



Regular Commission Meeting AGENDA

Monday, August 17, 2026 @ 10:00AM

Kalamazoo Lake Sewer & Water Authority Offices

6449 Old Allegan Road, Saugatuck MI 49453

1) Call to Order

2) Roll Call

3) Approval of Agenda

4) Public Comments

The Commission requests that speakers respect the three-minute time limit for individual comments and the five-minute time limit for an individual speaking on behalf of a group. This is not a question-and-answer session, it is an opportunity to voice your thoughts with the Authority Commission.

5) Consent Agenda

Consent Agendas are considered routine by the Commission and will be enacted by one motion. There will be no separate discussion of these items. If discussion of an item is required, it will be removed from the consent agenda and considered separately.

a. Bills and Review of Invoices

1. July Check Details
2. July Statement of Revenue and Expenses

b. Approval of Minutes

1. July 20, 2026 - DRAFT

c. Reports

1. Historical Use Report
2. Community Base Fee Report
3. Operations Report



6) Reports

- a. Authority Administrator's Report

7) Old Business

- a. Old Allegan Lift Station, Easement, Plant Connection
 - i. Memo, draft easements, and exhibits shared by Saugatuck Township
- b. Discussion on Authority/Water Advisory Committee status
- c. Labor Union Discussion Update

8) New Business

- a. BS&A Server to Cloud-Based Migration
 - i. Memo and Quotation included in Packet

9) Commissioner Comments

10) Adjourn

KLSWA 3

08/09/2026 CHECK REGISTER FOR KALAMAZOO LAKE SEWER & WATER AUTHORITY
CHECK DATE FROM 07/01/2026 - 07/31/2026

Check Date	Check	Vendor Name	Description	Amount
Bank SEWCK GENERAL CHECKING				
07/02/2026	1154(E)	DELTA DENTAL PLAN OF MICHIGN	DENTAL INSURANCE	880.69
07/02/2026	34124	ALS ENVIRONMENTAL	TRACE ELEMENTS - MASS SPECTROMETRY	146.00
			TRACE ELEMENTS - MASS SPECTROMETRY	338.00
			INORGANIC ANIONS	158.90
			TRACE ELEMENTS - MASS SPECTROMETRY	530.00
				<u>1,172.90</u>
07/02/2026	34125	AMAZON	SCANNERS FOR OFFICE DESKS	449.98
07/02/2026	34126	ANDREW SMITH	PERFORATED POSTCARD	357.97
07/02/2026	34127	AQUA-FINE	LAB H2O	26.40
07/02/2026	34128	BADGER METER INC	BADGER BEACON MOBILE HOSTING	327.83
07/02/2026	34129	BLUE WATER SOLUTIONS LLC	BADGER ENDPOINTS (192)	29,666.50
07/02/2026	34130	COMMUNICATIONS UNLIMITED LLC	AFTER HOURS PHONE	191.55
07/02/2026	34131	EGLTECH, INC	PURCHASE AND SETUP PRINTER FOR SHAWN	743.97
07/02/2026	34132	ELECTROCYCLE	7 TOTES SHREDDING	390.00
07/02/2026	34133	ETNA SUPPLY	VARIOUS STOPS	2,322.00
07/02/2026	34134	FLEIS & VANDENBRINK	PROFESSIONAL SERVICES FOR JULY 2026	6,425.00
07/02/2026	34135	IHLE SERVICE	2017 CHEVY SILVERADO (TAX EXEMPT)	610.28
07/02/2026	34136	JOSEPH LAMB	SIGNATURE STAMP FOR BOB	65.90
07/02/2026	34137	MED-1 HOLLAND	OCCUPATIONAL MEDICAL	80.00
07/02/2026	34138	MIKA MEYERS PLC	IUOE BARGAINING 2026 THROUGH 05/31/2026	971.50
07/02/2026	34139	OVERISEL LUMBER	39N1 PRECISION SET, SUN AND SHADE SEED	201.95
			DIABLO SHEET ULTR	5.99
				<u>207.94</u>
07/02/2026	34140	PEERLESS MIDWEST INC	HS1 PUMP OVERHAUL	22,473.21
			HS2 PUMP OVERHAUL	22,473.21
			DOUGLAS WELL 2 PUMP OVERHAUL, WELL REHAB	68,045.67
			VFD INSTALLATION	8,058.00
				<u>121,050.09</u>
07/02/2026	34141	STAPLES	OFFICE SUPPLIES	560.21
07/02/2026	34142	THE CHECK DEPOT	CHECK STOCK (TAX EXEMPT)	409.87
07/02/2026	34143	VANDENBERG WEB CREATIVE LLC	WEB HOSTING & UPDATES	321.25
			WEBSITE HOSTING 06/2026	197.50
				<u>518.75</u>
07/02/2026	34144	XYLEM DEWATERING SOLUTIONS INC	CONC ADAPTER (TAX EXEMPT)	4,302.97
07/06/2026	1156(E)	MENARDS	SUPPLIES	130.46
			SUPPLIES	341.02
				<u>471.48</u>
07/06/2026	1157(E)	METLIFE - GROUP BENEFITS	GRP ADD & LFE INS	837.57
07/06/2026	1158(E)	PRIORITY HEALTH	GROUP HEALTH INSURANCE	18,317.15

KLSWA 4

07/06/2026	1159(E)	VISION SERVICE PLAN	GRP VISION INS	250.56
07/07/2026	1160(E)	CONSUMERS ENERGY	ELECTRIC BILLS	33,485.24
07/09/2026	1162(E)	COMCAST BUSINESS	07/2026 SERVICES	536.34
07/09/2026	1163(E)	MERS	MERS WAGES REPORTED THROUGH 6/30/2026	82.72
07/09/2026	1164(E)	MICHIGAN GAS UTILITIES	178 PARK NATURAL GAS 06/2026	49.68
			22 BAYOU NATURAL GAS 06/2026	121.71
				171.39
07/09/2026	1165(E)	PITNEY BOWES PURCHASE POWER	POSTAGE METER REFILL & FEES	492.18
07/09/2026	34145	ALS GROUP USA, CORP	TRACE ELEMENTS - MASS SPECTROMETRY	146.00
07/09/2026	34146	AMAZON	OFFICE SUPPLIES	36.46
			PERFORATED POSTCARD PAPER	154.32
				190.78
07/09/2026	34147	BLUE WATER SOLUTIONS LLC	BADGER ENDPOINTS (120)	18,995.16
07/09/2026	34148	CRYSTAL FLASH	GAS FLEET FUEL 274.2 E10 GAS	869.04
07/09/2026	34149	EGLTECH, INC	LABOR, COMPUTER, CYBERSECURITY	3,503.31
			JULY 2026 MANAGED SERVICES	2,331.51
				5,834.82
07/09/2026	34150	F&V CONSTRUCTION	WASTEWATER SYSTEM IMPROVEMENTS CWSRF PRO	41,250.00
07/09/2026	34151	HAVILAND	BLEACH	1,373.10
			CONTAINER DEPOSIT RETURN	(400.00)
			2 CONTAINERS DEPOSIT RETURN	(800.00)
				173.10
07/09/2026	34152	HOLLAND BPW	BACTI SAMPLES JUNE 2026	480.00
07/09/2026	34153	KONICA MINOLTA	QUARTERLY MAINTENANCE THROUGH 06/30/2026	22.05
07/09/2026	34154	REPUBLIC SERVICES #240	GARBAGE SERVICE THROUGH 06/30/2026	857.89
07/09/2026	34155	S&P GLOBAL RATINGS	ANALYTICAL SERVICES RENDERED FOR SRF BON	12,500.00
07/09/2026	34156	STAPLES	OFFICE SUPPLIES	129.99
07/09/2026	34157	VAN DER KOLK PLUMBING	REPLACE DAMAGED WATER SERVICE	0.00 V
07/09/2026	34158	VESTIS	RUGS AND UNIFORMS	495.37
			RUGS AND UNIFORMS	575.05
				1,070.42
07/09/2026	34159	VREDEVELD HAEFNER LLC	PROFESSIONAL SERVICES THROUGH 06/30/2026	1,317.50
SEWCK TOTALS:				
(1 Check Voided)				
Total of 45 Disbursements:				310,213.68
Bank WMCB				
07/22/2026	37(S)	HAVILAND	BLEACH	1,343.10
			BLEACH	1,373.10
			TOTE RETURN	(400.00)
			TOTE RETURN	(400.00)
			TOTE RETURN	(800.00)

KLSWA 5

			TOTE RETURN	(400.00)
			TOTE RETURN	(400.00)
			TOTE RETURN	(316.20)
				<u>0.00</u>
07/22/2026	1001	ALS GROUP USA, CORP	MERCURY TEST	352.50
			INORGANIC ANIONS TEST	413.00
			WWTP QA/QC	163.15
			TRACE ELEMENTS IN WATER TEST	146.00
			WWTP MONTHLY 2026	406.95
			INORGANIC ANIONS TEST	104.45
				<u>1,586.05</u>
07/22/2026	1002	AQUA-FINE	LAB H2O	27.40
07/22/2026	1003	CARTRIDGE UNIVERSE	3 SETS OF TONER Q5942X (TAX EXEMPT)	417.00
07/22/2026	1004	CITY OF THE VILLAGE OF DOUGLAS	METER FOR 265 WATER ST	391.45
			REPLACE DAMAGED WATER SERVICE	2,662.50
				<u>3,053.95</u>
07/22/2026	1005	CRYSTAL FLASH	GAS FLEET FUEL 283.7 GALLONS	1,026.16
07/22/2026	1006	ETNA SUPPLY	12 METER HORNS	2,159.10
07/22/2026	1007	EXTEND YOUR REACH	JULY 2026 BILLING	279.85
07/22/2026	1008	IHLE AUTO PARTS	SOLDERING GUN KIT	101.99
			BATTERY AND CHARGER	181.98
				<u>283.97</u>
07/22/2026	1009	KENNEDY INDUSTRIES	LIFT STATION PUMP #1 & 3	43,775.00
07/22/2026	1010	KONICA MINOLTA	QUARTERLY MAINTENANCE	75.00
07/22/2026	1011	MENARDS	VARIOUS SHOP TOOLS AND SUPPLIES	975.14
07/22/2026	1012	OVERISEL LUMBER	ELBOWS AND ADAPTERS	29.31
07/22/2026	1013	STAPLES	INK AND DIVIDER TABS	270.94
07/22/2026	1014	USA BLUE BOOK	STIRRER & HYDRANT WRENCH	676.80
			GROUNDING CABLES	40.95
				<u>717.75</u>
07/22/2026	1015	VESTIS	RUGS AND UNIFORMS	495.37
			RUGS AND UNIFORMS	495.37
				<u>990.74</u>
07/22/2026	1016	WATER SOLUTIONS UNLIMITED	WSU 319 50# BAG	2,230.00
07/22/2026	1017	WILCOX NEWSPAPERS	JOB POSTINGS	600.00
07/23/2026	1(E)	MERS	MERS JUNE 2026 DB CONTRIBUTION	9,697.04
07/30/2026	3(E)	AMAZON	POSTCARD PAPER	117.00
07/30/2026	4(E)	CONSUMERS ENERGY	ELECTRIC BILLS	936.78
07/30/2026	5(E)	CONSUMERS ENERGY	ELECTRIC BILLS	16,508.44
07/30/2026	6(E)	CONSUMERS ENERGY	ELECTRIC BILLS	1,465.76
07/30/2026	7(E)	CONSUMERS ENERGY	ELECTRIC BILLS	64.41
07/30/2026	8(E)	CONSUMERS ENERGY	ELECTRIC BILLS	61.64
07/30/2026	9(E)	CONSUMERS ENERGY	ELECTRIC BILLS	77.66

