Regular Board Meeting
June 8, 2026, at 5:30 p.m.

1. Meeting was called to order at 5:30 PM by the Supervisor and began with the Pledge of Allegiance to the Flag.
2. **ROLL CALL-** Roberts, Hegbloom, Aspinwall, Tarnaski, Selin.
3. **PRESENTATION OF THE MINUTES – MOTION** by Roberts, support by Selin, to approve the minutes of 5/11/26 as presented and place on file. Motion carried.
4. **APPROVAL OF AGENDA** – **MOTION** by Selin, supported by Roberts to approve the agenda as presented. Ayes: 5 Nayes: None. Motion carried.
5. **COMMUNICATIONS**: At this time, Agenda item 9b was moved to five to allow for C2AE presentation on **Sewer/Water Line Project**. - C2AE representative Darren Pionk presented an update on the TMF grant, which was already accepted by the Township last year in 2025. Grant funds are 100% with no local match, and the total is around $115400.00. The purpose of the grant is to develop a Lead Service Line (LSL) inventory and project plan for all of Bessemer Township. It involves field investigation and mapping of service line materials, interior inspections at residences (DPW staff can assist), and potholing at curb stop to visually confirm service line materials (both public and private sides). Also included will be preparation of a Project Plan (approx. 150+ pages) to use in future, EGLE/USDA grant & loan applications for replacement. The grant includes approximately $40,000 for a potholing contractor. C2AE will prepare and advertise bid package. Contractor's work is limited to the available grant allowance (e.g., if $40,000 only covers thirty potholes, that is all that will be done under this grant). The Township would approve any contractor award.

   - Board concerns and discussion:

     Mandate: By 2040–2041, all Michigan residential systems must be lead-free; a 20-year schedule (approx. 5% of impacted services per year) is expected.

     - Once lines are identified as lead, the board asked whether the township becomes responsible for full replacement, including private side. Darren confirmed that current state policy places responsibility on the municipality, not the homeowner.
     - Financial anxiety:
       - Township has an existing USDA water project of about $6 million, even though 66% is grant funded (net township share ~$2 million). The board is wary of accumulating multiple large infrastructure debts with a small ratepayer base (~400 users). Concern about future affordability for residents with limited income.
     - Darren clarified:
       - The TMF grant covers only identification and planning, not replacement.
       - Having a complete, engineer-prepared plan will position the township for future grant/loan opportunities, including potential future higher grant shares if state or federal programs change.
       - Work does not have to be completed this year; grant end date is September 2026. There may be flexibility to extend if there is a strong reason.
       - Many lead lines in current USDA project areas are already being addressed, so there is no need to pothole those locations.
       - C2AE can avoid zones where past projects already established non-lead public lines (e.g., Horseshoe Bend, Anvil), focusing on private-side interior inspections there instead.
   - Requests from Board:
     - Provide an estimate of the number of lead-suspect services township-wide.
     - Email the engineering agreement and TMF breakdown for board review.
   - Board position:
     - General consensus that, despite cost concerns, the township must comply with the lead inventory mandate and that using 100% grant dollars is preferable to self-funding.
     - No formal motion recorded to reject the grant; direction was to continue preparation and planning under the already accepted TMF grant.

   USDA Water/Sewer Project – Contractor & Audit Status

   - Darren reported on the USDA water/sewer project:
     - Contractor: Ruotsala Construction
     - Bids were taken over a year ago; by contract, the contractor is only obligated to hold their bid 90 days. Contractor has been patient but is now looking for clarity, as alternative work is available.
   - <u>Critical path issues:</u>
     - Bond closing cannot proceed until the latest township audit (FY 2025) is completed and accepted by United State Treasury.
     - USDA has approved all other required forms and is otherwise ready to close.

-Treasury insists on a current audit before allowing new bond closing; last exception was for the City of Flint for a refinancing, not a new project.

- Township auditor (Gus Ahonen) was delayed due to tax season workload.

