

VILLAGE OF BERRIEN SPRINGS COUNCIL WORKSHOP

Minutes of the Village of Berrien Springs Council Workshop held on Thursday, March 05, 2026.

President Sheila Snyder called the council workshop to order at 3:36 p.m.

Present: President Sheila Snyder, President Pro-Tem Jack Davis; Trustees: Zach Fedoruk, Lonna Johnson, Christopher Perez, Kristin von Maur, Mark VandeVere, and Village Clerk Rachael Kuzda.

Absent: None.

Also present: Public Works Superintendent Dave Kunde, Matt Davis from Wightman, Melanie Stange from Wightman, Andy Campbell from Bendzinski, and guest.

All stood for the Pledge of Allegiance.

This Council Workshop was held to discuss the Rosehill Project and the Rate Study.

The Rosehill Project

Matt Davis, the engineer from Wightman, explained that the sanitary sewer and water lines in the Rosehill area have reached the end of their useful life and need to be replaced. During construction, water and sewer services may be briefly interrupted. The cost of this project will be significant at approximately \$5.7 million. Expenses will be paid out of the water, sewer, and streets funds. Another project to consider is lead and galvanized service line replacements.

Melaine Stange with Wightman noted that because the utilities require extensive excavation, the road would also be reconstructed. This new roadway would have an expected lifespan of more than 20 years. Sidewalk installation along Rosehill may also be included as a potential addition to the project. The road project may qualify for MDOT Federal Aid funding, with approximately \$420,000 anticipated in 2028.

Trustee Zach Fedoruk asked about the timeline for the Rosehill Project. The construction would likely begin in the spring of 2028 and continue through the fall of 2028. A section on Harrison Street was also brought up when discussing the project. Public Works Superintendent Dave Kunde indicated while the area contains some older galvanized lines, no immediate replacement has been recommended, and work there may consist only of a mill and fill road project.

Trustee Mark VandeVere noted that some lead and galvanized lines are included within the Rosehill project area. Dave indicated the project budget estimate was prepared conservatively and would ideally come in lower than projected.

Trustee Kristin von Maur asked about the 2027 date listed on the estimate. Matt Davis explained that bidding would likely occur in 2027, but current estimates assume pricing will remain relatively stable. Kristin also asked whether sidewalks were included in the estimate. Melanie stated the estimate includes sidewalks on one side of Rosehill, but not throughout the entire neighborhood.

Trustee Christopher Perez asked about access to homes during construction. Matt Davis stated that residents may temporarily lose driveway access for short periods of time due to the depth of sewer installation, but typically for no more than one to three days. Contractors generally attempt to maintain passable conditions throughout construction. Chris also asked about gas lines in the area. It was noted that water lines are typically located on the opposite side of the street from gas lines in most locations.

Andy Campbell with Bendzinski presented information regarding potential financing options for the project.

Three primary funding sources were discussed:

- Federal Programs – including USDA Rural Development loans and potential grants.
- State Revolving Fund (SRF) – competitive state funding programs.
- Open Market Loans – borrowing from banks or financial institutions.

Andy explained that grants through the State Revolving Fund are highly competitive and are generally awarded to communities with higher utility rates or those meeting specific metrics.

The Village's water rates are currently very low compared to other municipalities, which may limit eligibility for certain grant opportunities. To qualify for some funding programs, water rates would likely need to increase significantly.

The Village may meet the metrics for funding through the State Revolving Fund for the sewer line portion of the project, but the application process is lengthy and could delay construction until 2029. Because of these factors, Andy suggested the Village may want to pursue USDA Rural Development loans for both water and sewer infrastructure to keep the project timeline on track. However, USDA funding may still only approve sewer improvements while declining water improvements, in which case the Village may need to pursue open market financing for the water portion.

Andy noted that the Village currently does not appear to have an established credit rating, due to the type of loans that we have.

Melaine noted that it is unlikely that grants through USDA will be awarded, but USDA loans are a realistic funding source.

Andy also recommended requesting the maximum eligible funding, including potential funding for lead service line replacements, and then adjusting the scope after bids are received if necessary. Projects can be reduced in scope after bidding but cannot be expanded.

Kristin von Maur asked what the main demands are right now. Dave Kunde stated that the Rosehill area represents one of the last major sections of town requiring significant infrastructure upgrades. Matt Davis added that improvements to the roads and infrastructure would significantly improve the overall character and condition of the neighborhood.

The Rate Study

The Rate Study being done by Bendzinski will give council insights into the following:

- Existing debt and refinancing opportunities
- Potential new debt
- Whether rate increases are required
- Give scenarios
- Future capital improvement planning and funding with cash rather than loans

Mark VandeVere asked how long this process will take. Andy explained that preliminary results from the study should be available before July 1, 2026, although the final report may not be completed by the start of the new fiscal year. The preliminary analysis should provide enough information for the Council to make informed decisions regarding the Rosehill project and potential rate adjustments.

Andy noted that the Village's water rate is currently \$58.00, compared to a typical benchmark of approximately \$138.00 among comparable communities. Sewer rates are closer to the median.

He also noted that quarterly billing can make utility bills appear higher at once, which sometimes contributes to public perception of high costs.

Matt Davis suggested that we have a public meeting for the community to hear about the Rosehill Project and to share that there will be lots of communication during construction, similar to what we did during Mechanic Street construction.

Audience Comments: No audience in attendance.

ADJOURNMENT

*Moved by Mark VandeVere seconded by Kristin von Maur to adjourn at 5:26 p.m. Ayes, 7, Nays, 0. Motion carried.

Rachael Kuzda, MiPMC
Village Clerk

Sheila Snyder
Village President