

**MINUTES OF A WORKSHOP MEETING
OF THE
LAPEER CITY COMMISSION
June 21, 2010**

A workshop meeting of the Lapeer City Commission was held on June 21, 2010, at Lapeer City Hall, 576 Liberty Park, Lapeer, Michigan. The meeting was called to order at 5:30 p.m.

Present: Commissioners Bennett, Marquardt, Robinet, and Farrington.
City Manager Dale Kerbyson.

Absent: Mayor Sprague.
Commissioner Bostick-Tullius

Also Present: City Clerk Donna Cronce; Director of Public Works John Lyons; Planning Director Linda Jackman; Director of Finance Paul Boucher; Police Chief Todd Alexander; Fire Chief Terry Kluge; and Rowe PSC representative Doug Skylis.

Mayor Pro-Tem Robinet called the meeting to order at 5:30 p.m.

The City Commission met to discuss the Notice of Intent Resolution – Sewer Revenue Bonds and Sewer Rate increases as reflected in the Sewer Rate Report Fiscal Year 2010-2011.

Notice of Intent Resolution – Sewer Revenue Bonds

Director of Finance Paul Boucher commented on the Notice of Intent Resolution; that the notice advised the public that the City intends on issuing sewer revenue bonds; Notice of Intent would be published; published date begins a 45 day right of referendum period; if no petitions are filed and referendum time expires then City can begin process of sale of bonds.

Discussion was held regarding payment of bonds and that an additional increase to sewer rates would be required in the future to pay for the bonds.

Sewer Rates

Director of Finance Paul Boucher provided a power point on the Wastewater System Improvement Project / Sewer Rate Study; replace aging wastewater infrastructure; eliminate sanitary sewer overflows; project alternatives; Department of Natural Resources & Environment requirements; need to increase sewer rates for the operation, maintenance, replacement and debt service; City has a user charge system; City ordinances; overview of proposed rates; fee schedule changes; calculation of equipment replacement costs; wastewater disposal system expenses; number of meters and annual billable wastewater flow May 2009 to April 2010; proposed wastewater minimum charge calculations, annual revenue, usage charges, and usage charge annual revenue; comparison of existing to proposed wastewater system revenues; sewer usage; and sewer customers.

Discussion was held regarding aging infrastructure; more users to the system; sanitary sewer overflows; DEQ system study; removal of storm water from the system; WWTP is 50+ years old; new subdivisions and growth in area; DEQ and out-of-compliance issues; DNRE will not issue construction permits unless improvements are completed; pay back of grant monies received; review grant funding; issues with previous Commission of not raising rates in the past to keep up with needs; need to set aside funding for future improvements; drop in usage due to resident and industry awareness; enterprise funds need to pay for itself – wastewater fund needs to support itself; City system is a user system – people that use the system need to pay for the system; ability to have workshop in the future to review needs; replacement costs of items required; loan rates; if sewer rate increase is voted down by the Commission the City would have to pay back grant monies received and future sanitary sewer overflows will be fined by DEQ.

ADJOURNMENT

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Moved by Marquardt to adjourn the meeting.
MOTION CARRIED.

Meeting adjourned at 6:26 p.m.

Mike Robinet, Mayor Pro-Tem

Donna L. Cronce, MMC, City Clerk