- Action plan:
  - Darren and Dennis are trying to schedule a meeting with Ruotsala Construction this week to:
    - Review project timeline and proposed construction schedule.
    - Discuss price escalation for materials since bid date and whether USDA will cover any difference.
  - Dennis/Clerk to contact Mr. Ahonen again to accelerate audit work once tax season eases.
- Expected timeline:
  - Assuming audit completion and Treasury review, bond closing could occur around June–July, with construction to follow.
- Board concerns:
  - Project delays effectively cost the contractor a season.
  - Potential for material cost increases to be borne by the township if not fully covered by USDA.

Board members thanked Darren and Jared from C2Ae for their update.

a. Bessemer Township 4th of July Committee Minutes of 4/1/26 & 4/29/26 meeting with updates for the Independence Day celebration Included was the Treasurer's Report.

b. BTVFD RE: Quote for review from Conway Shield for turnout gear needed. Total: $16945.00. Review only, no action taken at this meeting.

c. Tom Ruppe: Utility department new upgraded equipment has been installed, old laptop from Clerk's office has been prepared and upgraded for BTVFD use, and DPW equipment has been upgraded and software installed as needed. Additional Microsoft licenses needed to be purchased, of which township now holds seven. All projects have been completed, and Mr. Ruppe will now submit his bill for his services.

d. Articles of Incorporation Section 32. Discussion was had. MOTION By Selin, supported by Roberts to forward the articles to the attorney for review prior to action. ROLL CALL VOTE AYES: Hegbloom, Aspinwall, Tarnaski, Selin, Roberts. MOTION Carried.

e. Gogebic County Forestry and Parks RE: Annual report Fiscal 2025.

MOTION by Selin, supported by Hegbloom, to accept communications as presented and placed on file. 5 Ayes. Nayes: None. Motion carried.

6. **REPORTS-BOARDS, COMMITTEES, AND OFFICERS.**

a. GRWA: Representative Roberts gave the following update: Section 32 fees have been paid Update on discussion of rate increase from source provider (City of Wakefield) Currently $1.61/1000, anticipated increase to $4.69/1000. Options for additional water sources were discussed along with current options and ability for supply to meet demand. A few options may be available for GRWA to explore. The storage in the township hall will be addressed in the immediate future to allow the space to be utilized for other options.

b. Powderhorn Area Utility District: Representative Randall gave an update on current issues for PAUD as follows: Edelweiss Project: Dispute over material quantities and costs (about $9,700 difference) between the contractor and engineer. PAUD board is seeking verification via survey comparisons (pre-/post-grade). Audit: Latest PAUD audit is nearly complete; preliminary clean report. Auditor questioned the level of cash reserves; PAUD maintains a large reserve to absorb ski-hill driven revenue volatility. Policy: use periodic surpluses to make extra principal payments on debt rather than lowering rates, thereby shortening the term of loans.

c. Gogebic Range Solid Waste Management Authority: Representative Randall gave the following update: Planning continues for succession of long-time administrator Chris Ann, who expects to retire within 1–2 years. Multiple applicants to be interviewed next month.
One non-CDL truck driver abruptly resigned (left keys and letter). Administrator rearranged staff and maintained uninterrupted service. Board approved hiring a replacement driver (currently driving for Smiley's) who will ramp up after May, when change of the over-the-road hauling contract.

d. Bessemer Area Sewer Authority: Representative Selin gave the following update on the Capital Project Overview: a major capital upgrade to replace 38–40-year-old equipment, driven by more stringent EGLE discharge limit is underway. Key project components include Fine-bubble aeration upgrades, clarifiers, pumps, valves, HVAC system, generator, and control upgrades as well as possible sludge removal if coring indicates a need.
- Funding: Project financed through long-term USDA/State loans. BASA will adjust user community rates(City of Bessemer, Bessemer Township, PAUD, Section 32) to pay for debt service** and O&M.
-Flow & Cost Allocation

