



**NORTHPORT/LEELANAU TOWNSHIP
UTILITIES AUTHORITY**



NORTHPORT/LEELANAU TOWNSHIP UTILITIES AUTHORITY

January 16, 2024

9:30 a.m.

REGULAR BOARD MEETING

AGENDA

1. Chair Calls the regular meeting to order
2. Additions or Corrections to the Agenda
3. Approval of Minutes of the December 19, 2023 meeting
4. Public Comment/Correspondence
5. Payment of the Bills: (December-January)
6. Staff Reports
 - A. Clerk's Report
 - B. Deputy Treasurer Report
 - C. Superintendent's Report
 - D. JACOBS Monthly Report
7. Discussion/ Potential Action Items:
 - Audit Proposals
 - Discussion about the NLTUA Employee Structure (i.e., Clerk, Superintendent, Deputy Treasurer)
 - Draft Budget for the 2024-25 Fiscal Year
 -
8. Public Comment
9. Member Comment
10. Adjournment

Check Register Report

Date: 01/12/2024

Time: 11:24 am

Page: 1

NLTUA BANK: HUNTINGTON BANK

Check Number	Check Date	Status	Void/Stop Date	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
HUNTINGTON BANK Checks								
4732	12/19/23	Printed			KOHR5	KENNETH KOHR5	OVERPAYMENT ON ACCOUNT	337.00
4733	12/19/23	Printed			PREIN	PREIN & NEWHOF	INSTALLATION OF MONITORING WEL	940.10
4734	01/04/24	Printed			CONSUMERS	CONSUMERS ENERGY	ELECTRIC	5,474.70
4735	01/04/24	Printed			OMI	OPERATIONS MANG. INTERNATIONAL	SEPTEMBER AND FEBRUARY	43,253.62

Total Checks: 4	Checks Total (excluding void checks):	50,005.42
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Total Payments: 4	Bank Total (excluding void checks):	50,005.42
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Total Payments: 4	Grand Total (excluding void checks):	50,005.42
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REVENUE/EXPENDITURE REPORT