KLSWA 6

07/30/2026	10(E)	CONSUMERS ENERGY	ELECTRIC BILLS	768.02	
07/30/2026	11(E)	CONSUMERS ENERGY	ELECTRIC BILLS	33.72	
07/30/2026	12(E)	CONSUMERS ENERGY	ELECTRIC BILLS	6,165.90	
07/30/2026	13(E)	CONSUMERS ENERGY	ELECTRIC BILLS	97.77	
07/30/2026	14(E)	CONSUMERS ENERGY	ELECTRIC BILLS	3,649.95	
07/30/2026	15(E)	CONSUMERS ENERGY	ELECTRIC BILLS	77.66	
07/30/2026	16(E)	CONSUMERS ENERGY	ELECTRIC BILLS	93.71	
07/30/2026	17(E)	CONSUMERS ENERGY	ELECTRIC BILLS	61.64	
07/30/2026	18(E)	CONSUMERS ENERGY	ELECTRIC BILLS	59.42	
07/30/2026	19(E)	CONSUMERS ENERGY	ELECTRIC BILLS	382.70	
07/30/2026	20(E)	CONSUMERS ENERGY	ELECTRIC BILLS	59.79	
07/30/2026	21(E)	CONSUMERS ENERGY	ELECTRIC BILLS	190.07	
07/30/2026	22(E)	CONSUMERS ENERGY	ELECTRIC BILLS	173.99	
07/30/2026	23(E)	CONSUMERS ENERGY	ELECTRIC BILLS	141.88	
07/30/2026	24(E)	CONSUMERS ENERGY	ELECTRIC BILLS	77.66	
07/30/2026	25(E)	CONSUMERS ENERGY	ELECTRIC BILLS	31.51	
07/30/2026	26(E)	CONSUMERS ENERGY	ELECTRIC BILLS	47.98	
07/30/2026	27(E)	CONSUMERS ENERGY	ELECTRIC BILLS	2,691.44	
07/30/2026	28(E)	CONSUMERS ENERGY	ELECTRIC BILLS	52.39	
07/30/2026	29(E)	DELTA DENTAL PLAN OF MICHIGN	DENTAL INSURANCE	1,083.31	
07/30/2026	30(E)	DIVVY	SHRM MEMBERSHIP	762.00	
			SHRM STUDY MATERIALS & EXAM COST	855.00	
				<u>1,617.00</u>	
07/30/2026	31(E)	FLEIS & VANDENBRINK	OLD ALLEGAN PUMP STATION REVIEW	0.00	V
07/30/2026	32(E)	MICHIGAN GAS UTILITIES	IRP NAT GAS	48.66	
07/30/2026	33(E)	REPUBLIC SERVICES #240	GARBAGE SERVICE	1.00	
07/30/2026	34(E)	SEMCO ENERGY	NATURAL GAS	28.08	
07/30/2026	1018	COMMUNICATIONS UNLIMITED LLC	AFTER HOURS PHONE	199.85	
07/30/2026	1019	GRAINGER	250FT 12AWG CORD	1,071.88	
07/30/2026	1020	HAVILAND	BLEACH	1,373.10	
			BLEACH	325.00	
			TOTE RETURN	(83.80)	
			TOTE RETURN	(800.00)	
				<u>814.30</u>	
07/30/2026	1021	HUNGERFORD NICHOLS CPAS	FYE 2026 AUDIT	12,000.00	
07/30/2026	1022	KENT COMMUNICATIONS	POSTAGE ADVANCE FOR UTILITY BILLS	2,794.50	
07/30/2026	1023	MENARDS	LED LIGHTS	430.53	
			VARIOUS SHOP SUPPLIES	623.07	
				<u>1,053.60</u>	
07/30/2026	1024	METLIFE - GROUP BENEFITS	GRP ADD & LFE INS	848.44	
07/30/2026	1025	MICHIGAN GAS UTILITIES	IRP NAT GAS	51.21	
07/30/2026	1026	MIKA MEYERS PLC	LEGAL THROUGH JUNE 30, 2026	134.00	
			WASTEWATER TREATMENT LEGAL	3,653.50	
			IUOE BARGAINING 2026	2,972.50	
				<u>6,760.00</u>	
07/30/2026	1027	PRIORITY HEALTH	GROUP HEALTH INSURANCE	13,396.02	
07/30/2026	1028	Rau, John J.	UB refund for account: WILY-310127-0000-	949.79	
07/30/2026	1029	STATE OF MICHIGAN	STATE PAYMENT IN ERROR	344.72	

KLSWA 7

07/30/2026	1030	USA BLUE BOOK	PVC PIPE AND UNION BLEACH BALL	592.05
07/30/2026	1031	VESTIS	RUGS AND UNIFORMS	495.37
07/30/2026	1032	VSP VISION CARE	GROUP VISION INSURANCE	206.85
07/30/2026	1033	XYLEM DEWATERING SOLUTIONS INC	6" SEWAGE FM (TAX EXEMPT)	4,302.97
07/31/2026	2(A)	ALS GROUP USA, CORP	TRACE ELEMENTS TEST	242.00
			TRACE ELEMENTS TEST	338.00
				<u>580.00</u>

580.00

WMCB TOTALS:

(1 Check Voided)

Total of 67 Disbursements:

151,522.89

REPORT TOTALS:

(2 Checks Voided)

Total of 112 Disbursements:

461,736.57

Kalamazoo Lake Sewer and Water Authority



P.O. Box 789, Saugatuck, Michigan 49453
Telephone (269) 857-2709
Fax (269) 857-1565

TO: Board of Commissioners
FROM: Andrew Smith, Finance Director
THROUGH: Robert Miller, Authority Administrator
DATE: August 17, 2026
RE: Accounts Receivable Correction

Purpose

This memo explains an accounts receivable (A/R) correction reflected in this month's financials and the reason base fees appear as a negative figure for the period.

Background

During a review of our utility billing records in BS&A between the UB (Utility Billing) module and the GL (General Ledger) module, staff identified that the Authority's accounts receivable balance was overstated. The overstatement resulted from an error in a prior billing cycle in which negative amounts were not removed from the general ledger. Because those negative amounts were not backed out, receivables were recorded in excess of what customers legitimately owed. The overstatement did not reflect a shortfall in cash collected or amounts genuinely owed by customers. Left uncorrected, an overstated A/R misrepresents the Authority's financial position and inflates expected future collections.

Correction

To bring the A/R balance in line with amounts actually owed, staff processed an offsetting adjustment this period to remove the negative amounts that had remained in the general ledger. Because the correction was applied through the base fee line, base fees for the month appear as a negative amount. This negative figure is the accounting offset that reduces the overstated receivable amount. It is a one-time correcting entry, not a reduction in the rates charged to customers going forward.

Impact

The net effect is a more accurate A/R balance and a truer representation of the Authority's financial position. Customer bills and rates are unaffected on a going-forward basis, and the adjustment does not reflect any loss of cash or uncollectible accounts beyond the correction itself.

Recommendation

No board action is required. This memo is provided for the Board's awareness and to document the reason for the negative base fee figure appearing in this month's financial statements. I am available to answer questions at the next meeting.

**KALAMAZOO LAKE SEWER AND WATER AUTHORITY
STATEMENT OF REVENUES AND EXPENSES-SEWER
AS OF JULY 31, 2026**

		MTD	YTD	FY25 BUDGET	AVAILABLE BALANCE	% budget used
SEWER		07/01/26	03/01/26	03/01/26	Actual vs.	
		07/31/26	07/31/26	02/28/27	Budget	
CONSOLIDATED REVENUES						
613.000	Commodity	70,540.88	244,292.11	562,009.89	317,717.78	43.47%
614.000	Base	(150,554.09)	282,016.15	1,107,720.00	825,703.85	25.46%
651.000	Bank Fee	-	-	140.00	140.00	0.00%
657.000	Penalty	853.11	4,062.58	15,000.00	10,937.42	27.08%
658.120	Debt Service - Lift Service	-	-	-	-	n/a
658.120	Debt Service - Treatment	-	-	-	-	n/a
665.000	Interest	5,610.11	23,814.61	80,000.00	56,185.39	29.77%
667.000	Equip Rental	-	-	-	-	n/a
670.000	Misc. Income	1,423.61	2,820.61	4,500.00	1,679.39	62.68%
TOTAL CONSOLIDATED REVENUES		\$ (72,126.38)	\$ 557,006.06	\$ 1,769,369.89	\$ 1,212,363.83	31.48%
CONSOLIDATED EXPENDITURES						
702.000	Wages	31,490.46	104,396.17	646,273.70	541,877.53	16.15%
702.400	OC/OT	5,682.51	25,852.03	77,037.06	51,185.03	33.56%
715.000	Benefits	16,577.99	63,271.74	240,229.19	176,957.45	26.34%
727.000	Education/Training	(57.50)	772.00	6,120.00	5,348.00	12.61%
728.000	Occupational Medical	-	96.00	2,000.00	1,904.00	4.80%
729.000	Membership/Subscriptions	1,058.50	1,537.33	2,000.00	462.67	76.87%
730.000	Miss Dig	-	862.31	4,500.00	3,637.69	19.16%
731.000	Office	4,720.74	15,155.36	45,136.20	29,980.84	33.58%
731.100	Bank Fee	1,488.19	2,845.89	600.00	(2,245.89)	474.32%
731.200	IT	1,011.61	8,864.15	41,937.00	33,072.85	21.14%
732.000	Safety Equip	-	300.57	6,000.00	5,699.43	5.01%
733.000	Lab Equip/Supply	48.70	231.10	14,400.00	14,168.90	1.60%
734.000	Mailing	196.87	650.22	1,800.00	1,149.78	36.12%
745.000	Chemicals	1,966.01	6,126.87	116,782.20	110,655.33	5.25%
760.000	Uniforms/Rugs	2,476.85	10,901.49	15,000.00	4,098.51	72.68%
770.000	Goods/Equip	7,095.42	18,138.23	42,000.00	23,861.77	43.19%
801.000	Audit/Accounting	6,000.00	9,135.38	29,898.00	20,762.62	30.56%
802.000	Authority	125.00	650.00	2,250.00	1,600.00	28.89%
803.000	Legal	5,206.75	15,009.55	72,000.00	56,990.45	20.85%
804.000	Engineering	6,850.50	40,192.75	63,250.00	23,057.25	63.55%
807.000	Lab Services	2,754.45	9,538.42	24,000.00	14,461.58	39.74%
850.000	Telecomm	-	2,618.93	8,000.00	5,381.07	32.74%
860.000	Mileage	-	-	200.00	200.00	0.00%
861.000	Fuel	655.47	3,489.66	21,000.00	17,510.34	16.62%
920.000	Natural Gas	113.91	820.89	3,000.00	2,179.11	27.36%
921.000	Electric	34,118.39	62,917.19	210,000.00	147,082.81	29.96%
929.000	Collection/Distribution	-	5,394.67	85,000.00	79,605.33	6.35%
930.000	Equip Maintenance	8,813.99	40,677.11	120,000.00	79,322.89	33.90%
931.000	Building Maintenance	250.63	1,569.79	12,000.00	10,430.21	13.08%
932.000	Fleet Maintenance	244.11	244.11	9,000.00	8,755.89	2.71%
934.000	Repair/Replace	43,775.00	233,981.86	134,026.00	(99,955.86)	174.58%
959.000	Regulatory Fees	-	-	4,260.00	4,260.00	0.00%
965.000	Authority Insurance	-	26,596.69	30,646.44	4,049.75	86.79%
TOTAL CONSOLIDATED EXPENDITURES		\$ 182,664.55	\$ 712,838.46	\$ 2,090,345.79	\$ 1,377,507.33	34.10%
NET OF CONSOLIDATED REVENUES & EXPENDITURES		\$ (254,790.93)	\$ (155,832.40)	\$ (320,975.90)	\$ (165,143.50)	n/a

