

LENAWEE COUNTY ADMINISTRATOR'S OFFICE



WILLIAM R. BACON
County Administrator
301 N. Main Street
Adrian, MI 49221

Telephone: (517) 264-4508
FAX: (517) 264-4770

A G E N D A

**PHYSICAL RESOURCES COMMITTEE
MONDAY, MAY 1, 1995 - 9:30 A.M.
COMMISSIONER'S COMMITTEE ROOM**

- 1) *Approve minutes of April 3, 1995 meeting*
- 2) *Request from Prosecuting Attorney for payment of telephone installation invoice (\$444.80)*
- 3) *Review copy machines in District Court and Clerk's office*
- 4) *Update on status of underground storage tanks (UST's)*
- 5) *Discuss repair of Drain Barn driveway*
- 6) *Maintenance Department report*
- 7) *Drain Commission report*
- 8) *Other business*
- 9) *Adjournment*

WRB/tjm

**District Court - Civil Division
Copier Quotes
May 1, 1995**

Company	Copier Brand	Price	Comments
A-Kopy	Cannon	\$2295.00	Didn't care for machine.
Albin	Konica	\$1002.00	Price inc's. trade-in, 2nd choice
MRPS	Lanier/Toshiba	\$1305.00	Trade-in not in price, 1st choice
Office Plus	Sharp	\$1995.00	Demo scheduled end of this week

Copier Information

Department	Current Machine	Age of Machine	Copies per Month
Dist. Ct.- Criminal	Xerox 1045	7 years	6700
County Clerk	Konica 3035	4 years	13,400 (15,000 copies several months last fall)

BUILDINGS & GROUNDS
Expenditures for April
May 1, 1995

#727	Len. Co. Printing	10.84	
	Ending bal.		\$ 263.42
#743	Adrian Locksmith	59.25	
	Ace Hardware	80.56	
	Bostwick Braun -brushes	10.08	
	Ending bal.		1,000.99
#746	PS oil	6.39	
	Peerless Supply Co.	28.70	
	R. A. Boleys	69.23	
	Ending bal.		1,092.72
#752	Len. Co. Road Comm. - salt	585.30	
	Ending bal.		313.32
#754	Boilers, Controls & Equip.	34.53	
	Ending bal.		776.22
#756	Stevensons Lumber	6.35	
	Ending bal.		995.17
#759	Mirku Lock	306.47	
	Ending bal.		2,860.50
#809	Millar Elevator	686.79	
	Century Cellunet	60.00	
	Mobile Communications	74.22	
	Laidlaw Waste Systems	559.00	
	Ending bal.		13,425.55

#901	Len. Co. Printing - copier supplies	117.05	
	Ending bal.		82.65
#930	J & D Motor	3.50	
	Thompson Pump Repair-sewage pumps	2,032.46	
	Bob Slusher Flooring - 3rd floor	163.00	
	WW Grainger	94.30	
	Adrian Locksmith	111.40	
	Ending bal.		9,954.31
#936.079	Gallant & Son	10.95	
	Ending bal.		289.05

VDEM

April 20, 1995

Cambridge Township Board
% Marvin Grigg, Supervisor
244 S. Main Street
Onsted, MI 49265

Re: Gentner Water System

Dear Board Members:

There continues to be many questions and anxious rumors about the status and future of the "Gentner Water System". Neither this office nor the county has any jurisdiction over that utility and has not sought any. However, the rumors and complaints persist here.

The Cambridge Township board minutes of December 14, 1994 received today do nothing to address the problem. The owners and the users must jointly agree on some course of action with approval of the State Health Department.

The users of the system should initiate a petition directed to the Cambridge Township Board, the State Health Department and the owners stating concerns, complaints, conditions, limitations, etc. pertaining to the existing community water system and request some course of action such as:

1. Improve or replace supply wells.
2. Improve or replace distribution system.
3. Increase pipe size and water pressure.
4. Assure compliance with water quality standards.
5. Extend the system to more customers.
6. Install customer use meters.
7. Establish a special assessment district.
8. Establish a competent public authority to own and operate the system.
9. Establish a financing plan and user rate ordinance.

