

March 2022 Sewer Report

Phase 1

There was a phone conference was held by USDA RD with the township, bond counsel, township attorney, financial advisor on February 16th to review the loan and grant conditions.

The citizens' group continues to collect petitions and will turn them into the township weekly.

Mr. Mann, Miller Canfield, provided a timeline after petitions are received for public notices in the paper and by mail, public hearings, etc.

Phase 2

USDA RD Traverse City has completed initial review of the submitted application.

We had a conference call with EGLE concerning FY23 State Revolving Fund grants, principal forgiveness and loans for Phase 2 on February 22, 2022. The notes of the meeting are below.

NEMCOG will not be able to assist us with EGLE SRF applications as originally planned. Therefore:

Recommendation: The Board should authorize the Sewer Subcommittee to proceed with the application process for these EGLE programs with the understanding that no expenditures of any kind will be made without full Board approval.

TUSCARORA TOWNSHIP WASTEWATER COLLECTION AND TREATMENT SYSTEM INTENT TO APPLY MEETING: CWSRF

EGLE CONFERENCE CALL

FEBRUARY 22, 2022, 1-3 PM

1. INTRODUCTION OF PARTICIPANTS –

Mike Ridley (Twp. Supervisor), Robert Kramer (Twp. Trustee and Sewer Sub-Committee Chairman), Janet Vance (Twp. Trustee and Sewer Sub-Committee Secretary)

Aaron Nordman (Precision Engineering)

David Worthington (EGLE Sr. Project Manager), Tim Dalrymple (EGLE Project Manager), LeAnn Hardisty (EGLE Grant Manager), Dave Walters (EGLE Wastewater Division)

2. PROVIDE COMMUNITY BACKGROUND (NEIGHBORHOOD CHARACTER, ENVIRONMENT, NEARBY LAKES AND STREAMS) (PHASE 2 DISTRICT)

3. EXPLAIN THE PROBLEMS THAT ARE DRIVING THE NEED FOR THE PROPOSED PROJECT.

4. DESCRIBE STATUS OF YOUR PROJECT AND PROPOSED SCOPE OF WORK/ALTERNATIVES. COSTS, COMMUNITY SUPPORT, AND HEALTH DEPARTMENT.

5. DESCRIBE STATUS OF DISCHARGE PERMIT (NPDES), AND DOES LAND NEED TO BE PURCHASED TO EXPAND THE TREATMENT FACILITY?

6. DESCRIBE THE PROCESS BY WHICH NECESSARY EASEMENTS AND PROPERTY ACCESS WILL BE OBTAINED TO INSTALL THE COLLECTION SYSTEM.

7. EXPLAIN/DESCRIBE INTENDED FUNDING SOURCES FOR THE VARIOUS WORK ITEMS. DISCUSS GRANTS AND PRINCIPAL FORGIVENESS AND THEIR IMPORTANCE FOR MAKING THE PROJECT AFFORDABLE. DISADVANTAGED STATUS DETERMINATION.

8. DISCUSS PROJECT SCHEDULE FOR FY 2023 AND PROJECTED CONSTRUCTION START TIME.

9. EXPLANATION OF CWSRF APPLICATION STPS WILL BE PROVIDED. AN EXPLANATION OF HOW PAYMENTS ARE DISBURSED AFTER BOND / GRANT CLOSURE WILL BE PROVIDED.

10. CONCLUSION / NEXT STEPS IN THE APPLICATION PROCESS AND PROJECT TIMELINE SUCH AS PLANNING DEADLINES, CREATION OF THE STATE PROJECT PRIORITY LIST FOR FY 2023 AND HOW PROJECTS ARE SCORED AND RANKED.

- The proposed expansion project is an extension of the existing commercial sewer district west to the residential area that is close to nearby lakes and rivers.
- These properties are small platted lots, high in population density and development, with aging on site wells and septic systems. Most of the properties in district were developed during the 1940-1960's.
- Area is fragile with many artesian wells throughout the district as well as failing septic systems that are located on cramped lots.
- DNR, as well as other agencies are trying to help with the situation.
- Existing Commercial District is the backbone of the system, but the residential area is the area of greatest need.
- Due to the failing septic systems, the most reasonable solution is to convert the septic systems to a sanitary sewer system.
- Phase 1 has been approved by USDA for a 45% grant and 55% loan, however, Phase 1 only covers ½ of the area in need. The USDA funding will allow for a cost of \$17,000 per REU.
- Phase 2 covers about 190 properties.
- We have received considerable support from Congress (Federal) including a sponsored pending earmark of \$3.4m, which would be used for Phase 2. We may know the status of the earmark by March 11, 2022.
- USDA has accepted the Township's application for Phase 2, but no money available at this time.
- Sanitation Code of Health Department cannot be met for most of the existing properties and cannot meet isolation factors, due to property size.

