

**GAINES CHARTER TOWNSHIP
REGULAR MEETING
GAINES TOWNSHIP
WATER & SEWER ADVISORY COMMITTEE
MEETING MINUTES ~ March 19, 2015**

CALL TO ORDER

A Water & Sewer Advisory Committee meeting was called to order by Chair Tim Haagsma at 3:30 p.m. on Thursday, March 19, 2015 at the Gaines Charter Township (GCT) Offices located at 8555 Kalamazoo Avenue SE, Caledonia, Michigan 49316.

ROLL CALL

Members Present: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
Members Absent: None
Others Present: Mark Nettleton - Mika Byers Beckett & Jones PLC
Dan Burrill – Grandview Ventures
Sandy Wiltzer, Recording Secretary

APPROVAL OF NOVEMBER 20, 2014 REGULAR MEETING MINUTES:

MOTION: By Jan Boone supported by Don Hilton to approve the minutes for the November 20, 2014. Water & Sewer Advisory Committee meeting as presented.
YES: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
NO: None
ABSTAIN: None
MOTION: Carried

PUBLIC COMMENT:

None

CURRENT MATTERS:

a. 6123 Eastern Avenue – Grandview Ventures Appeal of Water and Sewer Charges

Tim Haagsma asked Mark Nettleton if he would introduce the request for a variance from Grandview Ventures. Mark Nettleton deferred to Dan Burrill from Grandview Ventures, as Mr. Nettleton had written the report dated March 16, 2015 for the Water and Sewer Committee to consider.

Dan Burrill indicated he learned about the \$50,000 connection fees when he came to pick up a permit from the Township. Mr. Burrill stated he was expecting fees to be in the range of \$4,000 to \$5,000. He expected the fees to be presented as an assessment or a lien against the property and that the amount owed did not appear in the title search. Dan Burrill spoke with Engineer Jeff Gritter to discuss options and the best appears to be a payment plan over 10 or 15 years.

The attorney for Grandview Ventures found the appeal process in the Water & Sewer Ordinance hence their subsequent request for review and reconsideration based on undue hardship.

Dan Burrill stated he had received a copy of Mr. Nettelton's report sent to him by Jeff Gritter and he would like to focus on Items #1 and #3 of a variance request: Water and Sewer Ordinance, Section 502. Appeal (1) Strict application of this Ordinance would cause undue hardship and 3) The hardship does not result from the applicant's own actions.

Dan Burrill stated he expected fees similar to a residential connection and that he was educated in the process from his residential building activities in the Township. He stated that had he and his business partner known about the connection fees, they would have discussed eliminating the office. A change at this point would require a return to the Planning Commission and in the end, they prefer to have an office presence in the building. Dan Burrill says he has been active in the Township, is a small business owner and is looking to launch a new business. He is seeking a workable solution.

Tim Haagsma asked if there were questions for the applicant, Jeff Gritter or for Mark Nettleton.

Tim Haagsma stated his understanding that fees were due on the property because the connection fees had not been paid when water & sewer lines were first installed. Jan Boone, Water & Sewer Administrator indicated that one unit of trunkage had been paid by an occupant of a residential house that occupied the property in the past and has since been removed. In addition, some of the sewer availability fee was paid by the homeowner and the fees due at this time reflect the unpaid fees for the property.

Don Hilton asked if there was a limit in the Ordinance for extended payments. Jeff Gritter stated it was at the discretion of the Township Board, but 10 years has been typical. Jan Boone indicated she prefers for payments to be held at 10 years for banking purposes. Mark Nettleton referenced Section 1705 of the Ordinance that allows for payments of connection fees over time.

Don Hilton asked how many people would be occupying the office and the probability of that number increasing over time. Dan Burrill responded by saying one person will staff the office, with normal working hours to handle leasing for the storage units. Dan Burrill stated the current space allocated to the office would hold three people, any more than that would require a remodel and / or a change in the PUD to make it larger.

Tim Haagsma stated that fees in the Ordinance are based on the land use and the frontage. He asked Jeff Gritter if there was a difference in use between residential and commercial. Jeff Gritter stated the Trunkage Fee is different for various land use. The Availability Fee for all properties is based on frontage and would not change unless there was unmetered fire protection required. Tim Haagsma asked for confirmation that once the fee has been paid for the property, it would not be collected again by the Township.

Jeff Gritter stated that once connection fees are paid there are no additional charges unless the land use goes from residential to commercial or industrial. This would only affect the trunkage charges for a property.

Tim Haagsma stated that Availability is the larger fee of the two and although this is a commercial building, its use would likely be less than a residential home as people would not be taking showers, flushing toilets, washing dishes, etc.

Jeff Gritter stated the property has a significant amount of frontage and that the Availability Fee is collected only once. The opportunity to develop the land as residential was present and the connection fees would have been equivalent if the property had developed in this manner. Jeff Gritter stated he did not see the issue as a hardship, but rather as a choice in the type of land use or development.

A restricted covenant deed was discussed in regards to hedging against future changes. Mark Nettleton said that was not as binding as the Ordinance and it would be considered a "belt / suspenders" solution.

Jeff Gritter stated that the use by Grandview Ventures would be low impact to the utility system. The Availability Fee is not in question in his mind and is the most significant cost; however, the Trunkage Fee is based on "land use". He stated the Township has not bumped into this sort of land use issue before and perhaps this is an area that needs to be addressed in the ordinance. Jeff Gritter stated it could be considered in a similar fashion as a park, playground or wetland area is already considered in the Ordinance.