The owners(Gentners) should respond and comply or formally relinquish all rights of ownership and operations responsibilities to Cambridge Township.

Cambridge Township would then fall heir to the entire system, including necessary land and easements. The township is then in a position of responsibility -- willing of not.

If the township cannot handle the needs, it could formally petition, by resolution, directed to the Lenawee County Board of Commissioners, seeking to contract with a county agency to assume jurisdiction and operation of that public utility. Similar to the establishment of a sewer project as provided by PA 342 of 1939.

The Wamplers Lake Sewer project will be in construction this summer. The south shore water system will have major interruptions. It will be the responsibility of the owners to accurately locate the pipelines and continue water service to their customers as sewer construction progresses.

Should more information be needed on this matter, please feel free to contact me.

Sincerely,

Donald E. Mitchell
Lenawee County Drain Commissioner

DEM/mt

STATE OF MICHIGAN



JOHN ENGLER, Governor

DEPARTMENT OF PUBLIC HEALTH3423 N. MARTIN L. KING JR. BLVD.
P.O. BOX 30195, LANSING, MICHIGAN 48909

VERNICE DAVIS ANTHONY, MPH, Director

May 22, 1995

To: Customers and Potential Customers of the Gentner Water System
South Wamplers Lake Area, Cambridge Township, Lenawee County

Subject: Public Information Meeting, Saturday, May 27, 1995, 2:00 P.M.
Irish Hills Fire Station, 495 Spruce, Brooklyn, Michigan

Dear Sirs and Mesdames:

You are invited to attend a public information meeting on Saturday, May 27, 1995, 2:00 P.M. at the Irish Hills Fire Station, 495 Spruce, Brooklyn, Michigan.

As most of you already know, a new sanitary sewer system is scheduled to be installed in the area beginning this summer. Efforts are being made to minimize water system damage as a result of the proposed construction. However, it is believed that some water service disruption is inevitable. As such, this office, in conjunction with the water system owners (Gentners) and the Lenawee County Health Department, is developing a system for notification so that the public is properly informed when these inconveniences occur. Procedures necessary to assure the safety of the potable water will also be provided. Notification protocol will be discussed and sample public notices will be available during the meeting.

The existing Gentner Water system is deficient in terms of well and storage capacity, and the distribution system is undersized and in need of repair. The system is privately owned and was originally constructed to serve a limited number of mostly seasonal residences. Connections were previously allowed so that the capacity of the system has been exceeded. This office, which has jurisdiction over Type I community water systems, has maintained a connection ban since 1990 so as not to compound the existing problems. However, the water system will require extensive capital improvements to alleviate the existing deficiencies. The owners of the water system recognize the need for these improvements. However, privately owned water systems do not have access to many of the same financial mechanisms as publicly owned systems.

Ultimately, the customers of the water system will bear the expenses for required improvements. The method of financing is often equally as important as the total expenditures when determining final water system costs. This office recommends public ownership of community water supplies, in part, because public entities have the financial mechanisms necessary to fund water systems in the most economical manner. Because the Gentners also recognize the advantages of public ownership in this regard, they have expressed their willingness to relinquish ownership of the system.

