

**Kochville Township Downtown Development Authority
Special Meeting Minutes: August 18, 2010 (DRAFT)
7:00 a.m. at Kochville Township Hall**

Members Present: Vern Weber (Vice-Chair), Dave Abbs (Treasurer), Jim Loiacano (Supervisor), Jon Howell, Dave Maine

Members Absent: Lyle Davis, Jr. (Chair), Tom Basil, Jr., Don Jackson, Scott LaDouce (Secretary)

Also Present: Kochville Township Board of Trustees Members (Sheila Hill, Steve Yanca, Rhonda Ferrell); Steve King, Mike Burger, Kevin Kilby, Rob Eggers, John Olson

Proceedings:

I. Opening:

Vice-Chairman Weber called the meeting to order at 7:00 a.m. and led the pledge of allegiance.

II. Public Comment:

None

III. Unfinished Business:

a. Bay Road (M-84) / Pierce Road Sewer Extension

Mr. King discussed the history of this project. The previous scope of the sewer extension called for building a new sanitary sewer lift station near the intersection of Bay and Pierce Roads to enable extension of sewer service north on Bay Road from Liberty to Pierce, and east on Pierce Road from Bay to Fox Drive. After the DDA and Township were approached about potentially amending the scope to incorporate Saginaw Valley State University's lift station in lieu of constructing a new one, the project was put on hold to allow for SVSU consideration. After discussions on August 11 with the Saginaw County Department of Public Works, the DDA and Township were informed of the necessity to move up the project timeline, in order to potentially accommodate a Build America Recovery Zone bond issue through the County. If the Township and DDA wished to amend the project to use the existing SVSU lift station, the project needed to be re-approved as such by both entities.

Mr. Kilby discussed the scope of the existing design of the sewer project. Construction of a new lift station could mean susceptibility to odor problems due to limited initial flow. Treatment for odor control would be expensive. Mr. Kilby gave a history of the construction and operation of the existing lift station, currently located on the campus of SVSU. This station was initially constructed in 1966, was transferred to Kochville Township with a section of 14-inch force-main in 1973; the MDOT I-75 rest area came online in 1979 and also then pumped into that force-main. In 1991, SVSU transferred ownership of the lift station, as well as the downstream 14-inch force-main to Kochville Township. At that time, the university spent a great deal on odor control. In 2000, SVSU took over the lift station, which was in a state of disrepair. As such, the university installed a new lift station in 2001 that could pump an average of 180,000 gallons per day at that time.

Mr. Kilby reiterated that the consideration for the special meeting was whether to amend the project scope to incorporate the existing SVSU lift station; or, to proceed as initially planned, with construction of a new lift station to service the extension of sanitary sewer services.

Mr. Yanca said that by using the SVSU lift station, the Township not only eliminates the construction of a new lift station, but also two private lift stations.

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Ms. Hill commented that previously, there didn't seem to be any advantage to the Township in taking over ownership or responsibility for the SVSU lift station. She questioned why there was now an advantage for this consideration. She didn't see how anything had changed.

Mr. Kilby noted that initially this was entirely a DDA project, as everything in the project scope was located in the DDA district. Part of the area for the amendment under consideration falls outside of the DDA area, but the DDA can only pay for improvements within its district. His understanding is that the DDA board is still willing to fund the project portion within its boundaries; however, how that funding is allocated across the project would change, as the DDA cannot specifically pay for the SVSU lift station.

Mr. Loiacano said he had discussed the initial 1966 construction of the SVSU lift station with Jim Koski of Saginaw County. At that time, flow through the station was insufficient, causing significant rust and corrosion problems because of sulfide gas buildup. His only concern previously had been potential risk from current and future load all falling on the existing lift station. The lift station would be scoped out soon to assess its condition, which he asked Spicer Group also to look at.

Mr. Kilby noted that in 1997, the lift station was out of service for two days, and accommodations were made to truck out material from the lift station.

Mr. Weber said that the DDA had initially planned on building a new lift station because it didn't believe that the SVSU lift station was available for consideration as part of the project. When it was brought to the DDA board's attention that it could save money on the new lift station, expected to cost \$343,000, by incorporating the existing station, the DDA decided to reconsider the project scope.

Mr. Loiacano said that absorbing the SVSU lift station as part of the project would actually be the better engineered project; however, he wanted to make sure that the lift station did not pose any unknown risks as part of an approval.

Mr. Kilby referenced a letter from James Muladore of Saginaw Valley State University, in which the university highlights some concerns it requires to be addressed as part of its release of the lift station to the Township. It appears that the transfer of the station would take the form of an outright conveyance.

Ms. Hill expressed concern that SVSU would not have to pay for replacement of the lift station at some point in the future. Mr. Yanca commented that the university would pay for its share of the replacement costs through its water and sewer fees.

- Moved by Loiacano, seconded by Maine for the Kochville Township DDA Board to recommend approval to the Kochville Township Board of Trustees to approve the transfer or purchase of the existing SVSU lift station to utilize for extension of sanitary sewer service on Bay Road from Liberty to Pierce Road, and east on Pierce Road from Bay Road. MOTION CARRIED UNANIMOUSLY.
Yeas: Howell, Weber, Maine, Loiacano
Nays: None
Abstention: Abbs
- Moved by Weber, seconded by Loiacano to adjourn the DDA meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 7:45 a.m.

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Minutes written by Steve King, DDA Director

Vern Weber, DDA Vice-Chairman Date

Stephen M. King, DDA Director Date