Tim Haagsma stated that even with that consideration, the frontage of the property would not change and the availability fees for the property would be unchanged. Potentially any changes made to the Ordinance could affect the Trunkage fees and this represents 20% of the total charges.

Jeff Gritter recommended that a motion be made by the Committee to the Township Board to allow a payment plan for the fees and to **deny** the request for a variance at this time. Jeff Gritter stated that Grandview Venture's request has made him aware an amendment to the ordinance may be needed for storage facilities. If an Amendment is adopted by the Township Board, the provisions of the amendment should be made available to Grandview Ventures.

MOTION: By Don Hilton supported by Jan Boone to recommend the Township Board approve a payment plan over 10 years at 3.25% interest for Grandview Ventures for their property located at 6123 Eastern Avenue.

No further discussion.

YES: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
NO: None
ABSTAIN: None
MOTION: Carried

Don Hilton stated that although \$50,000 is a significant amount, this is a major project and that broken down over 10 years, it would be manageable. He also indicated the possibility for the developers to review their plans to see if they could reduce their building costs.

Jan Boone indicated that with the payment plan in place, it would allow the Water & Sewer Department to issue permits.

MOTION: By Jeff Gritter supported by Jan Boone to recommend denial to the Township Board for the request for a variance from the connection fee requirements of the Ordinance as submitted by Grandview Ventures.

Further Discussion:

Mark Nettleton stated the Township should be careful to avoid creating a "slippery slope" by allowing for connection fees to be recalculated retroactively.

Jeff Gritter stated the Ordinance already identifies playgrounds and wetlands as "low impact" uses to the utility system and he could not immediately identify other uses that the Township should include in this category.

Tim Haagsma roughly calculated a reduction in Trunkage Fees and stated a new fee would be in the neighborhood of \$40,800 if the Township amends its Ordinance to consider Self Storage uses in a different manner; one more similar to residential. Tim Haagsma stated he wanted to give Dan Burrill an idea of what charges that Grandview would be required to pay to the Township if any changes are made to the Water and Sewer Ordinance.

YES: Jan Boone, Jeff Gritter, Don R. Hilton, Sr.
NO: Tim Haagsma
ABSTAIN: None
MOTION: Carried

MOTION: By Jeff Gritter supported by Don Hilton to review the Ordinance to address this issue and similar situations. Jeff also included that any changes to the Ordinance be applicable to Grandview Ventures project located at 6123 Eastern Avenue for a period of time of 12 months from the date of the Water and Sewer Advisory Committee Meeting.

No Further Discussion

YES: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
NO: None
ABSTAIN: None
MOTION: Carried

Dan Burrill asked Jeff Gritter to provide an anticipated savings to Grandview Ventures. Jeff Gritter stated that in the best case connection charges of approximately \$40,000 would be due. If the Township Board does not adopt any changes to the Ordinance and does not make them applicable to the Grandview Ventures project then nothing would change and the original amount of \$50,301.94 would be due.

b. 1381 84th Street SE – Variance Request for BGUA for a single water service to serve more than one Premise.

Jeff Gritter distributed copies of the site plan showing where the BGUA is proposing to connect the BGUA storage building to the main office building. Water is not available in the existing storage building and they would like to make use of water in the building to wash floors and equipment. The Water and Sewer Ordinance does not allow two buildings to share a single water service. This request was evaluated following the provisions of Section 502 and it is recommended to be approved.

MOTION: By Jan Boone supported by Don Hilton to recommend the Township Board approve the variance for a single water service to serve more than one premise and require that all piping be constructed in accordance with BGUA Specifications and the current Plumbing Code.

No further discussion.

YES: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
NO: None
ABSTAIN: None
MOTION: Carried

c. 2102 68th Street SE – Request for refund of wastewater use fees due to frozen pipe.

A refund is being requested due to a broken pipe discharging water onto the ground and not into the sewer lateral. Staff recommends the sewer use fee be calculated based on the

last three years of bills for the same quarter, equating to an average use of approximately 827 gallons. The difference, if approved by the Township Board would be refunded to the applicant.

MOTION: By Don Hilton supported by Jan Boone to approve the request for refund of wastewater use fees due to a frozen pipe.

No further discussion.

YES: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
NO: None
ABSTAIN: None
MOTION: Carried

OTHER MATTERS:

a. **Election of Officers**

MOTION: Jan Boone made a motion, supported by Jeff Gritter to retain the existing slate of officers for 2015.

Chairperson: Tim Haagsma
Vice Chair: Don Hilton
Secretary: Jeff Gritter

Yes: Jan Boone, Jeff Gritter, Tim Haagsma, Don R. Hilton, Sr.
No: None
Abstain: None
Motion: Passed

b. **Update of Current Projects**

1. The work on Dutton Industrial Drive is nearly complete as was previously reported. Grass seed needs to be planted and a little bit of spring cleanup is yet to be done. The voluntary special assessments for the project are going well and several property owners have paid the fees and several properties are connected.
2. Brewer Park Sewer – the Township has received notice that the property owner is willing to grant an easement and so this project is moving forward with construction of the sewer scheduled for this year.
3. Hanna Lake Sewer – nothing new to report. Additional contact with the property owner needs to be made this spring.
4. Caledonia Sewer Project – the boring is complete under M-6. The pipe has been stuffed through the casing. Construction of the sewer from the south side of M-6 to Patterson is to begin on approximately March 19.


c. Miscellaneous

None

ADJOURNMENT

The meeting adjourned at 4:22 P.M.

Respectfully submitted:



Jeffrey M. Gritter, P.E.
Township Engineer