NLTUA

For the Period: 3/1/2023 to 1/31/2024

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 590 - SEWER FUND							
Revenues							
Dept: 000							
452.000 HOOK UP APPLICATION/PERMIT FEE	400.00	400.00	900.00	0.00	0.00	-500.00	225.0
642.000 OPERATION/MAINTENANCE FEES	620,902.00	620,902.00	463,462.46	0.00	0.00	157,439.54	74.6
655.000 LATE CHARGES INTEREST	5,200.00	5,200.00	2,587.04	0.00	0.00	2,612.96	49.8
669.000 MISC. REVENUE	0.00	0.00	10.00	0.00	0.00	-10.00	0.0
678.000 REIMBURSEMENTS	600.00	600.00	0.00	0.00	0.00	600.00	0.0
Dept: 000	627,102.00	627,102.00	466,959.50	0.00	0.00	160,142.50	74.5
Revenues	627,102.00	627,102.00	466,959.50	0.00	0.00	160,142.50	74.5
Expenditures							
Dept: 101 UTILITY AUTHORITY BOARD							
702.000 SALARIES	32,000.00	32,000.00	24,264.20	1,241.15	0.00	7,735.80	75.8
711.000 EMPLOYERS SOCIAL SECURITY	1,984.00	1,984.00	1,504.31	76.95	0.00	479.69	75.8
713.000 EMPLOYERS MEDICARE	464.00	464.00	351.84	18.00	0.00	112.16	75.8
714.000 WORKMENS COMP	636.00	636.00	582.00	0.00	0.00	54.00	91.5
726.000 OFFICE SUPPLIES	350.00	350.00	0.00	0.00	0.00	350.00	0.0
727.000 OPERATING SUPPLIES	400.00	400.00	247.64	0.00	0.00	152.36	61.9
740.000 POSTAGE	900.00	900.00	1,739.50	0.00	0.00	-839.50	193.3
800.000 CONTRACTUAL SERVICE	4,700.00	4,700.00	21,559.75	0.00	0.00	-16,859.75	458.7
801.000 LEGAL SERVICES	2,000.00	2,000.00	4,292.00	0.00	0.00	-2,292.00	214.6
802.000 CPA SERVICES	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.0
845.000 EDUCATION & TRAINING	250.00	250.00	0.00	0.00	0.00	250.00	0.0
860.000 MILEAGE	100.00	100.00	0.00	0.00	0.00	100.00	0.0
900.000 PRINTING AND PUBLISHING	500.00	500.00	0.00	0.00	0.00	500.00	0.0
955.000 MISCELLANEOUS	0.00	0.00	835.00	0.00	0.00	-835.00	0.0
960.000 INSURANCE & BONDS	7,300.00	7,300.00	13,308.00	0.00	0.00	-6,008.00	182.3
991.000 DEBT SERVICE/ PRINCIPAL	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	0.0
992.000 DEBT SERVICE / INTEREST	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
UTILITY AUTHORITY BOARD	82,084.00	82,084.00	68,684.24	1,336.10	0.00	13,399.76	83.7
Dept: 102 WASTEWATER TREATMENT PLANT							
727.000 OPERATING SUPPLIES	4,500.00	4,500.00	0.00	0.00	0.00	4,500.00	0.0
850.000 TELEPHONE	3,000.00	3,000.00	2,163.79	93.09	0.00	836.21	72.1
920.000 UTILITIES/ ELECTRIC	60,000.00	60,000.00	54,438.02	4,497.21	0.00	5,561.98	90.7
921.000 UTILITIES/ GAS	150.00	150.00	55.05	0.00	0.00	94.95	36.7
925.000 CONTRACTUAL SERVICES	224,233.00	224,233.00	221,977.75	43,253.62	0.00	2,255.25	99.0
927.000 UTILITIES/WATER	1,500.00	1,500.00	841.90	0.00	0.00	658.10	56.1
930.000 REPAIRS & MAINTENANCE	35,537.00	35,537.00	12,027.60	0.00	0.00	23,509.40	33.8
945.000 EQUIPMENT	33,375.00	33,375.00	0.00	0.00	0.00	33,375.00	0.0
957.000 PERMITS	5,200.00	5,200.00	7,500.00	0.00	0.00	-2,300.00	144.2
WASTEWATER TREATMENT PLANT	367,495.00	367,495.00	299,004.11	47,843.92	0.00	68,490.89	81.4
Dept: 103 WASTEWATER COLLECTION SYSTEM							
727.000 OPERATING SUPPLIES	10,000.00	10,000.00	8,052.52	0.00	0.00	1,947.48	80.5
850.000 TELEPHONE	2,700.00	2,700.00	1,814.26	0.00	0.00	885.74	67.2
920.000 UTILITIES/ ELECTRIC	13,000.00	13,000.00	11,546.42	977.49	0.00	1,453.58	88.8
921.000 UTILITIES/ GAS	450.00	450.00	444.85	0.00	0.00	5.15	98.9
925.000 CONTRACTUAL SERVICES	26,000.00	26,000.00	17,848.16	0.00	0.00	8,151.84	68.6
930.000 REPAIRS & MAINTENANCE	71,074.00	71,074.00	40,497.84	0.00	0.00	30,576.16	57.0
945.000 EQUIPMENT	0.00	0.00	43,874.49	0.00	0.00	-43,874.49	0.0
970.000 CAPITAL OUTLAY	0.00	0.00	135,050.25	0.00	0.00	-135,050.25	0.0
WASTEWATER COLLECTION SYSTEM	123,224.00	123,224.00	259,128.79	977.49	0.00	-135,904.79	210.3
Expenditures	572,803.00	572,803.00	626,817.14	50,157.51	0.00	-54,014.14	109.4
Grand Total Net Effect:	54,299.00	54,299.00	-159,857.64	-50,157.51	0.00	214,156.64	

TRIAL BALANCES

NLTUA

As of: 1/31/2024

YTD Debits

YTD Credits

Fund: 590 - SEWER FUND

Assets

001.000 NLTUA CASH-CHECKING	28,208.89	0.00
001.001 CASH-NORTHPORT VILLAGE	121,733.59	0.00
001.002 CASH-LEELANAU TOWNSHIP	2,809.57	0.00
028.000 UTILITY BILLS RECEIVABLE	31,852.52	0.00
029.000 UTILITIES PENALTY RECEIVABLE	1,567.53	0.00
040.000 OTHER RECEIVABLES	31,883.41	0.00
111.000 PREPAID EXPENSES	5,909.07	0.00
142.000 LAND IMPROVEMENTS	106,597.15	0.00
144.000 PLANT EQUIPMENT	185,816.85	0.00
146.000 OFFICE EQUIPMENT & FURNITURE	15,337.29	0.00
147.000 ACCUM DEP-OFFICE EQUIP & FURN	0.00	100,350.00

Assets

531,715.87

100,350.00

Liabilities

226.000 DUE TO TOWNSHIPS-LEELANAU	0.00	6,485.37
227.000 DUE TO VILLAGES-NORTHPORT	0.00	127,734.98
228.000 DUE TO STATE OF MICHIGAN	0.00	231.81
229.000 DUE TO FEDERAL GOVERNMENT	0.00	1,825.17
230.000 DUE TO VILLAGE OF NPT. LOAN	0.00	218,050.25