Note: Unaudited Financial Statement. For internal use only.
8/11/2026

KALAMAZOO LAKE SEWER AND WATER AUTHORITY
STATEMENT OF REVENUES AND EXPENSES-WATER
AS OF JULY 31, 2026

		MTD	YTD	FY25 BUDGET	AVAILABLE BALANCE	% budget used
WATER		07/01/26	03/01/26	03/01/26	Actual vs.	
		07/31/26	07/31/26	02/28/27	Budget	
CONSOLIDATED REVENUES						
613.000	Commodity	98,154.40	283,906.60	735,095.92	451,189.32	38.62%
614.000	Base	(199,302.74)	256,542.32	1,104,828.00	848,285.68	23.22%
628.000	Meter Install	3,929.56	13,453.88	11,000.00	(2,453.88)	122.31%
630.000	On/Off Fee	140.00	6,900.01	11,000.00	4,099.99	62.73%
651.000	Bank Fee	-	-	156.00	156.00	0.00%
657.000	Penalty	1,633.22	7,066.13	19,000.00	11,933.87	37.19%
665.000	Interest	4,581.81	16,807.29	60,000.00	43,192.71	28.01%
667.000	Equip Rental	-	-	1,000.00	1,000.00	0.00%
670.000	Misc. Income	-	887.31	6,000.00	5,112.69	14.79%
TOTAL CONSOLIDATED REVENUES		\$ (90,863.75)	\$ 585,563.54	\$ 1,948,079.92	\$ 1,362,516.38	30.06%
CONSOLIDATED EXPENDITURES						
702.000	Wages	47,235.70	156,594.33	430,849.13	274,254.80	36.35%
702.400	OC/OT	8,523.76	38,778.02	51,358.04	12,580.02	75.51%
715.000	Benefits	21,035.07	90,175.53	160,152.79	69,977.26	56.31%
727.000	Education/Training	(57.50)	772.00	4,080.00	3,308.00	18.92%
728.000	Occupational Medical	-	144.00	800.00	656.00	18.00%
729.000	Membership/Subscriptions	1,558.50	2,389.33	4,000.00	1,610.67	59.73%
730.000	Miss Dig	-	862.31	3,000.00	2,137.69	28.74%
731.000	Office	3,209.20	13,338.20	30,090.80	16,752.60	44.33%
731.100	Bank Fee	1,488.20	864.43	400.00	(464.43)	216.11%
731.200	IT	1,517.40	13,296.22	27,958.00	14,661.78	47.56%
732.000	Safety Equip	-	475.88	4,000.00	3,524.12	11.90%
733.000	Lab Equip/Supply	-	-	9,600.00	9,600.00	0.00%
734.000	Mailing	295.31	975.28	1,200.00	224.72	81.27%
745.000	Chemicals	7,201.99	33,226.30	33,217.80	(8.50)	100.03%
760.000	Uniforms/Rugs	-	-	10,000.00	10,000.00	0.00%
761.000	Meters	195.73	195.73	50,000.00	49,804.27	0.39%
770.000	Goods/Equip	4,850.10	44,857.14	28,000.00	(16,857.14)	160.20%
801.000	Audit/Accounting	6,000.00	10,703.08	19,932.00	9,228.92	53.70%
802.000	Authority	125.00	650.00	1,500.00	850.00	43.33%
803.000	Legal	1,553.25	16,258.45	48,000.00	31,741.55	33.87%
804.000	Engineering	1,685.50	1,961.50	61,000.00	59,038.50	3.22%
807.000	Lab Services	3,241.00	5,161.00	16,000.00	10,839.00	32.26%
850.000	Telecomm	-	3,928.41	12,500.00	8,571.59	31.43%
860.000	Mileage	-	-	300.00	300.00	0.00%
861.000	Fuel	1,239.73	7,500.26	14,000.00	6,499.74	53.57%
920.000	Natural Gas	14.04	1,074.50	4,000.00	2,925.50	26.86%
921.000	Electric	33,338.74	62,137.55	140,000.00	77,862.45	44.38%
929.000	Collection/Distribution	-	7,680.00	25,000.00	17,320.00	30.72%
930.000	Equip Maintenance	3,295.29	121,244.48	80,000.00	(41,244.48)	151.56%
931.000	Building Maintenance	250.63	2,228.38	10,000.00	7,771.62	22.28%
932.000	Fleet Maintenance	366.17	366.17	6,000.00	5,633.83	6.10%
934.000	Repair/Replace	(2,662.50)	223,926.18	190,500.00	(33,426.18)	117.55%
959.000	Regulatory Fees	-	-	2,840.00	2,840.00	0.00%
965.000	Authority Insurance	-	25,081.98	20,430.96	(4,651.02)	122.76%
TOTAL CONSOLIDATED EXPENDITURES		\$ 145,500.31	\$ 886,846.64	\$ 1,500,709.52	\$ 613,862.88	59.10%
NET OF CONSOLIDATED REVENUES & EXPENDITURES		\$ (236,364.06)	\$ (301,283.10)	\$ 447,370.40	\$ 748,653.50	n/a

Note: Unaudited Financial Statement. For internal use only.
8/11/2026

KLSWA 12

KALAMAZOO LAKE SEWER AND WATER AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
AS OF JULY 31, 2026

		MTD	YTD	FY26 BUDGET	AVAILABLE BALANCE	% budget used
		07/01/26	03/01/26	03/01/26	Actual vs.	
		07/31/26	07/31/26	02/28/27	Budget	
CONSOLIDATED REVENUES						
613.000	Commodity	168,695.28	528,198.71	1,297,105.81	768,907.10	40.72%
614.000	Base	(349,856.83)	538,558.47	2,212,548.00	1,673,989.53	24.34%
628.000	Meter Install	3,929.56	13,453.88	11,000.00	(2,453.88)	122.31%
630.000	On/Off Fee	140.00	6,900.01	11,000.00	4,099.99	62.73%
651.000	Bank Fee	-	-	296.00	296.00	0.00%
657.000	Penalty	2,486.33	11,128.71	34,000.00	22,871.29	32.73%
665.000	Interest	10,191.92	40,621.90	140,000.00	99,378.10	29.02%
667.000	Equip Rental	-	-	1,000.00	1,000.00	0.00%
670.000	Misc. Income	1,423.61	3,707.92	10,500.00	6,792.08	35.31%
TOTAL CONSOLIDATED REVENUES		\$ (162,990.13)	\$ 1,142,569.60	\$ 3,717,449.81	\$ 2,574,880.21	30.74%
CONSOLIDATED EXPENDITURES						
702.000	Wages	78,726.16	260,990.50	1,077,122.83	816,132.33	24.23%
702.400	OC/OT	14,206.27	64,630.05	128,395.10	63,765.05	50.34%
715.000	Benefits	37,613.06	153,447.27	400,381.98	246,934.71	38.33%
727.000	Education/Training	(115.00)	1,544.00	10,200.00	8,656.00	15.14%
728.000	Occupational Medical	-	240.00	2,800.00	2,560.00	8.57%
729.000	Membership/Subscriptions	2,617.00	3,926.66	6,000.00	2,073.34	65.44%
730.000	Miss Dig	-	1,724.62	7,500.00	5,775.38	22.99%
731.000	Office	7,929.94	28,493.56	75,227.00	46,733.44	37.88%
731.100	Bank Fee	2,976.39	3,710.32	1,000.00	(2,710.32)	371.03%
731.200	IT	2,529.01	22,160.37	69,895.00	47,734.63	31.71%
732.000	Safety Equip	-	776.45	10,000.00	9,223.55	7.76%
733.000	Lab Equip/Supply	48.70	231.10	24,000.00	23,768.90	0.96%
734.000	Mailing	492.18	1,625.50	3,000.00	1,374.50	54.18%
745.000	Chemicals	9,168.00	39,353.17	150,000.00	110,646.83	26.24%
760.000	Uniforms/Rugs	2,476.85	10,901.49	25,000.00	14,098.51	43.61%
761.000	Meters	195.73	195.73	50,000.00	49,804.27	0.39%
770.000	Goods/Equip	11,945.52	62,995.37	70,000.00	7,004.63	89.99%
801.000	Audit/Accounting	12,000.00	19,838.46	49,830.00	29,991.54	39.81%
802.000	Authority	250.00	1,300.00	3,750.00	2,450.00	34.67%
803.000	Legal	6,760.00	31,268.00	120,000.00	88,732.00	26.06%
804.000	Engineering	8,536.00	42,154.25	124,250.00	82,095.75	33.93%
807.000	Lab Services	5,995.45	14,699.42	40,000.00	25,300.58	36.75%
850.000	Telecomm	-	6,547.34	20,500.00	13,952.66	31.94%
860.000	Mileage	-	-	500.00	500.00	0.00%
861.000	Fuel	1,895.20	10,989.92	35,000.00	24,010.08	31.40%
920.000	Natural Gas	127.95	1,895.39	7,000.00	5,104.61	27.08%
921.000	Electric	67,457.13	125,054.74	350,000.00	224,945.26	35.73%
929.000	Collection/Distribution	-	13,074.67	110,000.00	96,925.33	11.89%
930.000	Equip Maintenance	12,109.28	161,921.59	200,000.00	38,078.41	80.96%
931.000	Building Maintenance	501.26	3,798.17	22,000.00	18,201.83	17.26%
932.000	Fleet Maintenance	610.28	610.28	15,000.00	14,389.72	4.07%
934.000	Repair/Replace	41,112.50	457,908.04	324,526.00	(133,382.04)	141.10%
959.000	Regulatory Fees	-	-	7,100.00	7,100.00	0.00%
965.000	Authority Insurance	-	51,678.67	51,077.40	(601.27)	101.18%
TOTAL CONSOLIDATED EXPENDITURES		\$ 328,164.86	\$ 1,599,685.10	\$ 3,591,055.31	\$ 1,991,370.21	44.55%
NET OF CONSOLIDATED REVENUES & EXPENDITURES		\$ (491,154.99)	\$ (457,115.50)	\$ 126,394.50	\$ 583,510.00	n/a

Note: Unaudited Financial Statement. For internal use only.
8/11/2026

Minutes
Regular Monthly Meeting
Monday, July 20, 2026, 10:00 AM
KLSWA WWTP 6449 Old Allegan Road Saugatuck, MI 49453

- 1. Call to Order:** Chairman Freeman called the meeting to order at 10:11am
- 2. Roll Call:**
 - a. Present – Commissioners: Clark, Freeman, Helmrich, Johnson
 - b. Absent - Ludwick
 - c. KLSWA: Administrator Miller, Finance Director Smith, Office Administrator Milzarski
 - d. Guests: Steve Bishop (Fleis & Vandenbrink), Tyler DeNoyer (Prein & Newhof), Mark Nettleton (Mika Meyers), Daniel DeFranco (Saugatuck Township), Mark Ondersma (City of Saugatuck), Corey Turner (Fleis & Vandenbrink)
- 3. Approval of Agenda:**
 - a. Motion to approve agenda by Clark. Seconded by Helmrich. Motion carries unanimously by voice vote.
- 4. Public Comments:** None
- 5. Consent Agenda:**
 - a. Motion to approve the Consent Agenda as presented by Clark. Seconded by Helmrich. Motions carries unanimously by voice vote.
 - i. Commissioner Clark wanted to note that the detail that went into the check register was very informative, was very easy to go through and see what was there.
- 6. Administrators Report:**
 - a. Administrator Miller noted the first half of new business is administrative financial policies we have been working to identify and clarify with Andrew's help.
 - b. Administrator Miller noted the agenda is heavy with CWSRF project details and action items. I summarized and offered some instruction regarding the project. Mark Nettleton is here and partners from Fleis & Vandenbrink are here to talk the bonding and project side if there are any questions.

7. Old Business:

- a. Old Allegan Lift Station, Easement, Plant Connection – Tyler DeNoeyer from Prein & New Newhof and Daniel DeFranco from Saugatuck Township provided updates on the continuing efforts to finalize the design and route of the forcemain into the treatment plant. A repackaging of the project will be provided to the Board for review.
- b. Discussion on Authority/Water Advisory Committee status – date for next meeting has not been chosen yet. Andy Campbell will be reviewing the financials at the City of Saugatuck's request.

8. New Business:

- a. KLSWA Contract w/HydroCorp – Clark inquired about implications to the budget by adopting. Administrator Miller confirmed with Finance Director Smith that it could easily be absorbed.
 - i. Motion to authorize Authority Administrator to execute the attached HydroCorp Service Agreement at a cost of \$14,976.00 by Clark Helmrich. Second by Clark. All in Favor Vote – 4 Ayes 0 Nays
- b. Finance and Account Management Policies
 - i. KLSWA Capitalization Policy – Discussion: Derived from previous years audit, the need to have a written policy was noted. The resolution is just documenting our current practice. A resolution and policy binder will be available in addition to electronic retention as well. Public communication will be made when needed.
 - 1. Motion to adopt resolution 2026720A establishing an asset capitalization policy for KLSWA by Johnson. Second by Clark. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes
 - ii. KLSWA Denied Access Policy- Discussion: Cost recovery effort for customers that do not respond to request to access meter for repairs/updates. Appointments are needed to ensure accurate reads for billing. Over 60 days with no response before a fee is incurred. The \$20 fee covers the cost of multiple attempts to contact them, including a door tag. After 180 days of no contact, the Administrator would have the choice to shut off service if needed.
 - 1. Motion to adopt resolution 2026720B establishing a meter access rights and denied access penalty for KLSWA by Clark. Second by Helmrich. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes

2. Attorney will review and if revisions are needed, it will be presented to the Board for revision.
- iii. KLSWA Past Due Collections Policy- Discussion: The current policy mirrors the previous policy from 2010. First notification would be sent via postcard when an account 10 days past due. repeated the next month. 60 days would receive door tag (3rd Notice), shut off notice after with two weeks following a disconnection of service. 180 days before being applied to tax roll.
 1. Motion to adopt resolution 2026720C establishing a collections policy on past due invoices for KLSWA by Johnson. Second by Clark. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes
 2. Noted over \$100,000 account receivable past due accounts. Hopeful that within 6 months we can collect much of that amount. Advised we would complete all collections in-house and only cost would be staff labor. Main cost would be sending operators to hang notices and shut off.
 3. This will be communicated to the public via full page billing statements starting next month. We have received a lot of feedback regarding the readability of the statements. Great opportunity to provide clarification, and public education to residents.
- iv. KLSWA Paperless Billing/Payment Credit – Credit helps encourage residents to enroll. Benefit to KLSWA is a cost savings from processing electronically versus a mailed lockbox payment. Ensures timely collection and reduces collections.
 1. Motion to adopt resolution 2026720D establishing a paperless billing and ACH autopay credit program for KLSWA by Clark. Second by Helmrich. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes
- v. Current KLSWA Banking Services – Currently banking with Huntington and paying \$400/mo. A change to West Michigan Community Bank would be making roughly \$5100/mo. It would also require two person authentication and eliminate an open risk window previously identified in the audit. In conjunction with the ACH policy, if we can reduce our lock box payments we can process payments internally. Not only would we reduce the cost of processing each payment, we would be able to provide better customer service.

