

Disclaimer: The Public Works Department has compiled this list of actual questions from residents and grouped in similarity, IF RECEIVED MULTIPLE TIMES. Not every question and answer provided received can be posted on this resource given time and capacity constraints. The priority is directly answering each resident.

QUESTIONS FROM RESIDENTS:

USDA Sanitary Sewer Expansion Project

These are **actual** questions from residents over the past few weeks. Most Frequently ask Questions are detailed in answers. All questions received to date (prior to 8/10/21 Board meeting) are listed.

Q1: Didn't the township vote on this last November? Why is the Township pursuing this project after it was voted down?

- The vote in fall 2020 was asking about the SALE OF BONDS; not if residents wanted public sewer (sewer referendum). The vote was related to how it was proposed to be financed.
- Township Staff and Elected officials heard frequently that people understand or even wanted sewer, just not the cost. The Board tasked staff with lowering the connection fees.
- Treasurer Clare Buszka ran on opposition of project and said she heard during campaigning from many residents that NEEDED sewer. She knew representing all residents meant pursuing sewer project for health, safety, and welfare of community, while finding a new way to finance so residents could afford or manage payment.

Q2: "What, if any, is the cost to me to have the sewer lines installed on my street?"

- The direct cost for a *residential* property in Phase 1 or 2, is a flat \$5,000 for *public side connection* (Sewer Expansion Phase 1 & 2 only). No longer 3-part equation.
- An estimated \$3,000-\$6,000 for private side connection from average cost of similar hookups from contractors in the area. Private side connections vary depending on location of outlet from home, landscaping, topography, and other features.
- For exact private side cost, we recommend reaching out to at least 2 excavating contractors to obtain quotes.

Q3: "Are these costs mandatory? If there is a cost, what authority/statute grants Oshtemo Township the power to require me to pay for a sewer line to be installed on a public street? I don't have to pay out of pocket for the road to be re-graded or for street lights to be repaired or new signs to be installed. I would like to know how construction on a public property becomes my expense. Please explain."

- Yes, costs are mandatory. Pursuant to Michigan Act 368 of 1978 and Oshtemo Township Code 232.008, both state the authority to mandate connection to public sanitary sewer.
- Costs for local (neighborhood) road work, street lights, or new signs comes from General Fund dollars which are collected through property taxes residents pay.
- The public right of way is designated for everyone's use and benefit. The cost of maintaining and constructing facilities (water, sanitary sewer, roads, stormwater drainage, stop lights, etc.) in the public right of way is paid for by all users.
- The cost of any public infrastructure is borne by the Tax Payers as that is who the users and beneficiaries are. Depending on the relative or direct benefit, costs are collected and distributed based on equitable formulas (approved rate method and formula, taxable value or per parcel).
- For example, previous policy on a local roads for any reconstruction or rehabilitation, residents needed to create petition for special assessment district (SAD) and total project cost was divide by parcels in district (paid over time on tax bill).
- Another example, similarly for streetlighting, that is a SAD in the Township, which collects revenues for conversions to LED and usage on tax bill and is paid for by residents within specified distance of lights.
- If approved, approximately: Phase 1 - Spring 2022 and Phase 2 - Spring 2023

Q4: When are we required to hook-up, pay for the sewer installation on the street, and pay for, the sewer connection from the street to our home?

Q5: When will this project begin on my street?

- Oshtemo Township Code 232.008, "... within twenty-four (24) months of mailed notification of availability of sewer service by the Township, following installation of public sewer main,...."
- Example Phase I: Install May 2022, Notice June 1, 2022, payment and connection complete June 1, 2024. Phase II: Complete/Notice by August 2023, connection would be required by August 2025.)

Q6: Did the Township do any testing of contamination of Septic Systems? How can they say Septics aren't safe? Are there ever going to be tests done to prove that our septic systems are failing and causing problems with the ground water?

- Vern Johnson 5/25 BD Meeting 1:00:00: Know from studies around lakes or shallow aquifers that septic tanks impact groundwater, we know that there isn't 100% complete treatment of sewage effluent even by best treatment systems, using cause and effect relationships "in high density areas, we know there is impact, can say with confidence that when municipal sewer is extended in high dense areas, there is a positive impact on our aquifers just from cause and effect"
- Vern Johnson 5/25 BD Meeting 1:30: Testing entire Township isn't cost effective when we know *cause and effect relationship* of non-point sources.
- Groundwater sampling and analysis is not the only way to analyze the impact of septic systems. Other standard and recognized practices of scientific reasoning expertise are valid. = "Cause and Effect"
- The County Health Dept inventoried existing septic in expansion neighborhoods (Sky ridge, Westport, Fairlane = 900 properties with homes in 2017) and **62% do not meet**

current code, 14% are on 3rd septic system (this is conservative number because if drywell system, probably just added dry well)