Liabilities

0.00

354,327.58

Reserves/Balances

390.000 Fund Balance	0.00	236,895.93
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Reserves/Balances

0.00

236,895.93

Revenues

Dept: 000

452.000 HOOK UP APPLICATION/PERMIT FEE	0.00	900.00
642.000 OPERATION/MAINTENANCE FEES	0.00	463,462.46
655.000 LATE CHARGES INTEREST	0.00	2,587.04
669.000 MISC. REVENUE	0.00	10.00

Dept: 000

0.00

466,959.50

Revenues

0.00

466,959.50

Expenditures

Dept: 101 UTILITY AUTHORITY BOARD

702.000 SALARIES	24,264.20	0.00
711.000 EMPLOYERS SOCIAL SECURITY	1,504.31	0.00
713.000 EMPLOYERS MEDICARE	351.84	0.00
714.000 WORKMENS COMP	582.00	0.00
727.000 OPERATING SUPPLIES	247.64	0.00
740.000 POSTAGE	1,739.50	0.00
800.000 CONTRACTUAL SERVICE	21,559.75	0.00
801.000 LEGAL SERVICES	4,292.00	0.00
955.000 MISCELLANEOUS	835.00	0.00
960.000 INSURANCE & BONDS	13,308.00	0.00

Dept: 101 UTILITY AUTHORITY BOARD

68,684.24

0.00

Dept: 102 WASTEWATER TREATMENT PLANT

850.000 TELEPHONE	2,163.79	0.00
920.000 UTILITIES/ ELECTRIC	54,438.02	0.00
921.000 UTILITIES/ GAS	55.05	0.00
925.000 CONTRACTUAL SERVICES	221,977.75	0.00
927.000 UTILITIES/WATER	841.90	0.00

TRIAL BALANCES

NLTUA

As of: 1/31/2024

YTD Debits

YTD Credits

Fund: 590 - SEWER FUND

Expenditures

Dept: 102 WASTEWATER TREATMENT PLANT

930.000 REPAIRS & MAINTENANCE

12,027.60

0.00

957.000 PERMITS

7,500.00

0.00

Dept: 102 WASTEWATER TREATMENT PLANT

299,004.11

0.00

Dept: 103 WASTEWATER COLLECTION SYSTEM

727.000 OPERATING SUPPLIES

8,052.52

0.00

850.000 TELEPHONE

1,814.26

0.00

920.000 UTILITIES/ ELECTRIC

11,546.42

0.00

921.000 UTILITIES/ GAS

444.85

0.00

925.000 CONTRACTUAL SERVICES

17,848.16

0.00

930.000 REPAIRS & MAINTENANCE

40,497.84

0.00

945.000 EQUIPMENT

43,874.49

0.00

970.000 CAPITAL OUTLAY

135,050.25

0.00

Dept: 103 WASTEWATER COLLECTION SYSTEM

259,128.79

0.00

Expenditures

626,817.14

0.00

Fund: 590 - SEWER FUND

1,158,533.01

1,158,533.01

Northport/Leelanau Township Utilities Authority
116 W. Nagonaba, PO Box 158 Northport, MI 49670

Draft Minutes

December 19, 2023

Regular Meeting

I. CALL TO ORDER The meeting was called to order by Chair McMillan at 9:30 a.m.

II. ROLL CALL Board Members Present: Chris Holton, Mike McMillan, James Root and Chris McCann.
Absent: William Harper **Staff Present:** Joni Scott, Clerk Denise Dunn, Deputy Treasurer

III. ADDITIONS OR CORRECTIONS TO THE AGENDA

There were no additions or corrections to the agenda.

Chris Holton Moved, Supported by Chris McCann to accept the agenda as submitted. Motion Carried.

IV. APPROVAL OF MINUTES

Mike McMillan Moved, Supported by Chris McCann to approve the November 21, 2023 Regular meeting minutes as submitted. Motion Carried.

V. PUBLIC COMMENT/CORRESPONDENCE

EGLE- Annual Discharge Permit fee, cost explanation.

VI. PAYMENT OF BILLS

Chris Holton **Moved, Supported by** Mike McMillan to approve the bills to be paid for the months of November-December in the amount of \$87,284.55

Roll Call Vote: Yeas (4) Nays (0) Absent (1) Motion Carried.

VII. STAFF REPORTS

A. Clerk Report:

Clerk Scott provided a cash transaction, trial balance and revenue/expenditure reports to the Board. Scott also addressed some inquiries from the Board members regarding these reports.

