

CITY OF HARTFORD
PROPOSED SPECIAL MEETING MINUTES
AUGUST 15, 2022

Members Present: Ramon Beltran; Ron Burluson; Frank Dockter; Richard A. Hall; John Miller; Helen Sullivan; Terry Tibbs

Members Absent:

Staff Present: Akinwale; Rodney-Isbrecht;

Pledge of Allegiance was said.

- Mickey Bittner, Wightman – EGLE has very tight deadlines requiring a special meeting to award bids and move forward with the project. Bid opening were last Thursday, recommended breaking out the project into three separate contracts, 1. Wastewater Plant Improvements 2. Foremain & Gravity Sewer Replacement 3. Sewer Lining, to get the best price instead of one general contractor to capture the best value; contracts came in \$500,000 + over budget from last year's projections due in part to supply line issues. After a meeting with the City Manager & Department of Public Works they were able to make some recommendations to reduce the scope of work by eliminating a forcemain replacement in Contract B in the amount of \$605,350.00 to bring the project within budget. EGLE gave an offer to roll this part of the project into 1st quarter of next year funding and will require a 45-day notice of intent to raise the ceiling on what is borrowed to complete the project. The Council will need to make a decision no later than the September meeting. The full scope of the project must be done at some point due to the age of the system. The project will begin next spring, typically you have two years to complete the project.
- Andy Campbell, Baker Tilly – In order to accept the project rates will have to adjusted to support the project at \$3,950,000.00 the additional \$605,350.00 part of the project will be an additional rate adjustment of \$2.25 per typical homeowner. If Council postpones the project to a future date there is a risk of rising interest rates for borrowing. Council will also need to adjust rates at the rate of inflation every year for operating expenses in the next fiscal year budget. This rate adjustment is still below average of rates in the state.
- Eric McGlothlin, Dickinson Wright Bond Counsel – resolution authorizes revenue bonds, recommends adopting the notice of intent for the additional scope of the project at the August 22, 2022 Council meeting so that Council can move forward with borrowing additional funds from the State Revolving Loan Fund or private bank. One benefit of using the SRF program is a better interest rate and a potential loan forgiveness percentage.

New Business:

Discussed:

- Scope of Wastewater Improvement Project – Awarding Project Contract A, Contract B, Contract C – Council wants to move forward with the full scope of the project;
- Bonds – this is a draw loan with the State in the amount of \$3,950,000.00, the City has already borrowed \$400,000 bond anticipation note and must be repaid regardless if the City does not move forward with the project at this time. Council is in agreement to move forward in doing the full scope of the project and borrowing the additional funds needed;
- Utility Rate Adjustment – Council is in agreement to adjust rates to met the obligation to do the full scope of the project with an effective date of January 1, 2023.

Motion by Commissioner Miller, supported by Commissioner Dockter, to adopt Resolution 2022 – 011 Authorize Issuance of Sanitary Sewer System Junior Lien Revenue Bonds, Series 2022.

Motion carried 7 – 0

Motion by Commissioner Tibbs, supported by Commissioner Miller, to adopt Resolution 2022 – 012 Award a Construction Contract for Wastewater System Improvements Contract A to L. D. Docsa Associates, Inc in the amount of \$1,267,799.60.

County of Van Buren, State of Michigan, 19 West Main St, Hartford, MI 49057

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Motion carried 7 – 0

Motion by Commissioner Dockter, supported by Commissioner Tibbs, to adopt Resolution 2022 – 013 Award a Construction Contract for Wastewater System Improvements Contract B to Payjay, Inc in the amount of \$1,749,790.00.

Motion carried 7 – 0

Motion by Commissioner Dockter, supported by Commissioner Tibbs, to adopt Resolution 2022 – 014 Award a Construction Contract for Wastewater System Improvements Contract C to Insituform Technologies USA, LLC in the amount of \$701,935.80.

Motion carried 7 – 0

Motion by Commissioner Miller, supported by Commissioner Sullivan, to adopt Resolution 2022 – 015, Amending Water/Sewer Rates.

Motion carried 7 – 0

Motion by Commissioner Miller, supported by Commissioner Beltran, to adjourn the meeting at 9:00pm.

Motion carried 7 – 0

Respectfully Submitted,

RoxAnn Rodney-Isbrecht, City Clerk