



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: May 27, 2025

To: Frank A. Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager
Chris Wilson, Assistant City Manager
Robert C. Maleszyk, Chief Financial Officer
Kyle Vieth, Controller
Scott Finlay, City Engineer
Jason Schmidt, Water & Sewer Operations Manager
Kurt Bovensiepe, Public Works Director

Subject: Evergreen-Farmington Sanitary Drain Drainage District, Corrective Action Plan Walnut Lake No. 1- Prepayment

History

The City of Troy discharges its wastewater through three separate districts, Evergreen/Farmington, Oakland/Troy, and the GWK. The Water Resource Commission (WRC) for Oakland County is the responsible agency for all the wastewater districts. Over the last several years there have been some improvements to the Evergreen/Farmington district, in which the City of Troy had a cost share in the projects. Additional required improvements have been identified in the Evergreen/Farmington district that will improve the capacity of wastewater in the district. The increased capacity will help mitigate wastewater backups into homes, and businesses, and limit the frequency of sanitary sewer overflows.

WRC recognized the high cost of implementing the improvements and established the Evergreen/Farmington as its own Chapter 20 Drain. This designation allowed the county to assess the contributing communities for the improvements through an Assessment Roll for a Drain Bond. This provides communities an opportunity to pay toward the bond for 20 years instead of prepaying its proportionate cost.

City of Troy staff have been involved with the proposed Corrective Action Plan (CAP) by attending and participating in various informational and design meetings. The attached correspondence from WRC details the improvements, the options for payment, and the City of Troy's proportionate cost of 3.15% of the \$14,000,000 or \$441,000. The Sewer Fund can continue the practice of having no debt and elect the prepayment option, which saves approximately \$128,000.

Financial

Funds are available in the Sewer Capital Fund – Ev-Frm Corrective Action Plan (CAP) with \$500,000 budgeted in FY 2026. The City Council will be presented with a recommendation to expend capital funds after the true cost is identified following the June 23, 2025, bid opening.



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Recommendation

City Management recommends electing the prepayment option with the Water Resource Commission for Oakland County for the Corrective Action Plan in the Evergreen/Farmington Drain District with a City of Troy proportionate share of 3.1500% or \$441,000.