Deputy Treasurer:

Mike McMillan, during the Treasurer's Report, informed the Board that a meeting had taken place with Joni Scott, Jim Dyer, Denise Dunn, and himself to coordinate the responsibilities of the Deputy Treasurer and Clerk. They discussed formalities and the exchange of bank account information during this productive and positive meeting. Clerk Scott noted that as previously discussed by the Board, she will be delivering deposits to Denise with a report sheet for reconciliation before it is deposited into the bank. They will also work on providing a separate report that align monthly.

B. Superintendent Report:

Superintendent Holton's report covered several key points; including Visual inspections of manholes on North Shore found no issues, anticipated activation of new connections in the coming months, possibly after the first of the year depending on weather.

C. Treatment Plant Operator Report:

Treatment Plant Operator Mark Huggard provided a written report of Treatment Plant and Collection System activities. Operator Justin Straub, reported that engineers successfully restored the vandalized monitoring well, now named 7S2, and obtained a quarterly sample from it.

VII. DISCUSSION/ACTION ITEMS

• **Audit Proposal**

Mike McMillan reported that two companies from Cadillac have shown interest in becoming municipal auditors for the NLTUA. One of these companies, which has a Traverse City branch, has an extensive track record of serving over 400 municipalities in Michigan. The first bid received was well within the expected range, indicating no significant cost increase. Another bid is expected shortly, potentially offering competition without the need for a formal RFP process.

- **LT Board approval of NLTUA rate recommendation:**

Mike McMillan reported that the Leelanau Township vote on the NLTUA rate recommendation wasn't approved, which was previously communicated via email. Since then, there have been discussions at the NLTUA office and consultation with the NLTUA attorney to seek a legal opinion. The board's opinion is that the NLTUA can control the rates going up or down, despite some initial confusion regarding the resolution presented to the township. It seems that the township board's vote is currently considered ceremonial in nature.

- **Draft Budget for the 2024-25 Fiscal Year:**

Clerk Scott provided a detailed report on the draft budget. The key points from her report include:

1. The draft budget has been a bit challenging to put together, mainly due to the understanding that an 8% increase in operations and maintenance fees is likely to be adopted.
2. The budget includes revenues such as a loan from the village, hookup and application fees, operations and maintenance fees (estimated at \$677,684 with an 8% increase), late charges and penalties, and system damage cost recovery.
3. Expenditures for Administration cover salaries, social security, Medicare, workman's comp, office supplies, operating supplies, postage, contractual services, legal services, CPA services, and loan payment to the Village of Northport. The total for Administration expenditures is \$147,001.88.
4. Expenditures for the Treatment plant include operating supplies, utilities, contractual services, capital improvement projects, and more. The total for Treatment plant expenditures is outlined at \$314,282
5. Expenditures for the collection system include operating supplies, utilities, contractual services, capital improvement projects. The total for Collection System expenditures is \$241,747

The budget also takes into account potential changes depending on a grant application for capital improvement projects, which includes main lift station cleaning and a new stationary generator for the collection system.

Clerk Scott mentioned that she intends to refine the details related to the grant and capital improvement projects (CIP) before distributing the draft budget to both the Village and Township.

- **Introduction of Denise Dunn, Deputy Treasurer**

Chair Mike McMillan introduced Denise Dunn, who will assume the role of Deputy Treasurer and take on associated responsibilities within the organization.

VIII. PUBLIC COMMENT

Campbell McLeod- highlighted budget concerns regarding Jacobs' hours and repair expenses, questioned contractual costs, and suggested sustainability measures like solar energy. He stressed the importance of transparent communication about cost-saving initiatives.

IX. MEMBER COMMENTS

The Board discussed the Jacobs contract and the budgeted call-out hours (300 hours). Clerk Scott will compile a 5-year comparison of billed hours and present it at the next meeting in January.

X. ADJOURNMENT

Chris Holton Moved, Supported by Mike McMillan to adjourn the meeting. Motion Carried. The meeting was adjourned at 10:40 am.

Respectfully Submitted by:

Joni L. Scott, NLTUA Clerk



**Challenging today.
Reinventing tomorrow.**

Jacobs Engineering
606 Hannah Ave.
Traverse City, MI 49686
T 231-922-4922

January 8, 2024

Attn: Joni Scott
Clerk
Northport Leelanau Township Utility Authority, NLTUA

Project name: Northport
Project no: 378107CH

Subject: Monthly Operations Report

Dear Mrs. Joni Scott

This report covers our operations and maintenance activities for the month of December 2023.

Yours sincerely,

Mark J Huggard

Mark Huggard
Project Manager

231-313-5592
Mark.huggard@jacobs.com

Copies to: NLTUA Board
Jacobs Staff

Contents

Executive Summary.....	3
Treatment Plant Operations and Maintenance	4
Collection System Operations and Maintenance	6
Collection System.....	6
Lift Stations.....	6
Grinder Pump Responses	6
On The Horizon	7
Financial Report.....	8

Executive Summary

This month's operations report highlights several key activities at the NLTUA facility.