1. Motion to adopt the resolution 2026720E acknowledging Andrew Smith as KLSWA's Finance Director, and granting him the rights detailed on said resolution by Helmrich. Second by Clark. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes

c. 2026 CWSRF Wastewater Treatment Plant (WWTP) Improvements –

- i. Motion to approve Amendment 1 as present in Exhibit C to the existing DBIA Agreement with F&V with proposed changes by Clark. Second by Johnson. Voice Vote: All in favor, none opposed.
- ii. Tentative Award of WWTP Improvement Contract – Motion to adopt resolution 2026720F to tentatively award a construction contract for wastewater system improvements by Johnson. Second by Helmrich
 1. Discussion: Attorney Nettleton stated it is tentative subject to closing on financing. If we don't close on financing you are not obligated on the construction contract. Corey from Fleis and Vandenbrink said a draft resolution was submitted however the project manager through SRF has asked for a signed copy of the resolution by the end of the month and loan closing is anticipated at the end of August.
 2. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes
- iii. CWSRF Bendzinski Financial Analysis – Administrator Miller provided a summary of the pros and con of 20-year versus 30-year term.
- iv. Resolution to authorize Issuance of Junior Lein Sewer Revenue bonds-
 1. Motion to adopt resolution 2026720G to authorize issuance of \$4,100,000 Junior Lein Sewer Revenue Bonds, Series 2026 for 30 years by Johnson. Second by Clark. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes
- v. Approval of CWSRF Agreements-
 1. Motion to adopt resolution 2026720H to approve CWSRF Clean Water, State Revolving Funds Agreements by Clark. Second by Helmrich. Roll Call - Clark: Yes Freeman: Yes Helmrich: Yes: Johnson: Yes

9. Commissioner Comments:

- a. Clark – appreciate colleagues. Good meeting, a lot covered. Wishing everyone the best with health issues. Recognize staff for their tremendous amount of hard work and progress. Passed along thanks to legal and engineering teams and everyone who attended today.
- b. Johnson – thanked Steve Bishop for his attendance.

- c. Helmrich – thanked colleagues on the board and staff for patience in the last 2.5 months during his medical recovery.
- d. Ludwick – Absent
- e. Freeman - I'd like to take a moment to reflect on where we are today. Exactly one year ago this week, this Board made a bold move and changed the leadership of the KLSWA. In the time since, we have had 3 Board Chairs – Abby Bigford, Joe Clark and now myself, each of whom have contributed in his or her own way. We've had 3 Managers/Administrators – one of whom retired suddenly, one of whom was removed, and now Bob Miller, who has been here for 4 months and is doing a great job. We have a new Finance Director, who has already proved his worth by the amount of work he put in front of us today. 5 Resolutions re Billing and Banking (Capitalization Policy, Past Due Collections Policy, Paperless Billing with a credit for using it, and more). We have a New Customer Service/Billing rep, Kate, who is already digging in and resolving years worth of old issues. We have retained Joe Lamb, our Office Supervisor, who brings years of service and knowledge and loyalty. On the Operations side, we have four Operators, one of whom is a new hire and one of whom is in-line to become a Supervisor. And, in addition to running the plant and the lift stations and the Front Office, with all of its Customer Service challenges, today we approved agreements to execute on a low-interest, state of Michigan funded, Clean Water State Revolving Fund loan and to start a multi-year project to make much needed Capital improvements to the WWTP. I say we've gotten a helluva lot of work done! Good job All! Thank you.

10. Adjournment – Meeting adjourned at 11:58am.

- Next Regular Meeting: Monday, August 17, 2026, 10:00am KLSWA WWTP

Respectfully Submitted,

Kate Milzarski

Office Administrator 2

**KALAMAZOO LAKE SEWER AND WATER AUTHORITY
BILLED USAGE REPORT**

COMMUNITY	MONTH <u>June 2026</u>		BILLING DATE <u>07/15/26</u>						
	GALLONS		MEU'S		BILLED ACCOUNTS		BILLED ACCOUNTS		MEU'S
	WATER	SEWER	WATER	SEWER	WATER	SEWER	DS-LS	DS-T	IRRI*
DOUGLAS	12,540,528	8,785,669	1,426	1,332	1,284	1,061	1329	1329	141.3
SAUGATUCK	9,306,743	6,532,561	1,306	1,112	978	837	1106	1106	21.0
SAUGATUCK TWP - NORTH	8,771,732	1,600,492	932	381	705	262	8.5	381.5	37.5
SAUGATUCK TWP - SOUTH	1,550,470	330,847	102	40	73	24	19	40	4.0
LAKETOWN	570,156	308,358	81	45	66	32	0	43.5	0.5
TOTAL	32,739,629	17,557,927	3,846	2,909	3,106	2,216	2,463	2,900	204

*Irrigation on this sheet is at 1/2 of the MEUs reported on the usage report

KLSWA 19

KALAMAZOO LAKE SEWER AND WATER AUTHORITY BILLED USAGE REPORT

MONTH	June 2026			BILLING DATE 07/16/26				
COMMUNITY	Billed Gallons	Gallon adj	Final Gallons	Billed Units	Billed Dollars	Billing Adj	Final Dollars	Rate
DOUGLAS								
Douglas Water Base				1,717.00	36,004.15	(1.91)	36,002.24	20.97
Saug Twp Water Base				2.00	34.00		34.00	17.00
Saug Twp Sewer Base				2.00	7.00		7.00	3.50
KLSWA Debt Serv Trea				1,329.00	10,033.03	(222.54)	9,810.49	7.55
KLSWA Sewer Debt LS				1,329.00	5,217.95	(6.19)	5,211.76	3.93
KLSWA Sewer Base				1,331.50	39,225.15	(34.81)	39,190.34	29.46
KLSWA Water Base				1,426.00	32,400.88	(22.61)	32,378.27	22.72
KLSWA Wtr Base Irrig				282.50	3,248.75	(33.54)	3,215.21	11.50
KLSWA Water Comm	12,540,528.00		12,540,528.00		37,578.24	(0.15)	37,578.09	3.00
KLSWA Sewer Comm	8,785,669.00		8,785,669.00		35,272.98	(0.20)	35,272.78	4.01
TOTAL DOUGLAS	21,326,197.00	-	21,326,197.00	7,419.00	199,022.13	(321.95)	198,700.18	
SAUGATUCK								
saug city water base				1,345.00	30,885.94	(45.16)	30,840.78	22.96
KLSWA Debt Serv Trea				1,106.00	8,148.50	(18.81)	8,129.69	7.37
KLSWA Sewer Debt LS				1,106.00	4,431.53	(10.19)	4,421.34	4.01
KLSWA Sewer Base				1,112.00	33,269.00	(59.89)	33,209.11	29.92
KLSWA Water Base				1,305.50	29,141.50	(50.26)	29,091.24	22.32
KLSWA Wtr Base Irrig				42.00	483.00		483.00	11.50
KLSWA Water Comm	9,306,743.00		9,306,743.00		28,071.38	(12.61)	28,058.77	3.02
KLSWA Sewer Comm	6,532,561.40		6,532,561.40		26,124.45		26,124.45	4.00
TOTAL SAUGATUCK	15,839,304.40	-	15,839,304.40	6,016.50	160,555.30	(196.92)	160,358.38	
SAUGATUCK TWP - NORTH								
Saug Twp Water Base				863.00	16,205.29	(24.00)	16,181.29	18.78
Saug Twp Sewer Base				381.00	1,320.43		1,320.43	3.47
KLSWA Debt Serv Trea				381.50	2,573.84		2,573.84	6.75
KLSWA Sewer Debt LS				8.50	(66.00)		(66.00)	(7.76)
KLSWA Sewer Base				380.50	10,301.00		10,301.00	27.07
KLSWA Water Base				931.50	21,142.89	(43.80)	21,099.09	22.70
KLSWA Wtr Base Irrig				75.00	860.20	(18.25)	841.95	11.47
KLSWA Water Comm	8,771,731.50		8,771,731.50		26,338.06	(0.65)	26,337.41	3.00
KLSWA Sewer Comm	1,600,492.00		1,600,492.00		6,442.02		6,442.02	4.03
TOTAL SAUGATUCK TWP - NORTH	10,372,223.50	-	10,372,223.50	3,021.00	85,117.73	(86.70)	85,031.03	
SAUGATUCK TWP - SOUTH								
Douglas Water Base				4.50	94.50		94.50	21.00
Saug Twp Water Base				100.00	1,883.11	(12.53)	1,870.58	18.83
Saug Twp Sewer Base				38.00	131.25		131.25	3.45
KLSWA Debt Serv Trea				40.00	291.51		291.51	7.29
KLSWA Sewer Debt LS				19.00	76.00		76.00	4.00
KLSWA Sewer Base				40.00	1,185.00		1,185.00	29.63
KLSWA Water Base				102.00	2,334.50	(21.26)	2,313.24	22.89
KLSWA Wtr Base Irrig				8.00	92.00		92.00	11.50
KLSWA Water Comm	1,550,470.20		1,550,470.20		4,656.27	(34.27)	4,622.00	3.00
KLSWA Sewer Comm	330,846.70		330,846.70		1,323.40		1,323.40	4.00
TOTAL SAUGATUCK TWP - SOUTH	1,881,316.90	-	1,881,316.90	351.50	12,067.54	(68.06)	11,999.48	
LAKETOWN								
Saug Twp Water Base	-			74.00	1,110.00		1,110.00	15.00
Saug Twp Sewer Base	-			1.00	3.50		3.50	3.50
KLSWA Debt Serv Trea	-			43.50	321.03		321.03	7.38
KLSWA Sewer Debt LS								
KLSWA Sewer Base	-			44.50	1,335.00		1,335.00	30.00
KLSWA Water Base	-			81.00	1,863.00		1,863.00	23.00
KLSWA Wtr Base Irrig	-			1.00	11.50		11.50	11.50
KLSWA Water Comm	570,156.00		570,156.00		1,710.45		1,710.45	3.00
KLSWA Sewer Comm	308,358.00		308,358.00		1,233.43		1,233.43	4.00
TOTAL LAKETOWN	878,514.00	-	878,514.00	245.00	7,587.91	-	7,587.91	
TOTAL	50,297,555.80	-	50,297,555.80	17,053.00	464,350.61	(673.63)	463,676.98	

Operations Report 7/15/2026 – 8/14/2026

Collections System:

- Routine monthly inspections reveal no new issues within the system and in proper working order.
- Jetting continues throughout the system.
- A storm on Aug. 9th took out power to the northern Saugatuck area, disabling multiple sewer lift stations in our system. With both on-call operators' quick response and ability to dispatch generators to multiple locations in alternating sequence throughout the day and into the evening, they were able to maintain system operations until power was restored without incident or danger of violations from sewer overflow.

Well / Distribution System:

- All routine well and distribution water tests have been collected and checked for quality, all results showing within normal ranges as expected.
- Maple street water main installation has been completed, leaving the final tie ins to the north to remain. Phase two of service line transfers continues from Allegan St. to the north.
- Water main installation on 135th from 66th St to Commercial blvd has been completed. After both rounds of clear bacteriological tests, the final tie in completing the loop is under way.
- Tie in at Bluestar HWY & Maple St. connecting the new water main to our existing main has been completed with no issues. Tie in of Wells 4 & 5 to the new main has also been completed with no issues bringing those wells back online.
- Annual Lead & Copper sampling continues, we're awaiting notification from the final two homeowners to collect samples to finish this year's sampling. Current results have been extremely favorable, noting majority of samples have shown no detectable amounts of lead so far. All samples have also been at the very bottom of the detectable limits for Copper.
- July 20th Contractors installing storm sewer damaged a water main feeding the fire hydrant at Union & Wiley. On Aug 3rd a long portion of water main on Wiley was depressurized and drained to be able to make the necessary repairs leaving roughly 150 residents without water for the day. Repairs were finished later that day and after two rounds of multiple clear bacteriological testing samples giving us the all clear, the boil water notice was lifted.

WWTP Lab:

- Bi-weekly, high flow discharges continue to be the standard as we continue through the summer.
- All monthly, QA/QC, and Quarterly Groundwater Monitoring tests have been completed. Results continue to return favorable, maintaining our compliance standard.

Lift Station 1:

- Last of 3 new pumps has been delivered and installed at lift station 1. The rental unit has been removed / returned completing our monthly rental responsibilities with Xylem, returning LS#1 to normal operations.

Shawn Sisson

8/14/2026



KLSWA ADMINISTRATOR'S REPORT

August 17, 2026

TO: Kalamazoo Lake Sewer & Water Authority Board Members

FROM: Robert Miller, Authority Administrator

1. Administration

Customer Account Maintenance – This is an area I have continued to call attention to since joining the KLSWA organization earlier this year. Now, almost half of a year in, we're seeing some real changes in our workflow statistics that I'm very happy to share. As of April 1, 2026, there were approximately 1700 existing "open" work orders in our system that were in some way incomplete or not yet addressed. As of today, we've addressed and closed out over 700 of those existing service orders. Also, since April 1, we've created, carried out, and closed an additional 512 NEW service orders. Approximately 259 of these new service orders involved in-home and in-business appointments to replace failed metering equipment. This effort and progress is a testament to the outstanding amount of communication and coordination between our front office, our operations crew, and the community.

