



COUNTY ADMINISTRATOR

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MEMORANDUM

TO: Barbara Levin Bergman, Chair
Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Daniel R. Myers, P.E.
Director of Public Works

DATE: March 18, 1998

SUBJECT: Request for County Assistance - City of Saline Water System Improvements

BOARD ACTION REQUESTED

Approval of the attached resolution directing the Board of Public Works to undertake a water system improvement project for the City of Saline.

BACKGROUND

In the past Washtenaw County has assisted several communities with the construction of water, wastewater and solid waste facilities. Communities are able to access the County's excellent credit rating by utilizing the provisions of Act 185, through the Division of Public Works and the Board of Public Works. The City of Saline has passed a resolution requesting the County's assistance in constructing improvements to their existing water supply system. This project will improve the quality and quantity of the water the City of Saline provides to its residents. The City has initiated preliminary design of this project and has been placed on the State priority list for the new Drinking Water Revolving Fund program to obtain low interest financing for the project. Through a separate resolution, we are requesting approval of the contract with the City of Saline at this meeting also because of deadlines within the loan program that require intermunicipal agreements to be executed by April 6, 1998. If we are able to remain on schedule it is expected that bond proceeds would be available in late June with construction to proceed shortly thereafter.

The resolution for your consideration initiates the process for County assistance and directs the Board of Public Works to proceed with the project. The Board of Public Works will be reviewing this request for assistance at its March 18 meeting.

DISCUSSION

The proposed project is expected to be built in segments for a total cost of approximately \$7,400,000. The City will be paying for these improvements through rates charged to users of the system and connection fees charged to new users.

IMPACT ON PERSONNEL

There will be no impact on personnel.

IMPACT ON BUDGET

There will be no impact on the County general fund budget. All costs associated with administration of this project, including County staff time, will be reimbursed from the project funds.

IMPACT ON INDIRECT COSTS

There will be no impact on indirect costs. Administrative charges for this project are calculated utilizing a multiplier system that captures overhead costs including the indirect costs of the Cost Allocation Plan.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES

There will be no impact on other County Departments.

CONFORMITY TO COUNTY POLICIES

This action is in conformance with County policies. The resolution has been prepared by our bond counsel, and has been reviewed by the Board of Public Works, Corporation Counsel, Finance and County Administration.

ATTACHMENTS/APPENDICES

Resolution

Preparer: Daniel R. Myers P.E.

Director of Public Works

Sal-ini-BM398

COUNTY OF WASHTENAW

BOARD OF COMMISSIONERS

At a _____ meeting of the Board of Commissioners of the County of Washtenaw held in the Ann Arbor, Michigan, on _____, 1998 at __: __.m. Eastern Standard Time, there were:

PRESENT: _____

ABSENT: _____

The following preamble and resolution were offered by _____ and seconded by _____.

**RESOLUTION DIRECTING THE
BOARD OF PUBLIC WORKS TO
UNDERTAKE A WATER SYSTEM IMPROVEMENTS PROJECT
FOR THE CITY OF SALINE**

WHEREAS, there has been submitted to this Board a resolution adopted by the City Council of the City of Saline in Washtenaw County (the "City") requesting the County of Washtenaw (the "County") acting through its Department of Public Works, as to undertake a project to construct improvements to the City of Saline's Water Supply System (the "Project") all as preliminarily described in Appendix A attached hereto; and

WHEREAS, the County has begun its necessary review of this project under the County's Full Faith and Credit Policy and the various County departments and officials are expected to submit a positive recommendation; and

WHEREAS, it appears to this Board that the establishment and construction of the Project, as requested by the City, is feasible and should be carried out subject to the final Full Faith and Credit review; and

WHEREAS, the Project would be established through the issuance of County bonds, financed pursuant to the provisions of Act No. 185, Michigan Public Acts of 1957, as amended ("Act 185"); and

WHEREAS, in order to comply with the request, it is necessary that the Project be approved by resolution adopted by the County Board of Commissioners, pursuant to Act 185;

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1. The Board of Commissioners does hereby preliminarily approve, pursuant to Act 185 and subject to the final Full Faith and Credit Policy review, the making of water system improvements for the City as requested in the resolution adopted by the City.**
- 2. The Project shall be known as the "City of Saline Water System Improvements Project".**
- 3. The County shall pledge its full faith and credit to the payment of the principal of and interest on any bonds or notes of the County issued for the Project.**
- 4. The firm of John R. Axe and Associates, attorneys of Grosse Pointe Farms, Michigan, is hereby designated as bond counsel in connection with the Project, and the firm of Bendzinski & Company of Detroit, Michigan, is hereby designated as financial consultants for the County in connection with the Project.**
- 5. The issuance and sale of Bonds in the amount of not to exceed \$7,400,000 shall be subject to the approval of the Michigan Department of Treasury, as required by law, and the Director of the Department of Public Works, or Bond Counsel is hereby authorized to make application to the Department of Treasury for permission to issue and sell Bonds. Alternatively, the Director of the Department of Public Works, or Bond Counsel, in his or her discretion, is authorized to apply for an exception to such prior approval from the Michigan Department of Treasury.**
- 6. All resolutions, or portions thereof, insofar as they may be in conflict with this resolution, are hereby rescinded.**

A vote on the foregoing resolution was taken and was as follows:

YES: _____

NO: _____

ABSTAIN: _____

CERTIFICATION

I, the undersigned County Clerk of Washtenaw County, hereby certify that the foregoing is a true and accurate copy of a resolution adopted at a _____ meeting of the County Board of Commissioners held on _____, 1998, the original of which is on file in my office, and that notice of such meeting was given and such meeting was conducted in compliance with and pursuant to Act No. 267, Michigan Public Acts of 1976, as amended.

County Clerk

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APPENDIX A

PROJECT DESCRIPTION

The project will consist of improvements to the existing City of Saline water distribution system. It is anticipated that the project will be constructed in segments and will ultimately include the following:

Two new production wells and appurtenances

One 600,000 gallon elevated storage tank

Well site selection activities

Ten pressure sustaining valves

One membrane water treatment facility

Telemetry system

4,000 feet of transmission main improvements

8,000 feet of water main replacement

2,000 feet of water loop closures

Estimated Project Costs

Construction \$5,700,000

Engineering, Legal Administrative,

Financial and contingencies \$1,700,000

Total Project Cost \$7,400,000

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