- Submitted November's DMR, meeting all compliance requirements.
- Completed the annual cleaning of the MBBR solids basin.
- Completed one residential grinder pump repair.

Upcoming activities include:

- February quarterly monitoring well sampling.
- Submittal of December 2023 DMR.

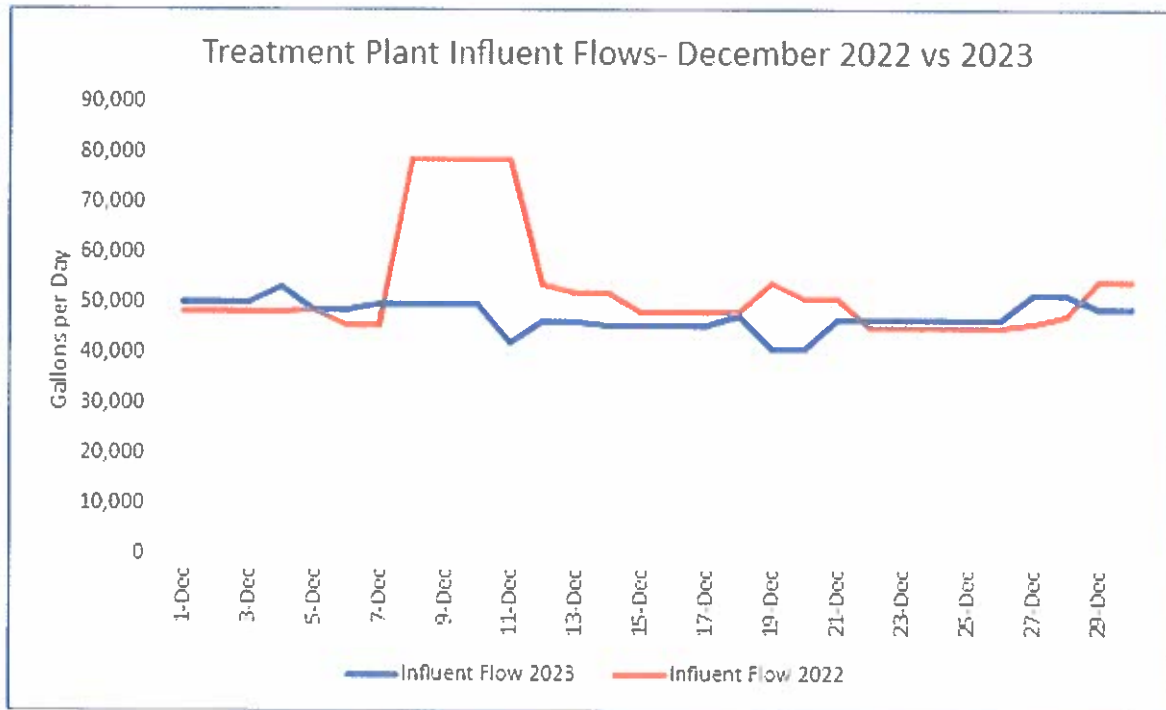
If there is anything you would like to see added to the monthly reports, please feel free to let us know.

Treatment Plant Operations and Maintenance

	January 24	Last Month	Last Year
Influent flow daily average, GPD	48,068	48,429	53,205
Monthly electrical usage, Kw Hrs*	28,908	31,125	37,226

We submitted the monthly Discharge Monitoring Report (DMR) for November 2023. The facility was in compliance with all permit parameters.

The following graph compares the plant influent flows of the reporting month last year to that of 2023. The temporary spike in influent flow volumes shown for December 2022 were due to the cleaning and televising of the Northshore sewer piping.



Annually, we redirect influent flow to basin #2 (storage basin) for the cleaning of the influent anoxic basin and the effluent solids basin. The cleaning for this year started on December 11th and concluded on December 14th. The yearly cleaning of the settling basin is indispensable to remove accumulated solids that, if left unattended, could negatively impact the facility's effluent quality.

Given the numerous safety hazards associated with this task and the substantial labor required, we have recognized the need for an engineering study in the facility's Capital Improvement Plan (CIP). The primary objective of this study is to explore cost-effective modifications to the solids removal process. The goal is to eliminate the necessity for performing this labor-intensive task annually, while also aiming to reduce the cost of ferric chloride and minimize the risk to the quality of the facility's effluent.



Left photo: During the cleaning or inspection of the influent anoxic basin, it is necessary to lower the water level in both basins on either side of the Moving Bed Biofilm Reactor (MBBR) structure. While the majority of the cleaning activities are focused on the settling basin side, the design limitations of the divider wall on the south side of the MBBR necessitate lowering the water level on both sides.