KLSWA Annual Audit – No new information from KLSWA has been requested by the Hungerford group since my last update. On August 11, we were informed a DRAFT copy of the audit would be available for review in approximately a week. I have not yet received it.

Internal Financial & Collections Activity – KLSWA's new Finance Director, Andrew Smith, has continued to focus on internal process, policies, and SOP's. Following last month's group of fee-related policies, we've been working on implementing new administrative policies for the utility billing process that will help us maintain consistency in how we manage our customer accounts. These policies are:

- **Voluntary Service Disconnection and Permanent Disconnection Policy** - This policy establishes the terms and procedures under which a customer of the Kalamazoo Lake Sewer & Water Authority ("the Authority") may request voluntary disconnection of water and/or sewer service and, where applicable, the discontinuance of ongoing standby (base or ready-to-serve) charges. It is intended to protect the financial integrity of the utility system and its remaining ratepayers while providing a fair, consistent process for property owners seeking to terminate service.
- **Billing Adjustment Policy – Back-Billing and Refunding of Utility Charges** - The purpose of this Policy is to establish uniform, transparent standards for the correction of utility billing errors by the Kalamazoo Lake Sewer and Water Authority (the "Authority"). When a customer's account has been under-billed or over-billed, this Policy governs how far back the Authority will bill additional charges (back-billing) or refund overcharges, and the manner in which such adjustments are calculated and repaid.
- **Additional Collection Outreach and Mailers** – As of April 1 of this year, KLSWA had approximately \$112k in past-due outstanding balances owed to us for water and sewer services. With additional staff resources, stepped-up phone outreach, and a one-time mailer campaign, we have already collected over \$60k of that outstanding debt.

Banking – As discussed last month, KLSWA was looking at a few specific options to add value to our banking services. We have since opened a savings account with West Michigan Community Bank and transferred \$750,000.00 to that account. All our existing accounts with Huntington Bank remain open and active.

Water & Sewer Bills – A lot is changing here. First, the postcards have been replaced. The new bills (first batch mailed out today) are a typical trifold mailed in a window envelope. The new format will be 2-sided color with the actual utility bill on the front, and a “newsletter” format on the back. The intent is to present the bill portion in an easier-to-read format with additional space for messaging and use the backside to share important information or updates about billing or other KLSWA business. The envelope also allows us the flexibility to include additional material to share with the customer if needed.

Technology Asset Inventory and Planning Meeting with EGLTech – Andrew Smith and I met earlier this month with representatives from EGLTech, our IT services and equipment providers. We met to ensure EGLTech’s asset inventory matched with what we have onsite, and to discuss priorities for replacing equipment in the coming years. Most notable is that our physical server at the plant is at the end of its service life and should be scheduled for replacement. We have some options here with regards to potential migration to the cloud with our BS&A system.

2. KLSWA Clean Water State Revolving Fund WWTP Improvement Project Update

KLSWA has been working with Fleis & VandeBrink since 2023 to secure a low-interest loan for wastewater treatment improvements that will improve infrastructure reliability, treatment efficiency, and reduce energy costs. As you’re aware, KLSWA was a successful applicant, and KLSWA Board of Commissioners took the necessary steps at the July Regular Meeting to enter into an agreement with Fleis & Vandenbrink Construction for the work, and to commit to funding the project via the States CWSRF loan program. Since last month, KLSWA staff and Board members have continued to work alongside our bond attorney, Mika Meyers, and the State of Michigan to process the necessary paperwork to move us closer to loan closing, currently scheduled for 8/27. A portion of the project construction is planned to begin this fall.

3. Customer and Community Communications

This month KLSWA extended our communication efforts into the realm of social media. Our approach is going to be to keep it quite simple at first, posting primarily information on policy, terms/conditions, and billing info. As mentioned above, we are also using the backside of the bills to deliver a once monthly hard copy of news and information that might be valuable to our customer community.

4. Operations

Please refer to the report provided by Shawn Sisson in the Consent Agenda. Please note that all the repairs and new pump installations have been completed at our Lift Station #1. The rental pump that has been in place since 2024 has been returned and the rental contract terminated.

On 8/13, I was notified by EGLE that we had previously incurred two sampling violations in our drinking water system. One was incurred in February and another in May. Both were related to well sites that were out of service for repairs, and therefore not sampled on the schedule that the State requires. I discussed this briefly on Friday with our certified operator from F&V, and we will continue the conversation with the State when they are on site at KLSWA for our Sanitary Survey at the end of this month. The sampling in question relates to corrosivity potential of the water. At no time was there an increased risk to the health or safety of our customers due to this violation. If the violation stands, EGLE requires KLSWA to report it in our 2026 Consumer Confidence Report, distributed to customers mid-2027.

5. Personnel & Staffing

Collective Bargaining Update – KLSWA leadership and our attorney from Mika Meyers met with the IUOE 324 and their Steward on 8/5. KLSWA presented a response to the IUOE's initial proposal. After a short discussion, IUOE requested that we break so they could evaluate KLSWA's response with their membership. We're standing by for a response.

Memorandum

Date:	August 13, 2026
To:	Bob Miller
Company:	Kalamazoo Lake Sewer & Water Authority (KLSWA)
From:	Tyler DeNooyer, P.E. – Prein&Newhof
Project #:	2251022
Re:	Old Allegan Rd Lift Station & Force Main

Background

The purpose of this memo is to provide information surrounding improvements related to a new development within Saugatuck Township (“Township”). The proposed project is a 42-unit, residential development called the Enclave, located on the northwest corner of Old Allegan Rd and Blue Star Hwy. To serve the development wastewater service, a new lift station and force main is proposed to be constructed along Old Allegan Rd., allowing for immediate connection from the development. The new lift station and force main are being sized to serve the new development and a full buildout of the currently unsewered area of Blue Star Highway near the development (see attached map) per the Township’s Blue Star Highway Sewer Master Plan. The project infrastructure is proposed to be funded through Tax Increment Financing (TIF).

Project Details

The lift station will be located at 6459 Old Allegan Rd. It will include two pumps, a 6-foot diameter, 9.5-foot deep valve chamber, and a 6-foot diameter, 26-foot deep wet well. It will be rated for a peak hour flow rate of 226 gallons per minute (gpm) which accommodates flows based on the sewer master plan.

A permanent standby generator will be installed to provide backup power to the station during power outages. A portable generator receptacle will also be provided to accommodate the Township's portable generator, if needed. The improvements will include a permanent valved bypass connection, and station alarms will be transmitted through a cellular remote telemetry system and a local alarm beacon.

The force main will be 6-inch diameter high density polyethylene (HDPE) and run from the lift station east along the south side of Old Allegan Rd until the property of KLSWA where the force main will be routed north along the western extent of KLSWA property until it is angled toward the wastewater treatment plant. The force main will be installed via the directional drill method, with two short segments of open-cut installation across Old Allegan Road, and access pits where necessary. The total length of the force main is approximately 3,900 feet and minimum velocities will be maintained in accordance with the Ten States Standards.

Bob Miller
August 13, 2026
Page 2

Approximately 500 feet of the force main alignment through the southern KLSWA-owned parcel (adjacent to Old Allegan Road) will be installed under a regulated wetland. Additionally, another 125 feet of force main will be installed under a separate wetland area between the east property line and the fence surrounding the treatment plant. In order to provide KLSWA access to the force main for operation and maintenance purposes, a 20-foot-wide path will be cleared along the force main alignment where wetlands are not present, in addition to an earthen access drive being installed east-west between the force main and Jack Wilson Drive.

The proposed force main will discharge directly to the KLSWA wastewater treatment plant at the headworks chamber, in a configuration approved by KLSWA's Engineer (Fleis & VandenBrink). There are no downstream capacity concerns.

Force Main Alignment Concern

The KLSWA Board has expressed concerns with the route of the force main as it approaches the wastewater treatment plant. The concern is that a potential future plant expansion could conflict with the proposed alignment, specifically where the force main leaves the property line.

The proposed route was chosen because it is the most direct route, making it the most cost effective. The force main was designed to be installed using the horizontal directional drill method, and the proposed alignment allows for a straight shot underneath the existing wetland.

Alternate routes were considered around the outside of the property, but proved to be economically and environmentally inefficient. If the force main were rerouted along the property line of the treatment plant parcel, it would need to be installed between the polishing pond and the aeration basin to access the headworks chamber. The cost of the force main installation would increase by a minimum of \$75,000, before considering other costs such as additional tree clearing, wetland impacts, and redesign costs. Most importantly, the proposed route between the basins would carry too much risk given that it would require open trenching along the berm parallel to the existing 8-inch and 16-inch influent force mains conveying all of the wastewater from the service area.

Considering the potential for future plant expansion, the cost of rerouting the force main at that time is likely to be less significant than the challenges associated with the alternate route. Given that there is no current master plan for plant expansion, and it is unknown at present time when, if, and where the plant will be expanded in the future, we are recommending the previously agreed upon alignment be maintained. The Township has provided a draft agreement for KLSWA's review that would have the Township be financially responsible for any costs associated with moving the force main if required as part of an expansion project.

Bob Miller
August 13, 2026
Page 3

Frontier Utility Conflict Concern

The KLSWA Board and their Engineer have expressed concern over the existing aerial utility owned by Frontier Communications that is in conflict with the proposed lift station location. We have received confirmation from Frontier that Frontier does not have an easement for the utility line on private property owned by the Developer. Therefore, Frontier has agreed to relocate the utility prior to construction of the lift station. We plan to work with Frontier to have this utility relocated, ideally before the end of 2026.

Bidding & Construction

The project is anticipated to be advertised for bidding in fall 2026, with construction beginning as early as late winter in 2027. While a construction schedule has not yet been finalized, it is anticipated that construction will be substantially completed by the end of 2027.

Easements

Based on the Township's understanding of the current wastewater system agreements, the lift station and force main would be Township-owned assets because the system would handle only wastewater flows from the Township. Therefore, utility easements would need to be acquired from KLSWA (and perhaps Allegan County Board) to allow for the installation of the force main along the proposed alignment up to where the force main connects to the headworks. The Township has prepared proposed easements with exhibits for KLSWA's consideration (see attached).

Request

Saugatuck Township is requesting that the KLSWA Commission approve the proposed easement agreements and Force Main Relocation Agreement. It is the Township's understanding that approval of these agreements will authorize the Township to construct the proposed 6-inch force main within the utility easements on KLSWA-owned property and connect the force main to the headworks of the KLSWA Wastewater Treatment Plant, as shown in the attached 90% plans. The Township will continue to coordinate with KLSWA and its Engineer, Fleis & VandenBrink, to address comments and finalize the construction plans prior to advertising the project for bids.

Enclosures: Blue Star Highway Sewer Master Plan
Old Allegan Lift Station and Force Main 90% Completed Plans
Utility Easement Drafts with Easement Drawings
KLSWA Force Main Relocation Agreement Draft

**RELOCATION AGREEMENT REGARDING FORCEMAIN
CONNECTION TO WASTEWATER TREATMENT PLANT**

This Relocation Agreement Regarding Forcemain Connection to Wastewater Treatment Plant (the "Agreement") is made and entered into as of the ____ day of _____, 202__, by and between Saugatuck Township, a general law township organized and existing under the laws of the State of Michigan, with an address of 3461 Blue Star Highway, Saugatuck, Michigan 49453 ("Saugatuck Township"), and the Kalamazoo Lake Sewer and Water Authority, a public body corporate, with an address of 6449 Old Allegan Road, P.O. Box 789, Saugatuck, Michigan 49453 (the "KLSWA"). Saugatuck Township and the KLSWA are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

- A. Saugatuck Township owns and operates components of a sanitary sewer collection system serving properties within its municipal boundaries, and proposes to construct a new sanitary sewer forcemain to convey wastewater from such collection system to the wastewater treatment plant owned and operated by the KLSWA (the "WWTP").
- B. Saugatuck Township has submitted to the KLSWA a proposed route for the new forcemain and the point of connection at which the forcemain will enter the WWTP (the "Forcemain"), which proposed route and point of connection are depicted and described in **Exhibit A** attached hereto and incorporated herein by reference.
- C. The KLSWA has reviewed the proposed route and point of connection set forth in Exhibit A and is willing to approve the same, subject to the terms and conditions set forth in this Agreement.
- D. The Parties acknowledge that the KLSWA may in the future undertake an expansion of the WWTP, and that such expansion may necessitate the relocation of the Forcemain. The Parties wish to memorialize their agreement regarding the responsibility for the cost of any such relocation.