Customers and Potential Customers of the Gentner Water System
South Wamplers Lake Area, Cambridge Township, Lenawee County
Page 2
May 22, 1995

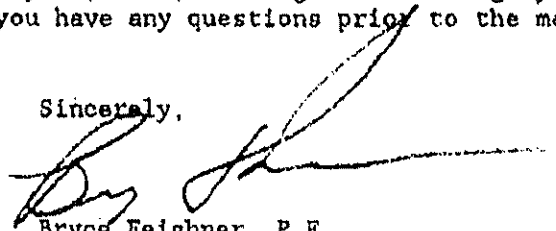
The Gentners have approached both Cambridge Township and Lenawee County regarding transferring ownership of the water system to one of those entities. Because Cambridge Township does not have the staff and equipment necessary to operate a water system, they have declined ownership in the system. The Lenawee County Drain Commission currently owns and operates two other Type I community water supplies. However, they are hesitant to take on the additional responsibilities at this time. It is believed that a unified ownership transfer proposal from Cambridge Township, the Gentners, and the residents, including a fiscal plan for alleviating the system deficiencies, may cause the county to further consider the ownership issue. Resident support of the ownership transfer should be demonstrated by a petition from customers and potential customers of the system.

As such, Progressive Architecture Engineering Planning, at the township's request, has prepared a petition to be circulated among the residents. The petition will be available during the meeting for your review and signature.

We are sure that you have many questions which cannot adequately be addressed in this letter. A proposed agenda for the public information meeting is enclosed. Agenda items will be presented by representatives from Cambridge Township, Lenawee County Health Department, Progressive Architecture Engineering Planning, and the Michigan Department of Public Health. Time will be provided to answer the many anticipated questions.

We hope that you will attend the May 27, 1995, meeting and encourage your neighbors to do so also. Should you have any questions prior to the meeting, please call me at (517) 335-9421.

Sincerely,



Bryce Feighner, P.E.
District Engineer
Division of Water Supply
Bureau of Environmental and
Occupational Health

BF:im

Enclosure

cc: Gentner Water System
cc: Cambridge Township
cc: Progressive Architecture Engineering Planning
cc: Lenawee County Drain Commissioner
cc: Lenawee County Health Department

Public Meeting for Customers/Potential Customers of the Gentner Water Supply

Saturday, May 27, 2:00 P.M. - Irish Hills Fire Department

Proposed Agenda

- I. Introductions
- II. Sewer Construction Concerns
 1. Estimated Construction Schedule
 2. Anticipated Water Service Disruptions
 3. Preliminary Precautions and Repair Procedures
 4. Public Notification Protocol and Procedures
 5. Questions
- III. Water System Ownership Concerns
 1. Existing Condition of the Water System
 2. Preliminary Cost Estimates to Alleviate Deficiencies
 3. Advantages of Public Ownership
 4. Procedures Necessary to Solicit the County for Ownership
 5. Engineering Feasibility Study
 6. Questions
 7. Petition Circulation

APR 4 A.M.

OFFICE OF THE PROSECUTING ATTORNEY

Prosecuting Attorney
Irving C. Shaw, Jr.

Lenawee County Judicial Building
425 N. Main Street
Adrian, MI 49221
517-264-4640
Fax - 517-265-9314

Chief Assistant
Frank C. Riley

Assistants
Dan R. Bruggeman
Jonathan L. Poer
Laura J. Schaedler
Douglas Hartung
Gregory Grover



March 27, 1995

Mr. William Bacon
County Administrator
Courthouse
Adrian, MI 49221

Re: Telephone Bill

Dear Bill:

The entire phone system at my office failed a few weeks back. It was many years overdue for updating. It contained five ancient telephones which had been installed by the county, I believe in 1978. The county property numbers on those phones are: 09212-09216 inclusive. The telephone service people advised that these should be thrown in the dumpster, having no present value and being unwelcome at the Ford Museum.

This office had four telephones which had been purchased new in 1989 for installation in Nate Fairchild's office together with the switching unit for those phones. That equipment had been removed from Nate's office after he ceased to be Prosecuting Attorney. The county property numbers on those phones are: 09496, 09497, 09498, and 12505. I arranged for the four phones to replace the five earlier phones, with appropriate changes in wiring and the attached bill is reflective of that work.

I separately ordered the installation of a fax line and two additional phones. I am being billed separately for that work and those items.