The divider wall is specifically designed to handle equal loads on each side, which influences the operational requirements during cleaning or inspection activities.

Below photo: File photo of settling basin during cleaning/inspection.



Collection System Operations and Maintenance

Collection System

No issues or updates this month.

Lift Stations

Lift stations operating well no issues.

Grinder Pump Responses

As part of our due diligence to reduce repeat call out repairs to residential grinders, we perform the following checks at each visit.

- ✓ Tighten all control connections within control cabinet.
- ✓ Remove grease and debris from grinder tank.
- ✓ Remove all grease buildup from float switches.
- ✓ Verify all float switches operate properly and are positioned properly.
- ✓ Confirm proper pump operation.
- ✓ Verify alarm light is operational and audible alarm, if applicable.
- ✓ Inspect wet well components.
- ✓ Replace both the start and run capacitor.
- ✓ Inform homeowner of findings and what not to put in their sewer.

The following table summarizes our grinder pump responses. More details can be provided upon request.

Date	Location	Alarm/Issue	Resolution
12-20-23	12678 E. Woolsey Lake Rd	<ul style="list-style-type: none">• High level	<ul style="list-style-type: none">• Replaced pump start capacitor

On The Horizon

Task	Update	Estimated time of completion
Annual manhole inspections	Completed 50% remaining 50% to be completed spring 2024.	Spring 2024
Monitoring well 7S repair/replacement	Complete	Complete
Settling basin engineering evaluation	NLTUA to consult their engineer	2024
Ferric chloride room day tank relocation	NLTUA to consult their engineer	2024
Quarterly Monitoring Well Sampling	1st quarter 2024	February 2024
Annual settling basin cleaning	Completed in December 2023	Fall 2024
Main lift station controller replacement	Complete and commissioned April 2023.	Complete
7th St. station controller replacement	Complete and commissioned July 2023.	Complete
Replace failed VFD on mixer 7	Completed July 2023	Complete
Aeration blower #2 repair or replacement	Commissioned by contractor and in service	Complete

Financial Report

Location	December 2023	Comments
Repairs Spending Treatment Plant Current Month	-	
Repairs Spending Treatment Plant Year to Date	\$3,081.27	
Repairs Spending Residential Grinder Pumps Current Month	-	
Repairs Spending Residential Grinder Pumps Year to Date	\$26,370.11	
Repair Spending Collection System (lift stations/sewer) Current Month	-	
Repair Spending Collection System (lift stations/sewer) Year to Date	\$1,273.36	
Repairs Hours Treatment Plant Current Month	-	
Repairs Hours Treatment Plant Year to Date	238.50	
Repairs Hours Residential Grinder Pumps Current Month	(12.00)	
Repairs Hours Residential Grinder Pumps Year to Date	186.25	
Repair Hours Collection System (lift stations/sewer) Current Month	-	
Repair Hours Collection System (lift stations/sewer) Year to Date	77.25	
Total Repair Hours Current Month	(12.0)	Corrected Labor Hours
Total Repair Spending Current Month	-	
Total Repair Hours Year to Date	502.00	
Repairs Hours Budget Remaining (Limit 300 Hrs)	(202.00)	
Total Repair Spending Year to Date	\$30,724.74	
Repair Spending Budget Remaining (Limit \$8,000)	(\$22,724.74)	
Total Repair Hours 2022	679.50	
Total Repair Spending 2022	\$45,783.13	

Northport/Leelanau Township

Utilities Authority

Draft
Budget

March 1, 2024 - February 28, 2025

Village and Township
Debt Services Collected Summary

FY 3/1/24 - 2/28/25

Revenue

Debt Service Collection for the Township- \$30,832
Debt Service Collection for the Village - \$179,568

- Debt service is \$86 per quarter in the Village and \$82 per quarter in the Township per REU
- The final bond payments for the municipal sewer system project will be completed in the spring of 2028.

Revenue

FY 3/1/24 - 2/28/25

<u>Sources</u>	<u>Proposed</u>
Advancements	
Village Loan-	107,000
Township	0
Hook up Application Fees	600
O&M Fees	677,684
Late Charge/Penalty	5,200
Grants	?
Reimbursements	0
Ordinary Financial Activity	0
Sewer System Damage Cost Recovery	600
Refunds	0
Miscellaneous Revenue	0
	<hr/>
Total:	\$791,084