- Challenge: Only one master meter at BASA; very limit. direct metering of flows by community: City of Bessemer: Uses water meter consumption plus a 10% inflow/infiltration "fluff". Township/PAUD: Some historic metering exists (particularly PAUD), but continuous data was not maintained; prior DPW superintendent stopped sending regular readings. A rate study was completed by a consultant with involved collecting 40 years of engineering and contractual history.
  - There was assigned debt by original project benefit to each community.
  - New project debt ownership shares(approximate, as read in meeting):
    - City of Bessemer: ~68.96%
    - Bessemer Township: ~14.20%
    - PAUD: ~7.34%
    - Section 32: ~9.50%
  - Baseline O&M allocations are based on: number of connected users and estimated flow from each entity.
- BASA plan:
  - Implement the initial rate structure now to cover debt and expected O&M.
  - Run for 2–3 years** while requiring all communities to regularly meter and report flows.
  - After 3 years, recompute allocations based on actual pumping data, adjusting O&M shares (up or down) for each entity.

e. Michigan's Western Gateway Trail Authority: No meeting, no update
f. Section 32 Sewer Authority: No formal meeting in this period; rate-study emails exchanged but no actions were taken.
g. Gogebic County Land Bank: Discussion was had regarding ongoing demo project at Summit/Anvil house; asbestos survey completed and asbestos removal bid approved. Wakefield City Hall redevelopment: Developer is actively pursuing restoration; engineering contract approval forthcoming, indicating progress toward reuse of the building.
h. Ordinance Enforcement Officer LeRoy Johnson:
Mr. Johnson clarified his current scope of work as primarily reactive based on cases assigned by the Township Supervisor and Zoning Administrator. He conducts site inspections, takes photographs and issues certified Notice of Violation letters outlining ordinance sections violate, and required corrective actions. He maintains a running list of violations, and shares those with the board via monthly reports. For public records, he will provide "sanitized summaries," (no names, no addresses, only general description, and status) to protect privacy and avoid compromising potential legal actions. He requested a signed, official copy of Ordinance #144, Ordinance Enforcement Officer enabling ordinance. Clerk/Supervisor will locate a signed copy in the ordinance book and provide it as requested. Board requested Mr. Johnson prepare a listing of local "junk" dealers for information purposes as a courtesy to include with blight letters for residents to aid in removal.
i. Joint fire department report: Updates were shared with the board from representatives Hegbloom and Chief Selin. Documentation regarding history of other fire departments who have combined, and a list of questions are being gathered for attorney review. ISO ratings will remain the same. Name of the new combined fire department is under consideration. Next meeting scheduled for 7/6/26 at the Bessemer City Hall.

The Treasurer reported the following:

j. Ms. Hegbloom gave the following updates as part of her oral report: Utility Department: Equipment has been set up and installed. She spoke with BS&A and utilities are up and running. Aged Accounts Receivable report was submitted to clerk to be placed on file. Current AR as of 6/4/26 is $51770.00. Water/Utility bills will be sent out at the end of the month (6/30/26) Cost of restock for utility cards is $362.79. MOTION by Selin, supported by Tarnaski, to authorize purchase of utility cards at cost as quoted. ROLL CALL VOTE AYES: Selin, Roberts, Hegbloom, Aspinwall, Tarnaski. Motion carried. Treasurer Report: 2025 Tax Settlements have been distributed and mailed or deposited. 2025 CFR revenue/annual returns reports are currently underway. Public Safety Revenue Sharing-waiting for information. Collaborating with Crystal at USDA regarding update of information for grant/loan distribution and EFT information for upcoming project. New tax season is set to begin shortly, and she awaits the mortgage code/updates for processing. Discussion was had regarding her request to enlist the services of Iron County Miner to fold and stuff envelopes again for the tax mailing. MOTION by Tarnaski, supported by Roberts, to authorize the Treasurer to proceed with obtaining a cost quote to enlist the services of the Miner as outlined. 5 Ayes: Nayes: None. Motion carried. Reminder: Fund balances Report will be given at the fourth meeting of the month here forward to allow for adequate balance and preparation.

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7. **APPROVE PAYMENT OF BILLS/PAYROLL/MILEAGE:**

FUND	**CHECK NUMERs**	**AMOUNT**
General Fund	#18065-18100 & online	38034.89
Water Fund	#22708-22711 & online	10313.69
Anvil Sewer		
Ramsay Sewer	2937	27.98
West End Sewer	1344	1463.08

*__MOTION__ by Selin, supported by Roberts, to approve payment of bills and payroll as presented. ROLL CALL VOTE AYES: Hegbloom, Aspinwall, Tarnaski, Selin, Roberts. Nayes: none. Motion carried

UNFINISHED BUSINESS:

A. Audit- Supervisor will again contact the auditor to schedule the annual financial audit. No response has been received to date.

