowledge, and to those matters therein contained and stated to be upon information and belief, he/she/they believe(s) them to be true.

_____, Notary Public
Livingston County, MI
My commission expires: _____

EXHIBIT A

This **Exhibit A** is attached to and made a part of a certain Agreement for Sewer Connection, dated _____, 2026 between 9704 Kress Holdings, LLC and Hamburg Township.

Parcel # 15-21-405-016

SECTION 21 T1N R5E PART OF OUTLOT D OF SHAN GRI LA SUB ANNEX 4 BEG AT THE SE COR OF OUTLOT D TH N 58*W 119.05 FT TH N37*E 186.85 FT TH S 51*E 98 FT ALONG SLY ROW LINE SHAN GRI LA DR TH S 30*W 172.10 FT ALONG WLY ROW LINE KRESS RD TO POB 0.44 AC.

PREPARED BY: Jason B. Negri, Township Supervisor, 10405 Merrill Road, Whitmore Lake, MI 48189

WHEN RECORDED RETURN TO: Township of Hamburg, P.O. Box 157, 10405 Merrill Road, Hamburg, MI 48139

Engineer's Opinion of Probable Construction Cost

EXHIBIT B

Connection to Low Pressure Sewer System

Job Address: 9704 Kress Road
Tax I.D. #: 15-21-405-016
Owner: 9704 Kress Holdings LLC
Mailing Address: 16617 Riverside Drive, Livonia, MI 48154
Phone: Day: (734) 930-7342 Evenings: (810) 231-1346
Date: July 21st, 2026

Item	System Cost
Construction Costs (Contractor _____)	
• Sewer Main line Extension/Engineering	\$ _____
• Install Grinder Pump Station (GPS) - (Tie into the grinder pump station control panel)	\$ _____
• Equipment Mobilization	\$ _____
• 1-1/2" Discharge Pipe - Directional Bore (_____ L.F. at \$_____/L.F.)	\$ _____
• Lateral Sewer Connection	\$ _____
• Restoration of Property (Grass Seed, Straw, etc.)	\$ _____
• Electrical Service for Grinder Pump Station (From Control Panel to Structure) (Optional – MUST be completed by a licensed electrician, requires permit.)	
Residential Structure – Tie into electrical supply from existing meter box	\$ _____
* Current Pricing from Contractor is \$395.00 up to 25 ft., \$12.50/foot for additional footage	
Residential Structure – Tie into electrical supply from existing circuit panel	\$ _____
* Current Pricing from Contractor is \$555.00 up to 50 ft., \$18.50/foot for additional footage	
Commercial Structure – Tie in price to be agreed upon with Contractor	\$ _____
• 4" Building Sewer Pipe (connection to GPS)-(Optional - may be completed by Homeowner)	\$ _____
* Current Pricing from Contractor is: New Construction \$260.00 up to 10 ft., \$24.00/ft over 10ft.	
• Abandon Septic Tank - (Optional - may be completed by Homeowner)	\$ _____
* Includes 4" building sewer connection into grinder pump station.	
Subtotal Construction Costs	\$ <u>NOT INCLUDED</u>
Materials & Services Provided by Township	
• Administration*	\$ _____
• MI DEQ Permit # _____ Issue Date: _____	\$ _____
• Grinder Pump Station System	\$ _____
• Sewer Tap Fee/Connection Charge (3.0 REUs x \$7,500.00 ea.)	\$ <u>22,500.00</u>
Subtotal Mtl. & Serv. Provided by Township	\$ <u>22,500.00</u>
TOTAL (to be paid prior to starting Construction)	\$ <u><u>22,500.00</u></u>

* Administration includes: Easement Preparation & Recording; Engineering for GPS Location; Contractor and Supplier Coordination; Inspections; Permanent Records; System