Assumptions

- The NLTUA Board has approved a significant update to the Operating & Maintenance (O&M) charges. Following the comprehensive rate study conducted by Utility Financial Solutions, LLC in 2023, the Board decided on an 8% increase in the O&M charges. This adjustment raises the rate from \$256 to \$276.48 per quarter for each Residential Equivalent Unit (REU). This increase is a strategic move to ensure that the CIP is sustained over the next four years.
- O&M are billed quarterly
- Quarterly O&M charge is for service provided during the previous quarter (3 months)
- Biosolids disposal expected to take place in spring 2026 at an estimated cost of \$45,000.
- The last Biosolids haul was completed in the fall of 2021, the total cost was \$31,000
- 2 new connections for the Village, and 1 new connection for the Township are projected to come on line in FY 2020-21 according to Bendzinski schedule dated 5/30/2007
- Properties with structures that have plumbing will be charged O&M and debt service whether or not they are connected to sewer system
- Hook up application fee is \$200 for processing, record keeping and observation of hook up.

Expenditures

Administration: FY 3/1/24 – 2/28/25

	<u>Proposed</u>
Salary	32,000
Employer's Social Security	1,984
Employee's Medicare	464
Workman's Comp	900
Pension	0
Health Insurance	0
Office Supplies	350
Operating Supplies	800
Postage	2000
Capital Outlay	0
Contractual Services	4,700
Legal Services	2,000
CPA Services	8,000
*Loan Payment with 2% interest with the Village	78,540
Education & Training	250
Telephone	0
Mileage	100
Printing & Publishing	500
Insurance & Bonds	14,600
Utilities/Electricity	0
Repair & Maintenance	0
Permits	0
Miscellaneous	0
Bank Service Charges	0
Equipment	0
Rent	<u>0</u>
 Total	 \$147,188

*Loan payment with 2% interest with the Village is for a loan of \$325,050.25

- Loan for North Shore collection system main replacement-\$135,050.25
- Loan from Village of Northport to support CIP-\$190,000

Expenditures

System Operation & Maintenance – FY 3/1/24 – 2/28/25

	<u>Treatment</u>	Proposed <u>Collection</u>
Wages	0	0
Overtime	0	0
Social Security	0	0
Workman’s Comp	0	0
Pension	0	0
Health Insurance	0	0
Operating Supplies	4,500	10,000
Education & Training	0	0
Utilities/Gas	150	450
Utilities/Water	1,500	0
Telephone/Internet	3,000	2,700
Utilities/Electricity	62,000	13,000
Contractual Services	190,132	21,000
Capital Improvement Projects	45,500	194,597
Repair, Replace & Maintenance		0
Miscellaneous	0	0
Permits	7,500	0
Equipment Rental	0	0
Equipment	0	0
Total	\$314,282	\$241,747

Assumptions

- The Treatment Operating Supplies expense is for the purchase of ferric chloride
- The Collection Operating Supplies expense is for the purchase of Calcium Nitrate.
- The Collection Operating Supplies expense is for the purchase of Carbon.

Budget Detail

FY 3/1/24 – 2/28/25

	Operation & Maintenance		
	<u>Administration</u>	<u>Treatment</u>	<u>Collection</u>
Contractual Services/Repairs, Replace Maintenance			
SAW Grant Work			
Capital Improvements			
Computer system support	4,700		
Engineering			
Generator maintenance		2,500	1,000
Mowing and Snow Removal		1,500	
WWTF & Collection System repairs			5,000
Operation, Maintenance and Callouts		186,132	15,000
Total:	\$4,700	\$190,132	\$21,000

Contractual Services Explanation

Administration:

- NLTUA accounting software annual fees for Fund Balance-\$4,700

Treatment Plant:

- | | |
|---|-----------|
| Operations and Maintenance Agreement (OMI) \$14,952.67 per month | \$179,432 |
| Additional repairs outlined in 2024- Estimate Repair Expenses Jacobs | \$10,700 |
| <ul style="list-style-type: none"> • Reject pump-\$1,700 • Conduit Replacement, Fine Screed unit-\$3,000 • Treatment Plant repairs-\$2,000 • Generator maintenance-\$2,500 • Mowing and Snow Removal (if needed)-\$1,500 | |

Collection System:

- | | |
|--|----------|
| OMI Bills for any additional services over 300 hours | \$15,000 |
| Additional repairs outlined in 2024- Estimate Repair Expenses Jacobs | \$6,000 |
| <ul style="list-style-type: none"> • Conduit Replacement at 7th Street Lift Station-\$5,000 • Generator maintenance-\$1,000 | |

The Northport/Leelanau Township Utilities Authority is committed to maintaining its infrastructure. For the fiscal year 2024-25, a comprehensive Capital Improvement Plan has been developed to address crucial needs to our Treatment Plant and Collection System. Recognizing the financial challenges, the Village of Northport has proactively sought external funding through a grant application on behalf of the NLTUA.

Grant Application for Financial Assistance:

Purpose: To supplement funding for the CIP program over the next four years.

