Clark Township Sewer Advisory Board  
Meeting Minutes  
Wednesday January 10, 2019 1:30 pm

I. Meeting called to order at 1:35 PM with Pledge of Allegiance

Members present: Mr. Shoberg, Mr. Keighley, Mr. Clymer  
Members absent: Mr. O'Brien (ambulance call)  
DPW manager absent due to family member’s health related needs.  
Guests: Deputy Supervisor Murray  
Several documents provided. (attached)

Mr. Keighley provided a graph comparing the sewer rate history with rate of inflation from 2009 into 2019. He said the graph showed from 2013 through 2018 the rates were close to rate of inflation, but a $10 rate increase would depart from the inflation rate. Mr. Clymer suggested including in the graph the actual expenses during that time period as even a $5 rate increase though in line with inflation would not cover costs incurred.

Mr. Shoberg asked whether the projected savings of the micro-bubble system have met projections; whether the increase in costs have been proportional to savings. The new system, he said, was designed to provide a certain level of savings; however, he said he was unsure how to compute where our savings have been, if there have been savings to help defray the losses, which as of January 10 were almost $35,000 according to figures from the treasurer’s office.

Mr. Clymer said the other half of the issue is how to spread the costs across the customer base from residents to businesses and seasonal businesses. Mr. Shoberg said that SAB did not make an allowance whether seasonal or not, and as resorts started selling off units as condominiums it was decided to keep each of them as year-round residences. But, he added, SAB was not determining whether we were saving anything.

Mr. Clymer noted the budget differences between 2017 and 2018 show a reduction in expenses of about $8,000. Mr. Keighley asked if the electrical rates had increased over the past few years as well.

Mr. Shoberg questioned whether expenses of DPW workers for other than sewer work, such as grass cutting, were included in the sewer budget; that those expenses ought to be from the general fund as it was unfair to burden the sewer account with non-sewer related work. Mr. Keighley noted the hiring of an additional sewer technician would also increase expenses.

II. Agenda: to review REU rates

Mr. Clymer said requests were made to re-evaluate rates charged to businesses as they are hurting economically; yet, if businesses are adjusted then other users will be affected.
Mr. Keighley said the rate chart remains sensible and nothing appeared off-base to him. He added, however, he would be ‘hard pressed’ to increase rates as occupancy rates in motels have declined with the decline in snowmobiling tourism. Mr. Keighley will research occupancy rates of several motels from 2010 to the 2018 to provide more data.

Mr. Clymer, in reviewing rates, asked if trailer parks with hook-ups ought to be equivalent to a motel room with efficiency kitchen, and charged an equivalent rate of .50 instead of the current .125. The modification is for consistency purposes across like-used facilities. Also, Mr. Clymer said the description of laundry facility for motels and trailer parks differed; for motels it is listed per washer, while trailer parks it is per facility. A facility could contain several washing machines, he noted, such as laundromats which also are charged per washer. Again, Mr. Clymer said, the goal was to provide consistency of terms and rates.

Moved by Mr. Keighley, seconded by Mr. Clymer to recommend to the Township board to increase the rate of Trailer Park/Camp Grounds with hook-ups from .125 to .50. Vote: all ayes.

Moved by Mr. Clymer, seconded by Mr. Keighley to recommend to the Township board to identify the applicable rate of Trailer Park/Camp Ground Laundry Facility to ‘per washer.’ Vote: all ayes.

There was much discussion regarding the current quarterly rates, how the budget as changed annually, and the concern about the increasing loss between revenue and expenses, as the quarterly rate has not kept pace with costs and has not been adjusted since 2014. The 2018 expenses showed a loss of about $34,025. If the Township hires an additional sewer technician, that expense will increase.

A document prepared by the sewer billing department showed that a rate increase of $5 per quarter would generate about $25,200. A $10 per quarter increase would generate almost $50,400. Board members agreed a $10 increase would be too much at once, though perhaps a goal to aim for. Mr. Keighley said the increase is not just for going forward, but also to help with the loss from the previous year.

Moved by Mr. Clymer, seconded by Mr. Keighley to recommend to the Township board to increase the quarterly sewer rate by $5 for 2019, and reassess the rate before 2020. Vote: all ayes.

III. Minutes of July 30, 2018 meeting.

Mr. Shoberg said his comment in the minutes about savings from the micro-bubble system ought to state “was planned to save $60,000” not that it was did save that amount.

Moved by Mr. Keighley, seconded by Mr. Clymer to approve the minutes with the correction. All ayes.

IV. Correspondence. None

V. AGENDA

Accepted as presented.
VII. New Business: Next meeting agenda

Mr. Shoberg would like the SAB (Sewer Advisory Board) to develop a manual to set performance standards on how the system is running.

Mr. Clymer wants to examine a capital improvement plan and how much to budget in the future for upgrades and for a future consultant to evaluate the life expectancy of various components of the system.

Mr. Clymer asked the SAB to support the purchase of GIS (Geographical information system) equipment to provide increased data collection on the entire system which will help outline a capital improvement plan.

Moved by Mr. Clymer, seconded by Mr. Shoberg to recommend to the Township board to support the efforts of the DPW to acquire GIS software to inventory and document sewer system data. Vote: all ayes.

Meeting adjourned at 3:26 pm.