- Vern Johnson 5/25 BD Meeting 1:10:00: already know for big contaminants (KLA, PFAs, industrial), non-point sources nonspecific contaminant, not large plumes, small contributors to aquifer, onsite sewage treatment systems are those, we know in high dense areas we know greater risk of impact
- There are maps by EGLE for water testing of VOC, nitrates, arsenic, and phosphorus – these are bad/toxic for surface waters and water quality in Michigan

Q7: Why can't we wait for this project until there are more failed septic or a majority of people want this?

- These are specifically identified neighborhoods where sewers surround so connection to system is available. There is a unique funding opportunity to proactively and methodically complete these gaps. There are currently people who are out of options. If emergency situation happens, like one house has no other options and needs extension, it will be much more costly to residents or Township and neighborhood.
- From recent survey, 41% of people in expansion areas are interested in connecting to public sewer and from voting in November, higher favorability in Urban areas.
- Vern Johnson May 25 Work session at 45:50 min mark: "keep in mind that onsite treatment systems were not meant to be permanent thing for growth in America"... "stop gap until municipal sewers could be run in high density areas"

Q8: "My septic works fine and has been recently inspected and approved."

- Michigan is the only state without standard inspection.
- Township would have to set standards and manage inspection program.
- There is no scale to rate function of system to say it is fine, great, etc.
- Aging systems, reference to the (reduction in) efficiency and adequacy of treatment and function and potential for more environmental impacts at that point.
- The County Health Dept inventoried existing septic's in expansion neighborhood (Sky ridge, Westport, Fairlane = 900 properties with homes in 2017) 17.5 avg year/24 median year for systems needing replace or additional dry well. KCHD estimates County wide they average 20-30 years.

Q9: "What will happen to roads if Sewer project doesn't go through? what roads are affected? is the township going to continue putting off fixing the previous phase I and phase II roads? Will they continue putting off fixing the roads until the sewers are installed on those roads? "

- Township staff currently and will continue to work with Road Commission to create plan for next 5-10 years on how to prioritize which roads get done when based on condition and funding available.
- Majority of failed roads will not get done as quickly (2-3 years) like they would with sewer projects. Using the USDA loan allows to pay back over time. For them to be cash

financed will take longer and will be individual projects and lose cost savings of big project, taking longer and more money to complete.

- If roads in sewer expansion areas get reconstruction now, and sewer gets installed in 10 years let's say, there is still 25 years of useful life of that road that will get lost. It would be "money down the drain" and poor financial stewardship.

Q10: The WE Upjohn Report stated there is no increase to my property value when connecting to sewer, so why is the Township saying it does?

The Report says there is no increase in home value for two parcels next to each other where sewer exists. Thus, on 9th Street for example, resident A who is connected and resident B who isn't connected have no different in value. Resident B is getting the same increase in value without having paid for connection or usage like Resident A.

5. The analysis revealed that parcel with homes connected to the sewer system were no more or less valuable than those not hooked into the sewer system.

What the report says, is there an increase in parcel value when access to sewer is added. The value increase is realized when sewer is made accessible and installed. In 9th Street example, both resident A and B had increase in value when sewer was installed. Thus, Ramblewood St for example, where no sewer exist, parcels will increase in value when sewer is constructed.

9. The results demonstrated a statistically significant difference in assessed value between parcels with sewer access and those without sewer access across all property classes. This means that the data demonstrated a strong connection between access to sewer and increases in parcel values. Institute found that this connection diminishes when looking at individual property classes; additional information would help to pinpoint the reasons for this outcome. In general and across all property classes, parcels are more valuable when they have access to sewer.

Q11: Why is the connection Mandatory? I'd be much more inclined to go along with the project and even pay public connection fee if I didn't have to connect until my system fails.

https://www.michigan.gov/documents/deq/deq-ess-faq-water-wb-sanitarysewer-hookup_206699_7.pdf

Required by State Public Health Code – matter of health & safety

- Project intent is to protect residents and environment, it needs to be connected to in order to meet objective.
- Catching up (group of 300) is protested and called "unfair" based on rate methodology (i.e. cost is connection fee at time of connection, not construction).
- System function relies on use (enough flow) and financial viability requires use and participation by all.

Q12: I don't want the project if I must have a pump.