- Health Department could issue variances, when necessary, but has suggested a better long term solution would be sanitary sewers.

NOTE: REQUEST HEALTH DEPARTMENT UPDATE THEIR LETTER OF RECOMMENDATION WITH THE ACTUAL DATE OF THE LETTER

- The 2 projects are basically similar size in scope both size and cost.
- Phase 1 has been funded by USDA with a grant / loan combination (45% / 55%)
- Phase 1 is currently in the petition stage and is receiving positive support from the community.
- Phase 2 – USDA loan process determination is due in about 8 weeks. No grant money available.
- All studies, alternatives, engineering reports, etc. have been completed.
- It was explained the township has legal counsel:
 - o Miller Canfield – Bond Counsel – already working with township in regards to new proposed district Phase 1.
 - o Bendzinski and Company – Financial Advisor – also working with township on Phase 1
- Twp. Ordinance must require all properties, occupied or not, must hook into the system if there is existing plumbing

NOTE: TOWNSHIP ORDINANCE MUST PROVIDE HEALTH DEPARTMENT CERTIFICATION THAT ALL PROPERTIES ACTUALLY HOOKED UP TO THE SEWER SYSTEM.

- Must provide to EGLE explanation of parcels, REU's, and any unbuildable parcels not included in assessment.
- Must provide to EGLE legal framework for easements (Atty. Huth is working on Phase 1 district easement language.)
- It was explained that the current sewage plant will need expansion, but is currently a "modular" system. Each district will pay for plant expansion costs for their own district.

NOTE: TOWNSHIP WILL NEED TO APPLY FOR A "DISCHARGE PERMIT" TO BE ABLE TO ACCOMMODATE BOTH PHASES. IT TAKES ABOUT 180 DAYS TO ISSUE, AND IS REQUIRED BEFORE A CONSTRUCTION PERMIT IS ISSUED.

IT IS RECOMMENDED TO REQUEST DISCHARGE PERMIT FOR BOTH PHASES AT THE SAME TIME.

- The Township owns sufficient property to accommodate plant expansion, and when both phases are complete, it will essentially double the size and capacity of the plant.
- The main service line feeding to the plant will also be upgraded.
- Dave Walters determined:
 - o Collection system upgrades are being addressed
 - o Operational issues have been addressed from previous years and is presently operating well
 - o Doubling the size using the same technology is recommended and reasonable
 - o **MAKE SURE DISCHARGE PERMIT IS APPLIED FOR**

- In other funding options, the Township has applied to USDA concerning Phase 2, but there is a lack of grant funding at this time.
- EGLE have done combined projects with USDA funding in the past
- EGLE works with the current PER and adapts it to CWSRF requirements
- Low income funding may be available, specifically hook up costs
- USDA program provides low income funding up to \$7,000
- There is currently \$1.5m available in the CWSRF/SPHRP for public health projects, and there is the potential for future money, but not guaranteed
- If the Township applies for this additional funding, the Township must qualify and must show a 50% match. (SPHRP Program), and match grant funds could be from the USDA. And another qualification is that at least 5 homes in the district drain sewage directly into surface waters.
- This particular program may be ideal for PHASE 1, and LeAnn and Bob will look into it. Bob will be making available required materials to LeAnn.
- Phase 2 may be qualified at a later date.
- The approval process for this particular funding should only take about 30 days.
- Phase 2: Principal forgiveness with their loan program for disadvantaged communities may be available.
- Assessment for Tuscarora Township's acceptance with this program is due by the end of the month (February) and if accepted, a portion it would act like a grant instead of a loan.
- Scoring and ranking reviewed by EGLE water usage division, with points given for water quality, population, water organisms, surface water discharge, etc.

NOTE: TOWNSHIP WILL NEED A RESOLUTION TO ADOPT PROJECT FUNDING AND FINANCING PLAN

NEED AND REQUIREMENTS FOR PROJECT:

- Alternate analysis
- SAD project (see booklet page 22)
- Environmental requirements
- Public participation
- APRIL15 – ADVERTISE FOR FUTURE PUBLIC HEARING AND MAKE PUBLIC A DRAFT PROJECT PLAN FOR PUBLIC REVIEW
- MAY 15 – PUBLIC HEARING AND TOWNSHIP RESOLUTION (Advised to hire a professional stenographer to take word for word dictation of the meeting)
- JUNE 1 – FINAL PROJECT PLAN SUBMITTED