TERMS AND CONDITIONS

In consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Approval of Forcemain Route.** The KLSWA hereby approves the route of the Forcemain and the point of connection at which the Forcemain will enter the WWTP, as depicted and described in Exhibit A. Such approval is granted subject to the terms and conditions of this Agreement.
2. **Relocation Obligation.**
 - a. In the event the KLSWA Commission determines, in its reasonable discretion, that the relocation of all or any portion of the Forcemain is necessary in connection with a future expansion of the WWTP, Saugatuck Township shall be responsible for the cost of such relocation, subject to the terms and conditions of this Agreement.
 - b. The obligation of Saugatuck Township under this Section 2 shall apply only if Saugatuck Township owns the Forcemain at the time the WWTP expansion occurs. If, prior to the time the WWTP expansion occurs, the KLSWA or any successor organization has assumed ownership of the Forcemain pursuant to a written agreement between the Parties, the obligation of Saugatuck Township under this Section 2 shall be of no further force or effect with respect to the portion of the Forcemain so transferred.
 - c. For purposes of this Agreement, the term "cost of relocation" means the actual reasonable costs incurred to relocate the Forcemain, including without limitation construction costs, engineering and design costs, permitting costs, and restoration costs.
3. **Notice and Cost Estimate.**

a. Before requiring Saugatuck Township to relocate the Forcemain pursuant to Section 2, the KLSWA shall provide Saugatuck Township with written notice of the required relocation not less than one hundred eighty (180) days prior to the date by which the relocation must be completed (the "Relocation Notice").

b. The Relocation Notice shall include an itemized estimate of the anticipated cost of relocation, prepared by the KLSWA's engineer, broken down by category of cost including without limitation construction costs, engineering and design costs, permitting costs, and restoration costs.

c. Saugatuck Township shall have a period of sixty (60) days following receipt of the Relocation Notice to review and provide written comments to the KLSWA regarding the estimated cost of relocation. The KLSWA shall give due consideration to all such comments and shall provide a written response to Saugatuck Township within thirty (30) days of receipt of such comments. The Parties shall cooperate in good faith to resolve any disputes regarding the estimated cost of relocation prior to commencement of the relocation work.

d. For the avoidance of doubt, the estimated cost of relocation set forth in the Relocation Notice is provided for planning and review purposes only and shall not limit Saugatuck Township's obligation under Section 2 to pay the actual reasonable cost of relocation.

e. Unless the Parties agree otherwise in writing, the KLSWA shall hold the construction contract for the relocation work and shall perform the relocation as the project owner, including selection of the engineer, preparation of bid documents, solicitation and award of bids in accordance with applicable procurement requirements, execution of the construction contract, and management of the construction process through completion. The KLSWA shall name Saugatuck Township as an additional insured on all construction-related insurance policies obtained in connection with the relocation work and shall require the contractor to indemnify Saugatuck Township to the same extent the contractor indemnifies the KLSWA.

4. Sunset of Relocation Obligation. Notwithstanding any other provision of this Agreement, the obligation of Saugatuck Township under Section 2 shall expire and be of no further force or effect on the twentieth (20th) anniversary of the Effective Date of this Agreement. For the avoidance of doubt, if the KLSWA has not provided Saugatuck Township with a Relocation Notice prior to such twentieth anniversary, Saugatuck Township shall have no obligation under this Agreement to pay the cost of any relocation of the Forcemain occurring on or after such twentieth anniversary.

5. Ownership of Forcemain. Nothing in this Agreement shall be construed as a transfer of ownership of the Forcemain from Saugatuck Township to the KLSWA. The Forcemain shall remain the property of Saugatuck Township unless and until ownership is transferred to the KLSWA or any successor organization pursuant to a separate written agreement between the Parties.

6. Notices. Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered, delivered by a nationally recognized courier service, or three (3) business days after deposit in the United States mail by certified mail, return receipt requested, addressed to the Party at the address set forth in the preamble of this Agreement or to such other address as a Party may designate in writing from time to time.

7. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. Any action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the state courts located in Allegan County, Michigan, and each Party irrevocably submits to the jurisdiction of such courts and waives any objection to venue or the convenience of the forum.

8. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior oral or written agreements, representations, and

understandings between the Parties with respect to such subject matter. This Agreement may not be amended except by a written instrument signed by both Parties.

9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures delivered by electronic transmission shall be deemed original signatures for all purposes.

10. Authority. Each Party represents and warrants to the other that it has full power and authority to enter into this Agreement, that the individual signing this Agreement on its behalf is duly authorized to do so, and that this Agreement constitutes a valid and binding obligation of such Party enforceable in accordance with its terms.

11. Effective Date. This Agreement shall become effective on the date last signed by the Parties below (the "Effective Date").

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

SAUGATUCK TOWNSHIP

By: _____
Abby Bigford, Supervisor

Date: _____

By: _____
Cindy Osman, Clerk

Date: _____

**KALAMAZOO LAKE SEWER AND WATER
AUTHORITY**

By: _____
_____, Chair

Date: _____

By: _____
_____, Secretary-Treasurer

Date: _____

EXHIBIT A

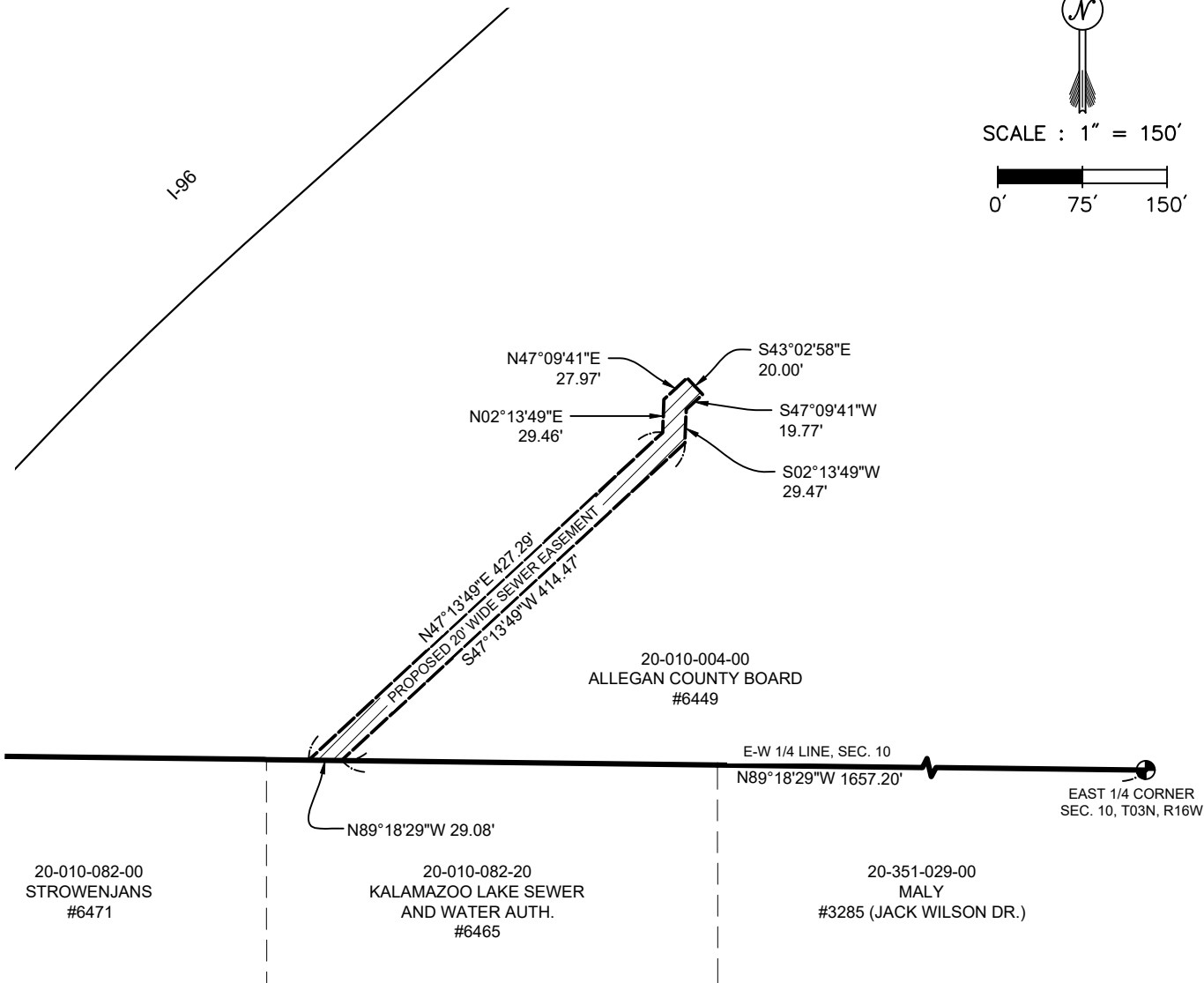
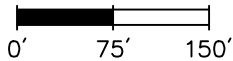
FORCEMAIN ROUTE AND POINT OF CONNECTION

[Attach engineering drawing, survey, or legal description of the approved Forcemain route and point of connection at the WWTP.]

EASEMENT SKETCH
PROPOSED SEWER EASMENT
EXHIBIT "A"



SCALE : 1" = 150'



20-010-004-00 PARCEL DESCRIPTION
(PER ALLEGAN COUNTY DEPARTMENT OF EQUALIZATION):
E 3/4 OF NE 1/4 SEC 10 LYING SE'LY OF I-196 R/W SEC 10 T3N R16W.

PROPOSED 20' WIDE SEWER EASEMENT DESCRIPTION:
PART OF THE NORTHEAST 1/4 OF SECTION 10, T03N, R16W, SAUGATUCK TOWNSHIP, ALLEGAN COUNTY, MICHIGAN DESCRIBED AS: COMMENCING AT THE EAST 1/4 OF SAID SECTION 10; THENCE NORTH 89°18'29" WEST 1657.20 FEET ALONG THE EAST-WEST 1/4 LINE OF SAID SECTION TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 89°18'29" WEST 29.06 FEET ALONG THE EAST-WEST 1/4 LINE OF SAID SECTION; THENCE NORTH 47°13'49" EAST 427.29 FEET; THENCE NORTH 02°13'49" EAST 29.46 FEET; THENCE NORTH 47°09'41" EAST 27.97 FEET; THENCE SOUTH 43°02'58" EAST 20.00 FEET; THENCE SOUTH 47°13'49" WEST 414.47 FEET TO THE POINT OF BEGINNING.

Prein&Newhof
Engineers • Surveyors • Environmental • Laboratory

3355 Evergreen Drive NE t. (616) 364-8491
Grand Rapids, MI 49525 f. (616) 364-6955
www.preinnewhof.com info@preinnewhof.com

CLIENT:
SAUGATUCK TOWNSHIP
3461 BLUE STAR HWY.
SAUGATUCK, MI 49453

LOCATED IN : SECTION 10
TOWN 03 NORTH, RANGE 16 WEST
SAUGATUCK TOWNSHIP, ALLEGAN
COUNTY, MICHIGAN

Date : 06/29/2026
Project No. 2251022

SEWER EASEMENT

THIS SEWER EASEMENT (this “**Easement**”) is granted by the County of Allegan, a body corporate and politic under the laws of the State of Michigan, acting by and through its Board of Commissioners, whose address is 113 Chestnut Street, Allegan, Michigan 49010 (the “**Grantor**”), to the Township of Saugatuck, a Michigan municipal corporation, whose address is 3461 Blue Star Highway, Saugatuck, Michigan 49453 (the “**Grantee**”).

For the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Grantor grants and conveys to the Grantee a permanent and perpetual sewer easement on, over, across, under, and through a portion of the Grantor’s real property located in the Township of Saugatuck, Allegan County, Michigan, and identified as Tax Parcel No. 20-010-004-00, the legal description of which is set forth on the attached **Exhibit A** (the “**Subject Parcel**”). The portion of the Subject Parcel subject to this Easement is more particularly described and depicted on the attached **Exhibit A** (the “**Easement Area**”).

The Grantor grants this Easement for the purpose of constructing, installing, operating, maintaining, inspecting, repairing, replacing, and removing an underground sanitary sewer force main and all related appurtenances (collectively, the “**Facilities**”), together with the right of ingress to and egress from the Easement Area, and over so much of the Grantor’s adjoining land as is reasonably necessary, to accomplish the foregoing. This Easement is subject to the following terms and conditions.

TERMS AND CONDITIONS

1. **Manner of Work.** Any construction, installation, operation, maintenance, inspection, repair, replacement, or removal performed by or on behalf of the Grantee (the “**Work**”) shall be performed (i) in a good and workmanlike manner; (ii) in compliance with all applicable laws, rules, orders, and ordinances; (iii) so as not to unreasonably interfere with the Grantor’s use of the Subject Parcel; (iv) so as not to impair the lateral or subjacent support of the Grantor’s surrounding property; and (v) without cost to the Grantor.

2. **Access.** The Grantee shall have the right of ingress to and egress from the Easement Area over the Easement Area itself and, to the extent reasonably necessary to perform the Work, over the Grantor’s adjoining land. The Grantee shall confine its access to routes that minimize disturbance to the Grantor’s operations to the extent practicable.

3. **Adjoining Property; Restoration.** If the Grantee reasonably finds it necessary to enter upon the Grantor's property adjoining the Easement Area to perform any Work, the Grantee may do so, and the Grantee shall restore any portion of the Easement Area and the adjoining property disturbed by the Work to a condition as good as or better than its condition before the Work, to the extent reasonably practicable and consistent with the presence of the Facilities.