In any engineering design, the best effort is made to optimize the infrastructure and/or system. Ideally, as much as possible sewage flows by gravity and does not need lift stations, but at some point, sewer main gets deep enough (30feet) that the cost of installing, area of excavation, and maintenance are illogical. Engineers try to balance depth of sewer main (less pumps for residents) with constructability (high cost). We can all agree pumps either for residents or system as lift stations, are not DESIRED. In design of larger areas, we have opportunity to make more large scale decisions and decrease chances of needing pumps, but it's inevitable when fitting sewer into existing residential area. Some people need pumps for septic (more likely especially during replacement and less options for locations).

Q13: The connection lead pipe is going to take down mature trees and a new septic would go in the same location as my current one and not impact trees.

If a septic replacement needs to occur, most of the time, they do not go in same location. The existing drain field area is considered contaminated material so would need to be hauled off and go to specialized land fill. A new location on your property is selected based on setbacks, soil conditions, etc. so large area of trees would be removed then. A service lead is 4" diameter pipe and some contractors offer boring which is minimal digging compared to open excavation.

Q14: how the township is planning to pay for the project (Road millage, connection fees, usage fees, surcharges, etc...)

This is best explained during presentation of May 25th Board Regular Meeting and <https://oshtemo.org/wp-content/uploads/2021/07/Part-5-Capital-Infrastructure-Funding-Roads-and-Prop-Sewer.pdf>

Q15: Are connection fees an alternate to Special Assessment Districts?

Both are methods to fund public infrastructure under different state statutes. Oshtemo provides an installment payment option for homeowners for connection fees which is designed to replicate the long-term payment characteristic of a SAD burden over the property.

Q16: This isn't cheaper, now I have monthly bill for sewer service.

Yes, single-family sewer fees are billed quarterly, based upon measured flows of the public water meter. There is ongoing cost of system maintenance and cost for treatment. The Township is actively working on new wastewater contract with City and other Townships to ensure costs are same for all residents and to increase efficiency and cost effectiveness of system.

Q17: What makes the USDA funded sewers different?

As physical infrastructure, they are the same. USDA is involved in the FUNDING. They offer low rate, long term financing. Recipients need to apply and be approved.

Q18: What happens to outstanding balance of sewer connection if I sell my house?

The installment payment plan can be paid-off at any time (without pre-payment penalty). Therefore, the most common procedure at time-of-sale is that the unpaid principal is negotiated in the sale price. Alternately, the purchaser can execute a simple assumption of installment agreement with Oshtemo that will continue the existing financing agreement. It is important to note that the lender must agree to the assumption.

Q19: Is Oshtemo profiting from its installment payment plans and/or this project?

- all collected money will be deposited into the segregated Sewer Fund and restricted in use.
- Costs were determined by consulting engineers, bond council, and municipal finance advisors. These experts use valid assumptions, determined rates and repayment tolerances.
- Township has annual audit done to ensure meeting legal government requirements. It is made public for anyone to review.
- USDA tracks the fiscal stability of Oshtemo's Sewer Fund over the 40-loan period. Should collected revenues exceed expenditures, the Township has the flexibility to reduce the debt service fee (surcharge).

Q20: Is there going to be another vote on an upcoming district ballot to approve the lower cost and purchase of bonds?

- The Residents have the right to referendum for the sale of bonds so if signatures are gathered again, yes it would become ballot measure.

Q21: Why aren't you holding your meetings ahead of the August 10th meeting so our voices can be heard?

- There is public comment at every meeting for non-agenda items and after agenda items and we are using social media to request feedback and comments prior to the meeting so the Board can use in deliberation.

Q22: City of Kalamazoo is currently spending 1.7 million to vacuum out the sewer stink in Kalamazoo's Northside. (MLive July 20, 2021). In 2018, Kalamazoo invested 15 million for anti-stink measures that were plaguing the residents of Kalamazoo Northside "for years".(MLive Posted Dec 4, 2018, and updated Jan 29, 2019)

Q23: Further investigation reveals that this has been an ongoing issue since 1968.

(WMUK.ORG) It took State action to make Kalamazoo start the investigation and clean up the mess. Flash forward – the sewage is still dumping into the river due to pipes bursting. (MLive 09/2019) Fisherman reports sewage leak in the Kalamazoo River due to a cut pipe... (WWMT.Com Feb 21, 2020) Broken Sewer pipe spills about 30 gallons of sewage in the park. Wincountry.com August 2, 2021) 500 gall raw sewage spill reported Sunday at Spring Valley Park, Kalamazoo.

Q24: Are the pipes that Oshtemo connecting to able to handle the flow of additional sewage being proposed with Oshtemo expanding the lines/hookups?