I respectfully request that the county consider payment of this bill, in as much as obsolete telephones belonging to the county are being replaced by later-model used county equipment. I will dispose of the old phones unless you advise me to the contrary.

Sincerely,

A handwritten signature in black ink, appearing to read "Irving C. Shaw, Jr.", is written over a horizontal line.

Irving C. Shaw, Jr.

ICS/blk

Enc.

Professional Telephone Service, Inc.
 304 S. Main
 P O Box 1228
 Adrian, MI 49221

Invoice

DATE 3/13/95 INVOICE # 1507

BILL TO:

Irving Shaw, Atty.
 142 N. Winter
 Adrian, MI 49221

SHIP TO:

PO NUMBER	TERMS	REF	SHIP	VIA	FOB	PROJECT
	Net 30 Days		3/13/95			
QUANTITY	ITEM CODE	DESCRIPTION			PRICE EACH	AMOUNT
8	RJ 11	Flush or Non Flush Outlet & Wiring			10.00	80.00
		Subtotal				80.00
8	Labor	Labor to Install & Program Trillium 308 Ksu & 6 phones			45.00	360.00
		Sales Tax			6.00%	4.88

IRVING SHAW
RECEIVED
 MAR 15 1995

By _____

TOTAL \$444.88

STATE OF MICHIGAN



JOHN ENGLER, Governor

DEPARTMENT OF NATURAL RESOURCES

STEVENS T MASON BUILDING, PO BOX 30028, LANSING MI 48909-7528

ROLAND HARMES, Director

**NATURAL RESOURCES
COMMISSION**

JERRY C. BARTNIK
KEITH J. CHARTERS
LARRY DEVUYST
PAUL EISELE
JAMES P. HILL
DAVID HOLLI
JOEY M. SPANO

REPLY TO:
MUSTFA FUND
UNDERGROUND STORAGE TANK DIVISION
TOWN CENTER
PO BOX 30453
LANSING MI 48909-7953

April 3, 1995

CERTIFIED MAIL

**TO: ALL REGISTERED UNDERGROUND STORAGE TANK (UST)
OWNERS AND OPERATORS**

**FROM: Amy S. Carter, MUSTFA Fund Administrator
Underground Storage Tank Division**

**SUBJECT: Notice Regarding Michigan Underground Storage Tank Financial Assurance
(MUSTFA) Fund Status**

Under Part 215 of the Natural Resources and Environmental Protection Act, 1994 PA 451 (Act 451), previously referenced as the MUSTFA Act, 1988 PA 518, MCL 299.822 et. seq., the Michigan Legislature created a fund to, among other things, help qualifying owners and operators of certain UST systems meet the financial responsibility requirements they have under both federal and state law.

Under Part 215, Section 21508(6) of Act 451, if expected revenues are insufficient to cover expected expenditures, the Michigan State Treasurer must send notice of that fact to the MUSTFA Fund Administrator. That notice triggers a 90 day period after which the Fund Administrator "shall not accept any new work invoices, new claims, or requests for indemnification." This certified letter is to advise you, as a registered UST owner or operator, that on March 31, 1995, the Michigan State Treasurer sent such a notice to the Fund Administrator. **THIS MEANS THAT FUNDING UNDER MUSTFA WILL NO LONGER BE AVAILABLE FOR CLAIMS, WORK INVOICES, OR REQUESTS FOR INDEMNIFICATION WHICH ARE RECEIVED AFTER 5:00 P.M. ON JUNE 29, 1995. BE AWARE THAT REVENUES ARE INSUFFICIENT TO PAY INVOICES ALREADY SUBMITTED ON A REGULAR BASIS AND REVENUES WILL NOT BE ABLE TO PAY NEW CLAIMS FOR RELEASES REPORTED AFTER MARCH 31, 1995, UNLESS ADDITIONAL REVENUES BECOME AVAILABLE. CLAIMS, WORK INVOICES, AND REQUESTS FOR INDEMNIFICATION THAT ARE RECEIVED PRIOR TO THIS DEADLINE MAY BE PAID ONLY IF MONEY BECOMES AVAILABLE.**