B. Sewer & Water Line Project – Engineer Darren Pionk, and Jared Secor, C2AE presented to the board members present. This item was moved under communication previously for the presentation. MOTION by Aspinwall, supported by Roberts, to approve **Resolution D of Approval of Payments for the Sewer Project Draw Request #1** in the amount of $209902.68. ROLL CALL VOTE AYES: Hegbloom, Aspinwall, Tarnaski, Selin, Roberts. MOTION CARRIED. MOTION by Selin, supported by Aspinwall to approve **Resolution Draw #1 for Water Project Request** in the amount of #203789.07. ROLL CALL VOTE AYES: Tarnaski, Selin, Roberts, Hegbloom, Aspinwall. MOTION CARRIED. MOTION by Selin, supported by Hegbloom, to approve the **invoice and public outreach (grant) 24-0025EDIETMILS9** in the amount of $6550000. ROLL CALL VOTE AYES: Aspinwall, Tarnaski, Selin, Roberts, Hegbloom. MOTION CARRIED. MOTION by Selin, supported by Hegbloom, to approve and authorize preparation and signatures for **Wastewater and Water Project(s) on the C2AE Project Authorization Form**. ROLL CALL VOTE AYES: Aspinwall, Tarnaski, Selin, Roberts, Hegbloom. MOTION CARRIED.

C. Park Safety Barrier: Discussion was had regarding barriers for parking in the Bessemer Township Memorial Park parking lot. MOTION by Tarnaski, supported by Selin, to authorize purchase of the barriers of two blue and sixteen black and yellow six,' four" high at a cost of $1182.65. The Clerk will authorize the lead man to purchase as outlined. ROLL CALL VOTE AYES: Roberts, Hegbloom, Aspinwall, Tarnaski, Selin. MOTION CARRIED.

D. Road Condition Ride Around: Discussion was had. MOTION by Tarnaski, supported by Selin, to approve and authorize the supervisor to Contact the GO CO RD COMM to replace culvert and gravel on Sampson Rd in Anvil location, Obtain costs for pulverizing and resurfacing (regrind) Barber Rd to the City of Bessemer Line, and Barber Rd past Harding Rd. to the current gravel area, Pioneer Rd/S Davis Rd resurface, and Sampson and Baraga Rd(s) resurface and to respond to Ironwood Township Supervisor declining blacktop for Lookout Lane, but to explore the resolutions for dust control.

E. Payment to Anderson Tackman and Company: Discussion was had regarding outstanding bill from Anderson, Tackman & Company, PLC (former auditor). Clarification received From Dale Kruithoff, Financial Analyst Local Audit and Finance Division, MI Department of Treasury, which verified all revenue sharing previously withheld after all delinquent reports are filed is normally returned within 2 or 3 payment cycles after the last report is filed. Discussion was had. MOTION by Selin, supported by Aspinwall, to authorize payment of the outstanding bill in the amount of $2609.73 to Anderson, Tackman & Company, PLC. ROLL CALL VOTE AYES: Tarnaski, Selin, Roberts, Hegbloom, Aspinwall. MOTION CARRIED.

F. Highline Fiberoptics: MOTION by Selin, supported by Tarnaski, to approve and authorize signatures on documentation authorizing installation in right of way for Highline Fiberoptics as outlined. ROLL CALL VOTE AYES: Selin, Roberts, Hegbloom, Aspinwall, Tarnaski. MOTION CARRIED.

10. NEW BUSINESS: None.

11. PUBLIC COMMENT: (3 minutes per person) General discussion was had.

12. ADJOURNMENT: With no further public comment or board business, Supervisor called for adjournment. **MOTION** by Selin, supported by Roberts, to adjourn the meeting at 7:52 PM. 5 Ayes. Nayes: None. Motion carried.