Q25: Are the lines going to the actual waste treatment plant viable and able to handle the additional flow?

What (if any) cost are going to be assessed to Oshtemo or to the residence of Oshtemo that are utilizing the sewer system if problems like this continue or arise from the additional hookups?

Has Kalamazoo completed the inspection of the sewer lines? Has Oshtemo reviewed the report or has information been made available to the Board and is someone working closely with the Oshtemo Board on the proposed sewer expansion regarding maintaining viability of services (not just the immediate monies cost)?

Q22-25: See Board Meeting recording 8/10/21 <https://www.publicmedianet.org/gavel-to-gavel/oshtemo-township?modal=undefined,episode,119569> minute mark 01:43:29

Q26: City of Mattawan has been in a “sewer discussion” for the past several months. One of the questions that the Mattawan board has been unable to answer is why sewer pipes that are approximately 10 years old are now considered failing.

Q27: What, if any, guarantees of work and life of lines are being offered to the Oshtemo Board in regard to the installation of the proposed sewer lines? Like any infrastructure installed in the Township or State, there are specifications that must be met and complied with to ensure proper installation and function. There are industry rates for life spans of certain materials (ex: conc pipe vs plastic pipe). Design Engineers use their expertise to select appropriate application of materials. Oshtemo and City have routine operations and maintenance programs and procedures to keep systems in working order and maximize useful life.

Q28: Has an inspection on the current sewer lines in Oshtemo been completed? If so, what are the condition of the lines? Yes, a comprehensive analysis of the existing sanitary sewer system was completed from 2017-2020 with a Grant from the State. See

Q29: Hook up fees have been reduced to a much more reasonable amount; however, the homeowner is still required to pay for the private land hookup from the existing exit of their home to the sewer system. This is still running at an average cost of \$10K or more.

Public Works staff has contacted multiple contractors in the past (2019) to ask about average connection costs and was provided with \$4,000-\$6,000 avg. The staff again reached out this year to ask about most recent prices (2021) for Oshtemo connections. 1 Company provided estimates for 6 properties in Oshtemo, again confirming average \$3,500-\$7,000. They stated a connection cost towards \$15,000 is very rare.

Q30: Is Oshtemo going to mandate that current homeowners hook up to the sewer system immediately or can the homeowner continue using their current septic systems until a set amount of time has pass or their system fails/needs to be replaced? See following up resource of “Why Mandatory Connections?”

Q31: With the current financial strains that people have been under for the past year and now the 2nd variant strain of Covid-19, has the board given these financial hardships consideration? Yes, the Board already created a Hardship Financing Ordinance and fund. It is currently active and going to recipients.

Q32: With the resurgence of the virus and strains, if the sewer system is started, what guarantees are in place or will be put into place to assure that the work is completed in a timely fashion to cause as little disruption to the neighborhoods as possible? Is it built into the proposed plans to finish a section prior of starting another?

Q33: In our neighborhood of Skyridge/Burgandy Manor, our utilities are all underground. Several of the residence work from home or have medical issues that require continued services. Can we expect continued services while the roadway is being torn up? Our community enters and exits on Drake Road- are we going to be able to navigate our roads and driveways? Or is our community going to be torn up all at once leaving no alternative routes?

Even during the COVID shut down, essential work, like public sewer install continued. There is no predicting the unknown. The Township with consulting engineers will manage the construction to be done in the correct manner while minimizing disruptions. Construction of deep sewer is no small feat. There will be delays and inconvenience. Every effort would be taken to communicate with residents and be diligent in work to not damage property, accidents happen and existing utility records are not always accurate. The Township would have neighborhood specific meetings to update with logistics, schedules and answer specific questions. Access will be maintained for residents and emergency personnel.

Q35: Previous discussion with sewers encompassed sidewalks and roads being put back in the original location, curbs, etc. Sidewalks were removed from the discussions of any sewer installation for the Skyridge / Burgandy Manor locations. In Burgandy Manor, the roads are curbed and guttered.

Will the road be replaced in the same manner in which it is currently built?

Driveways being cemented at the road access, etc.?

Specifics can be reviewed on an individual basis if you contact Public Works Department to review design plans.

Q36: Closing of Driftwood was promised with the building of the Maple Hill Road. This would allow for the 2nd access point to the apartment complex.

Is that still in the agenda for road improvements and sewer expansion? This was a discussion point for the calming of the traffic on Driftwood. Traffic issues are still a main concern and problem for the Driftwood residence. The Township is aware of this and will work with residents and Road Commission for acceptable solution.