

MARQUETTE AREA WASTEWATER TREATMENT FACILITY ADVISORY BOARD MEETING MINUTES February 17, 2022

A regular meeting of the Marquette Area Wastewater Treatment Facility Advisory Board was held at 10:00 a.m., Thursday, February 17, 2022 at the Chocolay Township Fire Hall.

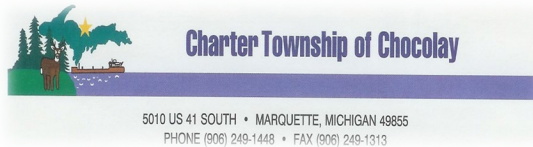
ROLL CALL

- PRESENT** Brad Johnson, Chocolay Township (Chair)
Leonard Bodenus, Marquette Township
Margaret Brumm, City of Marquette
Harold Hayse, City of Marquette
- ABSENT** Mary Schlicht, City of Marquette
- OTHERS** Mark O'Neill, City of Marquette
Dan Johnston, City of Marquette
Melissa Erkkila, City of Marquette
Bill DeGroot, Chocolay Township
- AGENDA** It was moved by M. Brumm, supported by L. Bodenus to amend the Agenda to add under Old Business, presentation by H. Hayes regarding the JCI Economic Engine Operation. Approved 4-0.
- MINUTES** It was moved by M. Brumm, supported by L. Bodenus to approve the January 20, 2022 meeting minutes as written. Approved 4-0.

FINANCIAL REPORT JANUARY

Mark O'Neill, City of Marquette, presented the Financial Report.

- Balance Sheet: M. O'Neill numbers are as expected.
- Revenue Sheet: Revenue is as expected. Additional income is coming in from UPS, hauling truck runoff from their new building on CR 480.
- Expenditures: Expenditures are as expected. The thickener feed pump will be paid out of the budget if possible, otherwise it will come out of the replacement fund. Expected lead time is seven months.



PERMIT COMPLIANCE FOR THE MONTH:

- PERMIT COMPLIANCE: No violations occurred during the month of January.

PLANT NOTES:

- Staff continues weekly COVID-19 tracing sampling for NMU from the WWTP's influent, our four major lift stations, and from the sewer leaving the Marquette Branch Prison.
- Kraft was on site to perform an in-frame overhaul on the #2 CoGen unit, as well as regular service on the #1 CoGen unit.
- Staff completed the installation of two additional F.E.W. filtration units. This project was originally conceived as part of the design upgrades that were needed for the biosolids improvement project. We received an estimate and decided to do the project in house to save an estimated \$50,000. Additionally, the design was built more efficient than originally submitted.
- Staff had to steam the underground pipe that feeds the #1 Biosolids Storage Tank. It had frozen during a stretch of sub-zero temperatures.
- Staff is in the process of replacing the inverter cooling fan on the variable frequency drive for one of our aeration blowers. This is a substantial task. A new fan is on the way.
- Our maintenance mechanic will be on leave for approximately a month. He is having ankle surgery on a previous work-related injury.

INDUSTRIAL WASTEWATER ACCEPTANCE ACTIVITY FOR JANUARY 2022:

➤ Fabick/Cat	1500 gallons, for \$250.00
➤ W.E. leachate:	90,500 gallons, for \$2,715.00
➤ L S & I	19,400 gallons, for \$2,522.00
➤ UPS	16,500 gallons, for \$2,145.00
➤ Total monthly revenue:	\$7,632.00

MAINTENANCE MANAGEMENT

- Preventive Maintenance Work Orders: We are on the path to catching up on our backlog of work orders. I have been working on developing a more user-friendly approach to help streamline the whole work order completion process.

OLD BUSINESS

- Solids Handling Update: M. O'Neill stated he applied with the state. The application was submitted as a disadvantage community. It is unsure if we will qualify but it would increase our chances for approval. No definitive loan forgiveness numbers yet. We should know by spring if we are approved. With approval from the boards, bids would go out December 2022 and construction would begin spring 2023.



