

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, April 17, 2019, 6:00 p.m. 231-879-3565
Fife Lake Township Hall, 134 Morgan Street, Fife Lake, MI 49633

CALL TO ORDER: President Tom Gray called the meeting to order at 6:02 p.m.

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Vice President Marilyn Hayes, Secretary Leigh Gifford, Treasurer Jodi Velez and Commissioners Jim Gifford, Dave McGough, Cathy Sorrow and David Gill.

Absent: Commissioner Ron Broering

Others in Attendance: Compliance Officer Ray Ravary as well as the following guests:
Mr. Ben Kladder, Fleis & VandenBrink Engineering
Mr. Jeff Saxton, Team Elmers
Mr. Tom Zoet, Etna Supply
Mr. Ian Neerken, Fleis & VandenBrink Engineering (F&V)

APPROVAL OF AGENDA:

Additions:

New Business: Review of 2018 Annual Report

New Business: Review Estimates of Sewer Line Repairs

Board Action: Ms. Hayes made a motion to approve the Agenda as amended. Mr. Gill seconded the motion.

VOTE: YEAS: All. NAYES: None. Motion carried.

ACCEPTANCE OF MINUTES:

Acceptance of Regular Meeting Minutes of March 20, 2019:

Mr. Gill made a motion to accept the Minutes of the March 20, 2019, Regular Meeting as presented. Ms. Hayes seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

TREASURER'S REPORT:

Treasurer's Report – Financial Report of March 31, 2019, and Payment of Bills:

The Treasurer's Report was distributed in advance of the meeting. An updated A/P report was distributed at the meeting.

Discussion addressed the following:

Ask Ms. Charity Sawyer of H&R Block to prepare our Budget vs. Actual Report to cut-off at end of month prior to meeting. Also change report heading to reflect the corresponding dates. Ms. Velez will follow through on this.

Board Action: Ms. Hayes made a motion to approve the Financial Report as presented. Mr. McGough seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Payment of Bills: There was Board discussion regarding Bills Payable.

\$615 from Northern A-1 is for power augering at 123 Main Street.

Integrated Controls Engineering (ICE) bill of \$1,975 is for replacement of Parts and Labor (lights and installation) and \$710 is for quarterly billing. We will receive another bill for the transducer work.

There is a Cummins Bridgeway credit of almost \$800. This is related to warranty work. As things progress with the generator situation, we will pursue a refund versus a credit.

Board Action: April, 2019, Bills Payable:

Mr. Gifford made a motion to approve the April, 2019, bills as amended. Mr. Gill seconded the motion.
ROLL CALL VOTE: Hayes-Y, Velez-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, Sorrow-Y, McGough-Y, Gill-Y. Motion carried.

GUESTS:

- Mr. Ben Kladder, Fleis & VandenBrink Engineering (F&V)
- Mr. Jeff Saxton, Team Elmers
- Mr. Tom Zoet, Etna Supply
- Mr. Ian Neerken, Fleis & VandenBrink Engineering (F&V)

Representatives from Fleis & VandenBrink Engineering, Team Elmers, and Etna Supply accepted our invitation to attend the meeting to facilitate a group discussion with FLAUA Board Members and Compliance Officer regarding our problems with inoperable/improper operation of valves stemming back to the start-up of the new system. There was lengthy discussion; in short the following was noted:

Mr. Kladder presented his recollection of the history of the valves, performance and service, and reiterated the three organizations are here to aid in identifying and resolving the valve issues. Input from other members of the Guest Panel was welcomed. He outlined his records of when issues were reported beginning in 2017 and the investigation and response of the Guest Panel.

Mr. Kladder assured us the valves in our system are designed specifically for our application and are being used successfully elsewhere. Each valve is inspected and factory set before it is ever installed. Valves were dug up, inspected and reassembled onsite by the manufacturer; they could not identify any problematic issues. The valve manufacturer responded in writing that their findings showed valves were able to be closed at their site visit and there were no problems with the manufacture or operation of the valves.

Additional site visits were made in 2018. Mr. Kladder observed leaking and could not close the valves completely. Other service providers came out and noted difficulty turning the valve handle itself with normal force. Nuts on the top of the valve were adjusted/seated and were subsequently closed and operating with no leaking.

The FLAUA Board would like F&V Engineers to identify and resolve the valve problems. FLAUA believes our expectations to have properly functioning valves after investing in such a large financial and physical plant project are reasonable. Mr. Ravary outlined the performance problems we have had from the beginning to the present regarding closing, opening and leaking. Our guests reiterated they were out several times and the valves were properly seated and operational.