In order that we may properly process all claims, invoices, or other requests for indemnification received during this 90 day period, they should be submitted in accordance with the following procedure:

All new claims should be sent to the MUSTFA Fund Administrator at P.O. Box 30453, Lansing, MI 48909-7953, or delivered to the Underground Storage Tank Division, MUSTFA Fund, 333 South Capitol Avenue, 2nd Floor, Lansing, Michigan

Notification to Owners/Operators
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April 3, 1995

All claimants who have previously received a claim number should continue to send invoices or other requests for indemnification to Sedgwick James of Michigan, Inc., 3001 West Big Beaver Road, Suite 602, Troy, Michigan 48084-3164 until the deadline of June 29, 1995. Please do not send duplicate claims or invoices for those previously submitted.

Claims which are received through the end date of June 29, 1995, and all work invoices, or requests for indemnification which are received through the end date of June 29, 1995, will be processed in accordance with the provisions of the MUSTFA Act providing revenues exist.

After the final date of receipt of claims, June 29, 1995, an owner or operator of a UST will be required to secure their own pollution liability insurance, or another mechanism of financial assurance equivalent to One Million Dollars, in order to remain in compliance with state and federal law.

The Underground Storage Tank Division has identified three companies that are currently offering the required pollution liability insurance. These companies are as follows:

Zurich-American Insurance Company - 800-713-1158.

Commerce and Industry Insurance Company - 800-589-6982.

Agricultural Excess and Surplus Insurance Company - 800-333-0983.

Contact your insurance provider to obtain the necessary coverage. If you have any questions, please contact the MUSTFA Office at 517-373-6247.

NOTE: ANY OWNER WITH MULTIPLE LOCATIONS IS RESPONSIBLE FOR FORWARDING THIS CERTIFIED LETTER TO THE APPROPRIATE OPERATOR.

Amy J. Carter

bond issue to be placed before state voters in November, 1996; paying for DNR program staff through general state funds rather than environmental bond funds; using unredeemed beverage container deposits, escheated to the state, to finance some elements of the cleanup program; and developing a TIF-style program where all state and local taxes on a redeveloped parcel are captured and used to finance site remediation activities.

The workgroup has forwarded recommendations to Governor Engler, who will propose MERA funding options to lawmakers in early May.

ACTION NEEDED . . .

The League urges city and village officials to learn more about the legislation and its impacts on site cleanups and redevelopment initiatives in your community. Do this by:

- Calling your state representative or state senator and requesting a copy of HB 4596 (version H-2, R-1). Also request a copy of the analysis of the bill prepared by the Senate Fiscal Agency. This concise, 13-page analysis of the legislation is dated April 18, 1995.
- Reviewing the bill and the analysis and encouraging discussion of the bills' policy issues among elected officials and staff.
- Writing or calling your state senator and urging him or her to support the legislation.

The bills are moving quickly. Look for updates on the legislation via a *MML Municipal Fax Alert* in the next two weeks.



Municipal UST Owners Scrambling As MUSTFA Program Collapses

Now that state officials have verified the complete financial collapse of the Michigan Underground Storage Tank Financial Assurance system (MUSTFA), municipalities

are scrambling to submit cleanup claims and identify mechanisms for meeting federal financial assurance requirements by the June 29 deadline set by DNR officials.

The DNR's Underground Storage Tank Division moved to shut-down the state's financially ailing tank cleanup financing program when an independent study confirmed that the MUSTFA fund is insolvent. The study found that the fund used to finance UST removals and contamination cleanups has a current deficit of more than \$235 million. The MUSTFA fund, which generates approximately \$50 million per year through a 7/8-cent tax on motor fuels, had a balance of only \$165.6 million as of February 1 to cover more than \$400 million in outstanding claims.

