

**Proposed MINUTES OF THE SPECIAL BOARD MEETING
OF
THE CHARTER TOWNSHIP OF CHESTERFIELD**

September 2, 2015

The meeting was called to order by Supervisor Lovelock at 6:00 pm in the Charter Township of Chesterfield Municipal Offices at 47275 Sugarbush, Chesterfield, MI 48047.

Present: Supervisor Lovelock, Clerk Berry, Treasurer Hartman
Trustees: Anderson, Bell,
Excused: Trustees: DeMuynck, Joseph
Also Present: Deputy Clerk Eric Wurmlinger, DPW Superintendent Don Coddington,
DPW Assistant Superintendent Kevin Johnson, AEW Executive Vice
President Gordon Wilson, AEW Engineer Kyle Siedel

Supervisor Lovelock introduced the item to be discussed and stated that the establishment of water and sewer rates to the residents for 2016 would be very difficult however establishing an increase in rates is necessary.

DPW Superintendent Don Coddington stated that currently the City of Detroit was passing on many of their cost to us and we have to pay difference from the Township's fund balance.

Gordie Wilson reviewed some of the additional cost we are expected to pay including debt service from the City of Detroit and Macomb County. He stated that the options for determining cost as outlined at the June 8, 2015 meeting were increased to six option from the original three as requested by the board.

Kyle Siedel started his presentation by pointing out that before a commodities cost is determined there are fixed costs for both water and sewer that are charged to each municipality in the system. The Detroit Water and Sewer Department (DWSD) assign these rates, 60% for water and 100% for sewer, as a percentage of the total usage. AEW is offering the following six options:

- Maintain Current Fixed Fee Percentage.
- Fixed Fees Progressive Increase.
- Fixed Increase with 2 year Recovery.
- Fixed Increase with 6 Month Reserve.
- Pass Half Fixed Fees.
- Pass All Fixed Fees.

The board discussed these options.

Paul Lafata also asked several questions regarding the need to increase rates.

Each option has a projected quarterly residential increase with a range of 19.9% to

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31.6%. Options 2 through 6 would create an annual revenue deficit.

Supervisor Lovelock stated that consideration of water and sewer rates would continue at a Special Board Meeting on September 16, 2015 at 6pm in the Township Board Room.

Motion by Lovelock, supported by Berry to adjourn at 7:16 pm.

ADJOURNMENT

Ayes: All

Nays: None

MOTION CARRIED

Cindy Berry, Clerk

Michael Lovelock, Supervisor