Mr. Saxton of Elmers may send out a technician to inspect, tighten and monitor the valves.

Mr. Ravary presented specific examples of problems he is seeing regularly. Presently three of five valves are problematic in their operation. He has continued to voice concern over the leaking; however does not believe it is his place to identify and resolve the problem as we have paid experts for the service. Once irrigation starts, Mr. Ravary will monitor and document how each valve works and if they are actually opening/closing and leaking.

Board Members reiterated our bottom line concern that we continue to have problems with valve operation and leaking. Mr. Kladder expressed commitment on behalf of F&V and our guests to get to the bottom of the issue for successful resolution.

Mr. Ravary and the Guest Panel team agreed to work together to identify the problems and design, develop and successfully implement a plan for resolution. At least two Board Members will be present as well so that everyone is involved and up to speed on what is going on with the valves.

On a separate issue:

The aerators keep moving. A diver contracted through Triple Point is coming back out next week to investigate. Mr. Kladder has looked into this and, based on initial data, believes it may be cold air getting down and causing ice. He will follow-up on this.

COMMITTEE REPORTS:

Personnel Committee: No meeting, no report.

Steering and Operations Committee: No meeting, no report.
Operations Committee needs to meet to discuss Asset Management Plan.

The Compliance Officer needs some sort of storage structure for equipment. He will speak with Grand Traverse County Building Department and the Township regarding requirements.

The Operations Committee will meet next week. (Wed. 4-24, 10 am) to review the Asset Management Plan. Ops Committee also needs to present input for 2019 Goals for the 2018 Annual Report as well as present projections for summer project costs.

Compliance Officer/FVOP Report:

The Compliance Officer Report was distributed in advance of the meeting and discussed among the Board.

Mr. Ravary suggested a change to the hook-up policy to consider any separate structures tied into the system should have separate sewer leads. He will prepare a proposed amendment to the Board to complement the existing hook-up policy.

CITIZEN COMMENT: None.

NEW BUSINESS:

Review of 2018 Annual Report:

Secretary Gifford distributed a Draft of the 2018 Annual Report for the Board to review. It will be finalized and voted upon for approval at the May meeting. The report will ultimately be posted on the FLAUA website.

Review Estimates of Sewer Line Repairs – 123 Main:

There are underground tree root and pipe problems at 123 Main Street that are our responsibilities. We have bids for the repair of the manhole and underground pipe. This required confined space entry to investigate and the exact site has been located.

The following bids were received:

Boardman Valley (they do not offer concrete pouring, but we require it) \$2,500 excavation only.

Roger Gibson (they do not offer concrete pouring, but we require it) \$1,200 / \$1,500 to remove concrete from site.

Dupuies ---- dig, dispose concrete, backfill, compact (\$1,500) plus and pour concrete pad (\$2,150) = \$3,650.

RAM ----- dig, dispose concrete, backfill, compact, and pour concrete pad \$3,690.

FLAUA will replace the pipe.

Board Action:

Mr. McGough made a motion to accept the bid of RAM in the amount of \$3,690 to complete excavation and concrete work necessary to repair sewer line related to 123 Main Street. Mr. Gifford seconded.

VOTE: Gill-Y, McGough-Y, Hayes-Y, Velez-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y. Motion carried.

Mr. Ravary suggested we cut two checks ~ one/half up front and the other half payment upon completion.

***** NOTE *** Commissioner Cathy Sorrow had to leave the meeting at 7:00 p.m.**

OLD BUSINESS:

Outstanding Task List Discussion:

The Outstanding Task List from last month was discussed. New items were added for individual and Board follow-up.

Mr. Ravary will personally follow-up with Vans Lane residents on requirement to hook-up based on the 90-day letter to find out when they plan to hook-up. He will inquire with FLAUA attorney as to when we can begin billing them because they are not hooked up past the 90-day notification period.

Mr. Ravary provided details to FLAUA attorneys regarding letter to Cummins and Bruce Ottee of Bridgeway regarding ongoing generator issues. He is now awaiting a draft of the correspondence from our attorneys. F&V requested they be copied on this letter.

COMMUNICATIONS: None.

CITIZEN COMMENT: None.

BOARD COMMENT:

Mr. McGough inquired whether FLAUA can legally make community donations. We are a business, not a non-profit, yet there is general consensus through board discussion that FLAUA monies should be in furtherance of service to its users. Therefore, donations unrelated to the FLAUA and services are not allowable.

ADJOURNMENT: Mr. Gill made a motion to adjourn the meeting. Ms. Velez seconded the motion. The meeting adjourned at 7:41 p.m.

Submitted by: Kay Z. Held, Recording Secretary