MUSTFA Administrator Amy S. Carter informed tank owners by certified mail of the two-tiered cutoff for MUSTFA claims:

- Claims for reimbursement submitted by March 31, 1995 will be paid as the state is able to sell commercial paper to maintain sufficient cash flow in the MUSTFA fund. It could take two to three years to reimburse these claimants.
- Claims submitted between April 1 and June 29, 1995 will be paid as money becomes available. The Legislature will have to address the MUSTFA insolvency issue for these claimants to be paid.
- The DNR will not accept any MUSTFA claims after June 29, 1995.

The announcement that MUSTFA is insolvent is sobering news for municipalities waiting for reimbursement of claims submitted for tank remediation work already performed, and for all municipal tank owners that now must find alternative mechanisms to comply with federal financial assurance requirements. Dozens of municipalities now engaged in tank cleanup activities face delays of months, or perhaps, years to receive reimbursement for claims submitted to the MUSTFA administrator.

FINANCIAL ASSURANCE REQUIREMENTS

Aside from the claim reimbursement delays, municipalities must now find a financial vehicle to comply with strict federal financial assurance requirements. Federal law (Subtitle 1 of the Resource Conservation and Recovery Act) requires tank owners to have \$1 million in insurance coverage, lines of credit or other financial instruments to ensure that future UST leaks will be remediated. According to EPA rules (53 FR 43322) these alternative financial assurance mechanisms include:

- **Bond Rating Test:** Cities and villages with outstanding issues of general obligation bonds rated by Standard and Poor's or Moody's as "investment grade" will be allowed to self insure. In addition, special local government "districts" (airport authorities, joint police and fire authorities, etc) that lack the authority to issue general obligation bonds may also self insure if they have outstanding revenue bonds rated "investment grade." To be eligible for this test, a local government must have \$1 million or more in currently outstanding bonds.
- **Worksheet Test:** EPA has developed a financial worksheet that recognizes the unique financial structure of municipal governments. Municipalities can use readily-available financial data to complete the worksheet and calculate a score. Cities and villages with scores above a certain level will be allowed to self-insure.
- **Fund Balance Test:** Municipalities may self-administer an UST response fund if appropriate safeguards are met.

PRIVATE INSURANCE OPTIONS

Local governments may also comply with federal financial assurance requirements by purchasing pollution liability insurance. The UST Division has identified three companies that provide such coverage. They are:

- Zurich-American Company, 800-713-1158
- Commerce and Industry Insurance Co., 800-589-6982

- Agricultural Excess and Surplus Insurance Co., 800-333-0983

You may want to check with other local insurers that may be offering UST coverage.

WHERE DO WE GO FROM HERE?

The League is currently gathering from EPA and the DNR's UST Division all of the documentation, work sheets and other materials municipal officials will need to explore the various financial assurance options. Once we have identified sources of these materials, we will alert your community. In addition, the League's Environmental Affairs Service will closely monitor developments in the Legislature and the DNR and report to you as information is available.

Impact Points . . .

► **The Great Lakes Initiative**

The League is continuing its regulatory and financial impact analysis of the GLI. The process has been slowed by EPA's delayed release of regulatory cost information. Although the EPA made several favorable changes to the 350-page regulation, the GLI still poses difficult and costly compliance mandates for municipalities. The League's Transportation and Environmental Affairs Committee will recommend a plan of action on the GLI in mid-May.

► **Clean Water Act Reauthorization**

The U.S. House has scheduled floor action on the CWA this week. Proposals to minimize regulatory and cost impacts on municipalities, eliminate municipal stormwater permit requirements, give Great Lakes states flexibility in implementing the GLI, and significantly modifying wetlands regulations have prompted opponents to slow Congressional debate. Look for updates in future issues of MML's *Environmental Impact*.