Grant Applied: Financial Distressed Cities, Villages and Townships (FDCVT)

Submission Date: December 8, 2023.

Amount Requested: \$504,387

Local Match 10%: \$50,000

Minimal Funding requested: \$368,887

Detailed CIP Projects Included in grant application

- Sludge Handling Evaluation (Engineer)- \$8,500
- Ferric Chloride Room Upgrades- \$24,000
- Main Lift Station to Plant Force main cleaning and modifications- \$157,000
- Main Lift Station Wet Well Re-lining- \$43,000
- Manhole Cleaning/Re-lining -\$27,597 in 2024-25 budget out of \$110,387
- Fine Screen Auger Replacement- \$8,500
- (MBBR) Tank Roof-\$7,000
- Residential Grinder Pump system upgrades-\$30,000
- Corrosion Control Upgrades-\$66,000
- Northport Point Road Generator-\$50,000

Total- \$504,387

Local Match 10%- \$50,000 Grant 90%-\$454,387

Budget Allocation for 2024-25 Capital Improvement Projects (CIP) as per the 2023 Utility Financial Solutions (UFS) Rate Study.

- Main Lift Station to Plant Force main cleaning- \$107,000
- Ferric Chloride Room Equipment upgrades-\$20,000
- Replace Recycle Pump #1- \$14,500
- Main Lift Station Wet Well Re-lining-\$43,000
- Manhole Cleaning-\$27,597
- Purchase Landi Mixer for Treatment Plant-\$17,000

Total- \$229,097

Total Expenses-\$703,217

Total Revenues-\$791,084

Northport WWTP and Collection System Repair Labor Hours Report

Date:	January 12, 2024	Jacobs Engineering
Project name:	Northport	606 Hannah Ave.
Project no:	378017CH	Traverse City, MI 49686
Attention:	Joni Scott	T 231.922.4922
Company:	NLTUA	www.jacobs.com
Prepared by:	Mark Huggard	
Document no:	1	
Copies to:	NLTUA Board Jacobs Staff	

Dear Mrs. Scott,

This memo offers a comprehensive overview of Jacobs' repair labor hours, organized by year and location, covering the period from 2009 to November 2023. The specified locations are the Treatment Plant, Residential Grinder Pumps, and the Collection System.

During the initial five years, the repair labor hours for residential grinder pumps were combined with those of the collection system. However, in the sixth year, we began tracking residential grinder pump repair labor hours independently, as per the NLTUA's request at that time.

To accurately represent residential grinder repair labor hours for the initial five years, we computed the average of the collection system repair labor hours from years 6 and 7, resulting in an average of 60.5 hours per year. Subtracting this average from the collection system total allowed us to derive a more realistic total for residential grinder repair hours for those years. The 60.5 hours average is then applied to represent the collection system labor hours for the first five years, enhancing the realism of the labor hour history presented. Attachment 1 includes a tabular summary detailing repair labor hours per location per year. Additionally, a graph is provided to visually represent the repair labor hours, complemented by a linear trend depicting the overall trajectory of total repair labor hours over time.

Key points to note include the historical changes to the annual repair labor hour limit—initially set at 144 hours, increased to 200 hours in 2011, and further adjusted to 300 hours in 2014, maintaining this limit since then. Additionally, the NLTUA is billed at the contractual labor hour rate for repair hours exceeding the annual limit on a monthly basis. It's crucial to highlight that there's no financial benefit in increasing the repair labor limit, as charge rates remain constant. However, such an adjustment may provide the NLTUA the advantage of a consistent monthly invoice for budgeting purposes. The NLTUA is reimbursed for labor hours under the limit at the end of the contract year.

Attachment 1

Year #	Calendar Year	Treatment Plant Repair Hours	Residential Grinder Pumps Repair Hours	Collection System Repair Hours	Total Hours	Notes
1	2009	137.6	107.5	60.5	306	See paragraph 3 of memorandum.
2	2010	197.5	98.5	60.5	357	
3	2011	133	106.5	60.5	300	
4	2012	335.2	90.3	60.5	486	
5	2013	150.3	306	60.5	517	
6	2014	186	146.5	65	398	Collection system hours were significantly higher due to Main St. pump station pump failures.
7	2015	106	191.5	56	354	
8	2016	79.3	102	105.5	287	
9	2017	311.8	144.3	109	565	
10	2018	305.5	126.7	96	528	
11	2019	21.25	170	130	321	
12	2020	286.5	239	127.5	653	
13	2021	205	211.75	409.7	826	
14	2022	277.75	217.75	184	680	
15	2023	224.5	212.25	77.25	514	
Totals		2,957.20	2,470.55	1,662.45	7,090.20	

Memorandum