4. **No Interference by Grantor.** The Grantor shall not construct or install any building or other permanent structure within the Easement Area, and shall not grade or perform earthwork within the Easement Area, without the Grantee's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed.

5. **Other Utilities.** The Grantor reserves the right to grant easement rights within the Easement Area to others for the installation and maintenance of gas, electric, telephone, fiber optic, cable, water, and similar utilities ("**Other Utilities**"), provided that any such rights shall be subject to the Grantee's approval as to the location and depth of the proposed Other Utilities, which approval shall not be unreasonably withheld, conditioned, or delayed. All such additional easements shall be subordinate to the Grantee's rights under this Easement, and the owners of any Other Utilities shall reimburse the Grantee for any additional cost the Grantee incurs in performing the Work as a result of the presence of the Other Utilities.

6. **Run With the Land.** This Easement shall run with the land and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the County of Allegan, acting by and through its Board of Commissioners, has caused this Easement to be executed by its duly authorized officers as of the date set forth below.

[Signatures on Next Page]

COUNTY OF ALLEGAN, a public body
corporate, by and through its Board of
Commissioners

By: _____
Scott Beltman, Board Chair

By: _____
Bob Genetski

STATE OF MICHIGAN)
) ss
COUNTY OF ALLEGAN)

The foregoing instrument was acknowledged before me on _____, 2026, by Scott Beltman, Chairperson of the Allegan County Board of Commissioners, and Bob Genetski, Allegan County Clerk, on behalf of the County of Allegan.

Notary Public, _____ County, Michigan
Acting in _____ County
My commission expires: _____

Exempt from state and county real estate transfer tax pursuant to MCL 207.526(a) and MCL 207.505(a).

Drafted By:
C. Nicholas Curcio
Curcio Law Firm PLC
16905 Birchview Drive
Nunica, MI 49448

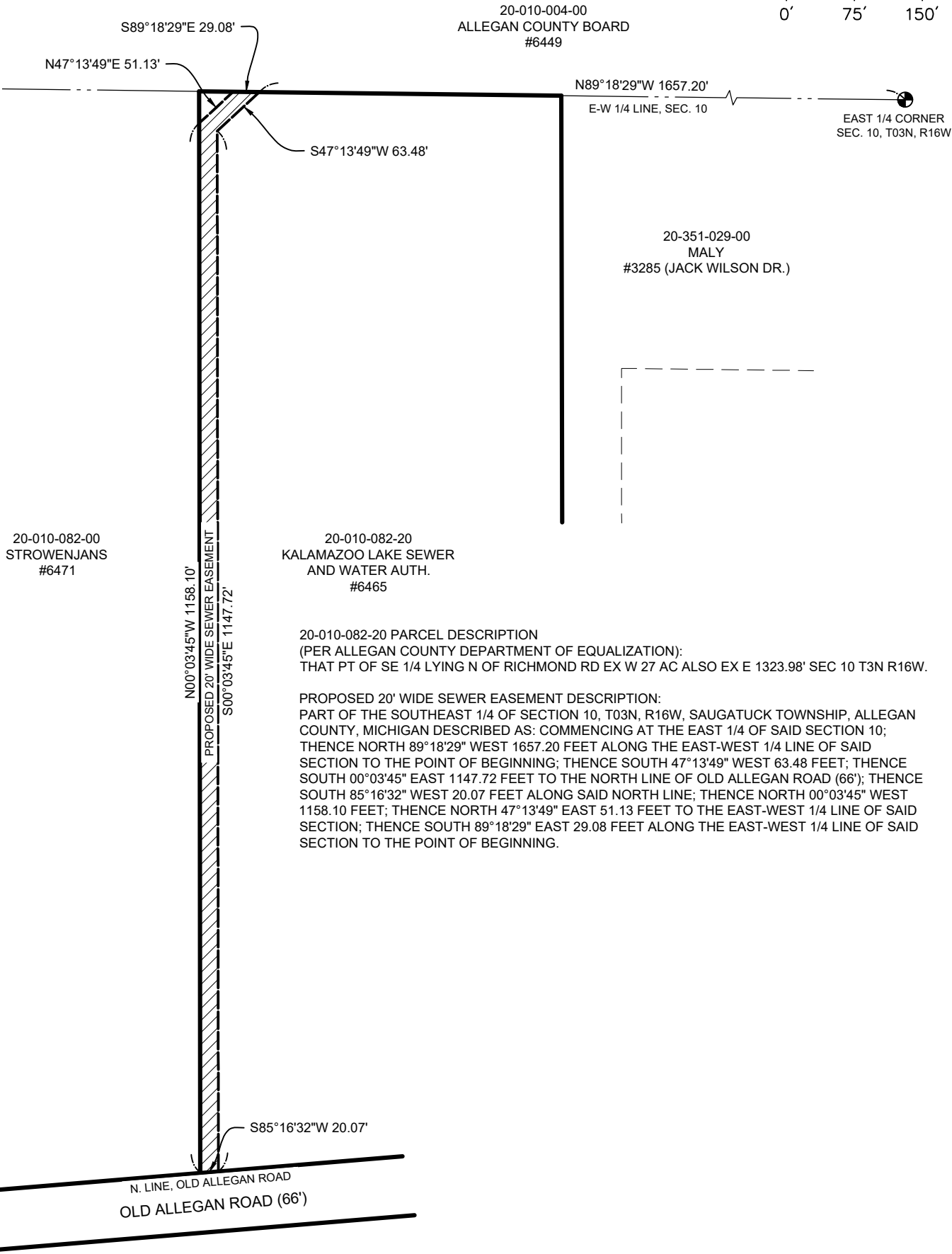
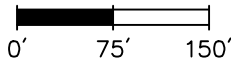
When Recorded Return To:
Township of Saugatuck
3461 Blue Star Highway
Saugatuck, MI 49453

Exhibit A — Easement Sketch and Description, Prein & Newhof Project No. 2251022 (Drawing 6449), dated June 29, 2026 (attached).

EASEMENT SKETCH
PROPOSED SEWER EASMENT
EXHIBIT "A"



SCALE : 1" = 150'



Prein&Newhof
Engineers • Surveyors • Environmental • Laboratory

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CLIENT:
SAUGATUCK TOWNSHIP
3461 BLUE STAR HWY.
SAUGATUCK, MI 49453

LOCATED IN : SECTION 10
TOWN 03 NORTH, RANGE 16 WEST
SAUGATUCK TOWNSHIP, ALLEGAN
COUNTY, MICHIGAN

Date : 06/29/2026
Project No. 2251022

PAGE
1 OF 1

SEWER EASEMENT

THIS SEWER EASEMENT (this “**Easement**”) is granted by the Kalamazoo Lake Sewer and Water Authority, a public body corporate, whose address is 6449 Old Allegan Road, P.O. Box 789, Saugatuck, Michigan 49453 (the “**Grantor**”), to the Township of Saugatuck, a Michigan municipal corporation, whose address is 3461 Blue Star Highway, Saugatuck, Michigan 49453 (the “**Grantee**”).

For the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Grantor grants and conveys to the Grantee a permanent and perpetual sewer easement on, over, across, under, and through a portion of the Grantor’s real property located in the Township of Saugatuck, Allegan County, Michigan, and identified as Tax Parcel No. 20-010-082-20, the legal description of which is set forth on the attached **Exhibit A** (the “**Subject Parcel**”). The portion of the Subject Parcel subject to this Easement is more particularly described and depicted on the attached **Exhibit A** (the “**Easement Area**”).

The Grantor grants this Easement for the purpose of constructing, installing, operating, maintaining, inspecting, repairing, replacing, and removing an underground sanitary sewer force main and all related appurtenances (collectively, the “**Facilities**”), together with the right of ingress to and egress from the Easement Area, and over so much of the Grantor’s adjoining land as is reasonably necessary, to accomplish the foregoing. This Easement is subject to the following terms and conditions.

TERMS AND CONDITIONS

1. **Manner of Work.** Any construction, installation, operation, maintenance, inspection, repair, replacement, or removal performed by or on behalf of the Grantee (the “**Work**”) shall be performed (i) in a good and workmanlike manner; (ii) in compliance with all applicable laws, rules, orders, and ordinances; (iii) so as not to unreasonably interfere with the Grantor’s use of the Subject Parcel; (iv) so as not to impair the lateral or subjacent support of the Grantor’s surrounding property; and (v) without cost to the Grantor.

2. **Access.** The Grantee shall have the right of ingress to and egress from the Easement Area over the Easement Area itself and, to the extent reasonably necessary to perform the Work, over the Grantor’s adjoining land. The Grantee shall confine its access to routes that minimize disturbance to the Grantor’s operations to the extent practicable.

3. **Adjoining Property; Restoration.** If the Grantee reasonably finds it necessary to enter upon the Grantor's property adjoining the Easement Area to perform any Work, the Grantee may do so, and the Grantee shall restore any portion of the Easement Area and the adjoining property disturbed by the Work to a condition as good as or better than its condition before the Work, to the extent reasonably practicable and consistent with the presence of the Facilities.

4. **No Interference by Grantor.** The Grantor shall not construct or install any building or other permanent structure within the Easement Area, and shall not grade or perform earthwork within the Easement Area, without the Grantee's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed.

5. **Other Utilities.** The Grantor reserves the right to grant easement rights within the Easement Area to others for the installation and maintenance of gas, electric, telephone, fiber optic, cable, water, and similar utilities ("**Other Utilities**"), provided that any such rights shall be subject to the Grantee's approval as to the location and depth of the proposed Other Utilities, which approval shall not be unreasonably withheld, conditioned, or delayed. All such additional easements shall be subordinate to the Grantee's rights under this Easement, and the owners of any Other Utilities shall reimburse the Grantee for any additional cost the Grantee incurs in performing the Work as a result of the presence of the Other Utilities.

6. **Run With the Land.** This Easement shall run with the land and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

The Grantor has executed this Easement as of the date set forth below.

[Signatures on Next Page]

**KALAMAZOO LAKE SEWER AND
WATER AUTHORITY**, a public body
corporate

By: _____
Greg Freeman, Chairman

By: _____
, Secretary/Treasurer

STATE OF MICHIGAN)
) ss
COUNTY OF ALLEGAN)

The foregoing instrument was acknowledged before me on _____, 2026, by Greg Freeman, Chairman, and _____, Secretary/Treasurer, of the Kalamazoo Lake Sewer and Water Authority, a public body corporate, on behalf of the Authority.

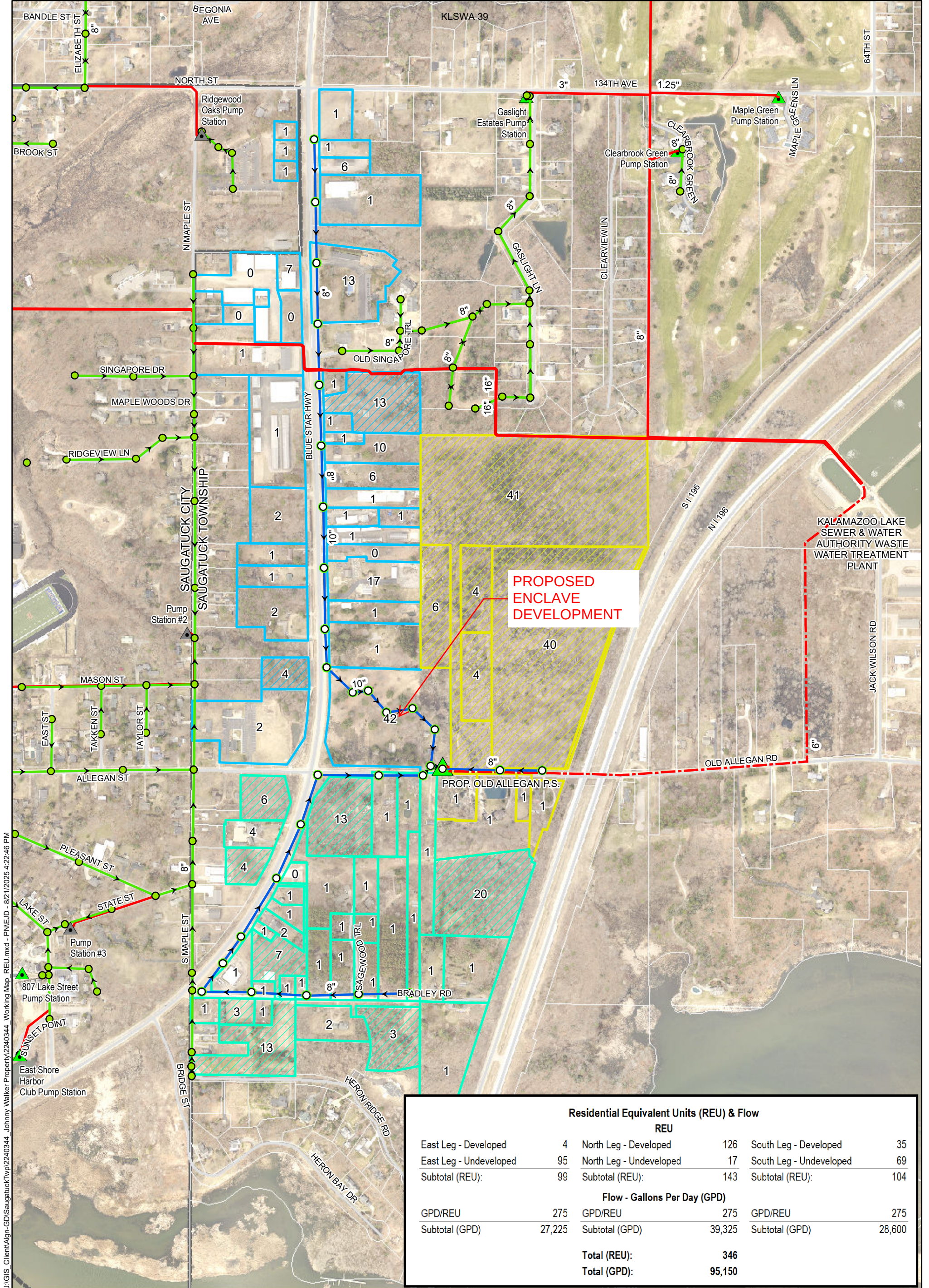
Notary Public, _____ County, Michigan
Acting in _____ County
My commission expires: _____

Exempt from state and county real estate transfer tax pursuant to MCL 207.526(a) and MCL 207.505(a).