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- JCI Economic Engine Operation: H. Hayes presented a presentation of the CoGen units and their estimated costs. The intent is to show the savings do not cover the expenses as promised by JCI. H. Hayes stated if his estimates are correct, he expects an estimated loss of 3.5 to 4.5 million dollars once the project is paid for. Calculations used are energy costs before the project and after the project along with maintenance costs and the Telp payment. 2019 showed an estimated \$63,000 in annual utility savings with a Telp payment of \$259,000. 2020 was the first full year of CoGen operation, with \$121,000 in utility savings, a Telp payment of \$134,000 and O&M costs of \$88,000. H. Hayes stated the O&M costs are estimates and based off invoices. M. O'Neill explained the annual basic engine maintenance is \$30,000 except when an engine rebuild is necessary.

M. O'Neill stated an estimated \$65,000 of the Telp payment is capital avoidance. The filtration system and FEW system projects included in the JCI project was scheduled in the City's Capital Improvement Plan. These monies were intended to be spent through a bond payment so should not be accounted for.

B. DeGroot stated, with respect to the board, the project was never discussed or approved by Chocolay Township and Marquette Township before being implemented. Chocolay Township has discussed with the City Manager their displeasure of payments being made for a project they did not approve and their unwillingness to pay. The contract with both townships' states capital projects are assumed by all. An advisory board does not have the authority to vote on such matters. It is the job of the advisory board to convey the information to their boards. The legislative boards are in control of capital projects and the legislative boards of the three townships were not equally consulted regarding this project.

M. O'Neill stated that the decision to implement this upgrade was done at a Managers and Commission level. It is his job and his staff's job to run the CoGen units and keep the costs down. The legalities of the project lie with the City Manager and Township Manager's to come to an agreement.

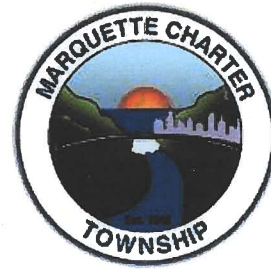
M. Brumm proposed a motion to invite CFO and the City Attorney as an agenda item at the next meeting to answer questions regarding the JCI project. L. Bodenus second the motion. B. Johnson requested a discussion. He explained it is not appropriate for the advisory board to request the City Attorney to attend. M. Brumm explained if the board has legal and financial questions, they should ask the CFO and City Attorney to attend to answer those questions. B. Johnson reiterated that this conversation is at the Manager level not the Advisory Board level. B. DeGroot confirmed the City Manager and the Township Managers are currently having these conversations representing their communities. Vote 3-1 against; motion failed.

M. Brumm recommends the advisory board table the JCI discussion since it is above the Advisory Board and being addressed at the Manager's level. It is the position of the board to stay informed with the budget revenues and expenditures so that they may keep their prospective Managers informed.



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NEW BUSINESS

- March Meeting: B. Johnson requested the March meeting date be changed due to a schedule conflict. L. Bodenus and M. O'Neill also concurred a conflict of schedule. M. Brumm motioned for the March meeting be cancelled due to lack of attendance and the agenda be moved to the April 21, 2022 meeting. Approved 4-0.
- Annual JCI Report: M. O'Neill stated based on JCI calculations, \$256,345 was saved in 2021. This includes the measured utility cost avoidance, non-measured utility cost avoidance, operational maintenance cost avoidance, and capital cost avoidance. M. Brumm stated she would be following up with the City Commission regarding her previous request for a JCI audit.
- MAWTAB City Commission Presentation: M. O'Neill stated the presentation is scheduled for March 14.

BOARD COMMENT

- M. Brumm gave an update regarding the PFAS Citizen Advisory Response Board for the State of Michigan. PFAS contamination has been found in an open field from sludge from a wastewater plant. The sludge was over the current limits for PFAS. They are looking at contamination of drinking water and developing protocols on what and where to test once a contamination is reported.
- L. Bodenus stated Marquette Township filed a notice of intent for lift station upgrades and a potential expansion is possible in the future.
- B. Johnson questioned where the COVID testing was occurring. M. O'Neill stated they test the manhole outside the prison, influent sample, and the big lift stations. B. Johnson was interested in having Chocolay lift station 1 tested. M. O'Neill explained the grant is already set up with testing sites for this year but agreed it would be wise to test a Chocolay Township lift station and a Marquette Township lift station. M. Brumm suggested to ask the board for testing site recommendations when the grant renews.

ADJOURNMENT

The meeting was adjourned at 11:49 a.m.

Reviewed by:

Mark O'Neill

Director of Municipal Utilities

Prepared by:

Melissa Erkkila