Drafted By:
C. Nicholas Curcio
Curcio Law Firm PLC
16905 Birchview Drive
Nunica, MI 49448

When Recorded Return To:
Township of Saugatuck
3461 Blue Star Highway
Saugatuck, MI 49453

Exhibit A — Easement Sketch and Description, Prein & Newhof Project No. 2251022 (Drawing 6465), dated June 29, 2026 (attached).



J:\GIS_Client\Align-GD\SaugatuckTwp\2240344_ Working Map_REU.mxd - PNEID - 8/21/2025 4:22:46 PM

Residential Equivalent Units (REU) & Flow					
REU					
East Leg - Developed	4	North Leg - Developed	126	South Leg - Developed	35
East Leg - Undeveloped	95	North Leg - Undeveloped	17	South Leg - Undeveloped	69
Subtotal (REU):	99	Subtotal (REU):	143	Subtotal (REU):	104
Flow - Gallons Per Day (GPD)					
GPD/REU	275	GPD/REU	275	GPD/REU	275
Subtotal (GPD)	27,225	Subtotal (GPD)	39,325	Subtotal (GPD)	28,600
Total (REU):		346			
Total (GPD):		95,150			



1 " = 500 '

- LEGEND**
- Proposed Sanitary Manhole
 - Existing Sanitary Manhole
 - Proposed Force Main
 - Existing Force Main
 - Proposed Sanitary Gravity Main
 - Existing Sanitary Gravity Main
 - Prop. Old Allegan Pump Station

- RESIDENT EQUIVALENT UNITS**
- East Leg - Developed
 - East Leg - Undeveloped
 - North Leg - Developed
 - North Leg - Undeveloped
 - South Leg - Developed
 - South Leg - Undeveloped

SAUGATUCK TOWNSHIP
ALLEGAN COUNTY, MICHIGAN
BLUE STAR HIGHWAY
SEWER MASTER PLAN - REU ANALYSIS
AUGUST 2025
Prein&Newhof
2240344

Kalamazoo Lake Sewer and Water Authority



P.O. Box 789, Saugatuck, Michigan 49453
 Telephone (269) 857-2709
 Fax (269) 857-1565

TO: Board of Commissioners
FROM: Andrew Smith, Finance Director
THROUGH: Robert Miller, Authority Administrator
DATE: August 17, 2026
RE: Proposed BS&A Cloud Upgrade

Recommendation

Authorize the Administrator to execute BS&A Software Quote Q-04029 in the amount of \$61,370, consisting of \$16,525 in recurring annual software fees and \$44,845 in one-time implementation, conversion, and training costs. Prices are valid through October 20, 2026.

Background

The Authority currently runs BS&A's legacy .NET platform for General Ledger, Accounts Payable, and Utility Billing. BS&A is transitioning its customer base to a cloud-hosted environment, and continued support for the .NET product is finite. Separately, the Authority has processed payroll with Paychex at approximately \$29,000 annually, although the switch to Rippling will reduce these costs to approximately \$12,000 per year.

This proposal addresses both items in a single project: it migrates our three existing modules to BS&A Cloud and adds Cash Receipting, Payroll, and Human Resources.

Cost Breakdown

Item	Type	Amount
Upgrade modules (GL, AP, UB)	Annual	\$8,810
New modules (CR, PR, HR)	Annual	\$7,715
Data conversion / database setup	One-time	\$10,425
Upgrade implementation	One-time	\$18,800
New module project management & planning	One-time	\$7,045
Remote implementation & training (7 days)	One-time	\$8,575
Total proposed		\$61,370

Payment is staged across five invoices tied to execution, subscription start dates, and completion milestones — \$26,870 upon execution, with the balance spread as work is completed. **Invoice #1, in the amount of \$26,870, is the only charge expected to hit in the current FY. There is an approximately 9-month queue with BS&A for cloud migration.**

Financial Impact

The recurring cost of the entire BS&A Cloud suite — including the three modules we already pay for — is \$16,525 per year, current .NET pricing is \$5,040 per year. Including payroll processing, we were paying approximately \$34,000 per year. BS&A Cloud is roughly \$17,500 *less* than what the Authority currently spends on payroll processing and .NET support.

The annual savings of approximately \$17,500 recovers the \$44,845 in one-time costs in roughly 2.5 years, after which the savings are ongoing. This does not include the necessary server upgrades if we were to stay on .NET. EGL Tech has notified us that our server is approaching end of life early 2027. A server replacement would be between \$15,000 and \$25,000. This would move the break even point to just 1.1 years to 1.4 years. After that, the authority will be saving money over not having a separate payroll processor.

There will be no anticipated budget adjustment necessary in the current FY due to the anticipated savings from changes made to banking services, payroll services, and other administrative changes.

Non-Financial Considerations

- Payroll and HR data live in the same system as the general ledger, eliminating manual journal entry and reconciliation between outside payroll processor and BS&A.
- The HR module gives the Authority a system of record for positions, benefit plans, licenses, and certifications — a gap in our current administrative infrastructure and a recurring audit and compliance exposure.
- Cash Receipting integrates directly with Utility Billing rather than requiring separate reconciliation.
- Cloud hosting removes local server maintenance and backup responsibility.
- The .NET-to-Cloud migration will be required eventually regardless of the payroll decision; bundling it with the new modules avoids paying project management and implementation costs twice.

Risks

- One-time costs are concentrated in the first fiscal year.

Requested Action

Motion to authorize the Authority Administrator to execute BS&A Quote Q-04029 in an amount not to exceed \$61,370.

Proposal for:
Kalamazoo Lake Sewer & Water Authority, Allegan County, MI
July 9, 2026
Quoted by: Scott Duffy

Software and Services for BS&A Cloud Upgrade



Thank you for the opportunity to quote our software and services.

At BS&A, we are focused on delivering unparalleled service, solutions, support, and customer satisfaction. You'll see this in our literature, but it's not just a marketing strategy... it's a mindset deeply embedded in our DNA. Our goal is to provide such remarkable customer service that our customers feel compelled to remark about it.

*We are extremely proud of the many long-term customer relationships we have built. Our success is directly correlated with putting the customer first and consistently choosing to **listen**. Delivering unparalleled customer service is the foundation of our company.*

Cost Summary

Software is licensed for use only by municipality identified on the cover page. If used for additional entities or agencies, please contact BS&A for appropriate pricing. Prices subject to change if the actual count is significantly different than the estimated count. Module fees are charged annually and include unlimited support.

Upgrade - Cloud Modules – Annual Fee

Financial Management

GL-General Ledger	\$2,810.00
AP-Account Payable	\$2,315.00
Total	\$5,125.00

Utility Billing

UB-Utility Billing	\$3,685.00
Total	\$3,685.00

Subtotal	\$8,810.00
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New Purchase - Cloud Modules - Annual Fee

Financial Management

CR-Cash Receipting	\$2,155.00
Total	\$2,155.00

Personnel Management

PR-Payroll	\$3,265.00
HR-Human Resources	\$2,295.00
Total	\$5,560.00

Subtotal	\$7,715.00
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Data Conversions/Database Setup

CR-Manual Database Setup	\$2,450.00
Setup of Receipt Items/Tender Type	
PR-Manual Database Setup	\$4,300.00
Manual Entry or Import of Employee Master File/Setup/YTD as of a Specified Date.	
HR-Manual Database Setup	\$3,675.00
Setup of Licenses, Certifications, Benefit Plans, Positions. Not assigned to Employees	
Total	\$10,425.00

Upgrade Implementation

Services include:

- Management of your upgrade by our dedicated upgrade team for a smooth shift from .NET to BS&A Cloud
- Assigned project coordinator works with you to create a project schedule aligned with your processes and needs
- How-to guides and select reference videos provided for your users to become familiar with relevant Cloud processes prior to your go-live.
- Preliminary conversion and validation performed by the Upgrade Team, validating data, balances, configurations, and related settings prior to your live upgrade.
- Final data extraction, upgrade and validation for your BS&A Cloud go-live.
- Module-specific data validation performed by domain experts in the dedicated Upgrade Team.
- Testing and implementation of existing customizations prior to go-live, preserving functionality and ensuring critical components are converted.
- Migration of key custom reports, enabling continuity in reporting for your municipality from .NET to Cloud.
- Automated configuration of users and security roles based on your prior setup in .NET.
- Conversion of approval workflows based on role-specific security, maintaining established processes.
- Training for all primary users on global functions of BS&A Cloud, such as navigation, searching, and reporting.
- Module-specific training for users of your municipality in their primary daily activities in BS&A Cloud.
- As applicable, configuration of existing hardware (barcode scanners, etc) for seamless integration with BS&A Cloud.
- As needed, transition from .NET Online Payments to cloud architecture configuration for uninterrupted payment processing.
- Prioritized support by the dedicated Upgrade Team for two weeks following your go-live, leveraging BS&A's best in class support system for case visibility and seamless transition to BS&A Customer Support following the hypercare period.

\$18,800.00

New Module Project Management and Implementation Planning

Services include:

- Analyzing customer processes to ensure all critical components are addressed.
- Creating and managing the project schedule in accordance with the customer's existing processes and needs.
- Planning and scheduling training around any planned process changes included in the project plan.
- Modifying the project schedule as needed to accommodate any changes to the scope and requirements of the project that are discovered.
- Providing a central contact between the customer's project leaders, developers, trainers, IT staff, conversion staff, and other resources required throughout the transition period.
- Installing the software and providing IT consultation for network, server, and workstation configuration and requirements.
- Reviewing and addressing the specifications for needed customizations to meet customer needs (when applicable).

Total**\$7,045.00**

New Module - Remote Implementation and Training

- \$1,225/day
- Days quoted are estimates; you are billed for actual days used
- Training days quoted/billed in full day increments only

Services include:

- Setting up users and user security rights for each application
- Performing final process and procedure review
- Configuring custom settings in each application to fit the needs of the customer
- Setting up application integration and workflow methods
- Verification of converted data for balancing and auditing purposes
- Training and Go-Live

Setup Days

Remote ITS Setup - FM	Setup Days: 1	\$1,225.00
Remote ITS Setup - HRIS	Setup Days: 1	\$1,225.00

Total Setup Days: 2

Subtotal: \$2,450.00

Implementation and Training Days

Remote ITS Training - FM	Training Days: 1	\$1,225.00
Remote ITS Training - HRIS	Training Days: 4	\$4,900.00

Total Training Days: 5

Subtotal: \$6,125.00

Total Days: 7**Total: \$8,575.00**

Cost Totals

Upgrade Modules – <i>Annual Fee</i>	Subtotal	\$8,810.00
Cloud New Purchase – <i>Annual Fee</i>	Subtotal	\$7,715.00
Data Conversions/Database Setup	Subtotal	\$10,425.00
Upgrade Implementation	Subtotal	\$18,800.00
Project Management and Implementation Planning	Subtotal	\$7,045.00
Remote Implementation and Training	Subtotal	\$8,575.00

Total Proposed

\$61,370.00

Payment Schedule

- 1st Payment: **\$26,870** to be invoiced upon execution of this agreement.
- 2nd Payment: **\$8,810** to be invoiced upon the subscription start date for upgrade modules.
- 3rd Payment: **\$9,400** to be invoiced upon completion of upgrade implementation.
- 4th Payment: **\$7,715** to be invoiced upon the subscription start date of new modules.
- 5th Payment: **\$8,575** to be invoiced upon completion of new module training.