

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting – Minutes

AMENDED

Wednesday, April 21, 2021, 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, Treasurer Jodi Thayer, Secretary Leigh Gifford, and Commissioners Ron Broering and Tom Hempsted. A quorum was established.

**Absent:** Commissioners Jim Gifford, David Gill and David McGough.

**Others in Attendance:** Compliance Officer Ray Ravary and Recording Secretary Kay Held.

**APPROVAL OF AGENDA:**

Amendments:

Old Business – Ms. Gail Wilson; Permits

Compliance Officer Report – Generator Issue; Need to Bring in Graham Electric

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

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

**ACCEPTANCE OF MINUTES:**

**Acceptance of Regular Meeting Minutes of March 17, 2021:**

**Board Action:** Ms. Thayer made a motion to accept the Minutes of the March 17, 2021, Regular Meeting as presented. Ms. Gifford seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Mr. Broering and Ms. Hayes abstained as they were not present at the February meeting.

**TREASURER'S REPORT:**

**Treasurer's Report – Financial Report of March, 2021, and Payment of Bills:**

The March, 2021, Treasurer's Report was distributed in advance of the meeting for Board review.

Treasurer Thayer also reported on the following:

Re: Budget vs. Actuals. Three months into the year, we should be at 25% to Budget. Some accounts are slightly above that (30-35%); Postage, Accounting, Uniforms and Natural Gas. Front-loaded line items, or those we generally pay annually in the beginning of the year, are at the 90% to Budget range for obvious reasons. These include: Insurance/Work Comp, Licenses & Permits. Revenue is current at 34% to Budget.

Treasurer Thayer reported the Gabridge Audit is scheduled in May; she expects to receive a list at any time of items the Auditor still requires.

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

**Payment of Bills: April, 2021, Bills Payable:** A revised A/P report was distributed. There was Board discussion regarding Bills Payable.

Re: Advantage Electric discussion about a bill paid to them in March for \$1,926.81. The Board would like to verify this was for parking lot lights services including lift.

**Board Action:** Mr. Broering made a motion to approve the April, 2021, bills as presented. Mr. Hempsted seconded the motion. ROLL CALL VOTE: Hayes-Y, Thayer-Y, Broering-Y, Gray-Y, L. Gifford-Y, Hempsted-Y. Motion carried.

**GUESTS:**

Mr. Nick Crim, 10706 Vans Lane, Fife Lake, MI

Mr. Crim is the candidate to provide contractual pest removal services for FLAUA. Mr. Crim introduced himself, and there was group discussion with the Board about the FLAUA pest situations we experience each season and expectations regarding removal of duck, geese, woodchucks and other such vermin. A contract was previously drawn up and reviewed by Board members. (A motion was made and passed under Old Business below, and the contract was executed between FLAUA and Mr. Nick Crim. It will come up for renewal annually.)

**COMMITTEE REPORTS:**

**Personnel Committee:** No meeting. No report.

Ms. Thayer reported the Committee is planning to meet this month.

In preparation, Mr. Ravary is exploring the costs of various medical/dental benefits as a means to achieve greater employee retention and commitment to more hours. They will discuss increased employee starting rates at the meeting, as discussed at prior Board meetings. The Personnel Committee will look at replacing new part-time staff once wage discussions are finalized.

**Steering and Operations Committee:** No meeting. No report.

**Compliance Officer/FVOP Report:**

The Compliance Officer Report was distributed in advance of the meeting and discussed among the Board. Mr. Ravary reiterated his report and also reported on the following:

Mr. Jay Norris of Integrated Controls Engineering (ICE) was in to work on the radio system. He will be back Friday 4/23 to complete the work, including repair of three cameras that were knocked out in the process.

The agreement was signed for work to begin on Vans Lane.

There was a complaint from a resident about a light from our irrigation system. They live between 1/8-1/4 mile from the light, which was electrician-installed in 2017, is a downward facing light, and complies with township regulations. The residents are unhappy with light emanating into their window; however, they do not wish to pull their shades or use any window treatments in order to view the stars at night.

There was Board discussion about the matter. The Compliance Officer will investigate whether there is some sort of shield available to put on the light to help the matter. However, if not, it appears there is very little FLAUA can do to change the situation if the resident is unwilling to use a window blind.

Regarding the Generator issue, this is a very technical issue and the Board agrees bringing in a professional electrician is necessary to investigate why it is not doing its weekly self-test run. Graham Electric will be coming in.

Regarding the manhole cover on Howard Street that got knocked off this winter, the resident will be getting her snow plow person's phone number to him so Mr. Ravary can talk to him about making sure he doesn't knock it off again when he plows. It was ultimately under 16" of soil this Spring.

The Board revisited last month's discussion of a potential \$364,000 cleanup cost of the sewer system from an increase of improper items being disposed. There are way too many items put into the system that continue to cause short- and long-term problems. Something must be done to ensure residents are not only more aware but also more compliant.

The Compliance Officer will prepare a document for Board review to send to residents specifying what CAN and CANNOT be put down the sewer. These notices will be sent with paper invoices and physically mailed to those residents who receive electronic invoices. This cleanup could very well result in a rate increase to the consumer.

**CITIZEN COMMENT:** None.

**NEW BUSINESS:**

Annual Fidelity Bond Review:

Treasurer Thayer will review with Ms. Emily Escajeda at H&R Block.

**OLD BUSINESS:**

Pest Removal Contract:

**Board Action:**

Ms. Hayes made a motion to award the Pest Control Contract to Mr. Nick Crim. This is a one-year contract which will be reviewed for annual renewal. Mr. Broering seconded the motion.

ROLL CALL VOTE: Hempsted-Y, Hayes-Y, Thayer-Y, Broering-Y, Gray-Y, L. Gifford-Y. Motion carried.

Ms. Gail Wilson – Permits

Ms. Wilson was in attendance this evening with her guest Phil regarding sewer tie in at the Wilson property: 10944 Vans Lane.

FLAUA has a signed Order from the judge giving us authority to begin work on this property. Regarding FLAUA required permits, we cannot waive permit fees. At the hearing, FLAUA will be requesting our permit fees of \$1,725 be put on hold. The judge makes the determination of what gets added to the final Order.

President Gray suggested to Ms. Wilson that the contractor pull the necessary County permit and add the expense to the previously approved contract price.

Ms. Thayer will contact All Aggregates about pulling the permit and will subsequently notify Ms. Wilson to schedule the contractor.

**Board Action:**

Ms. Thayer made a motion to move forward with the sewer tie in of the Wilson property at 10944 Vans Lane prior to completion and payment of our internal required permits. Those fees will be added to our request for reimbursement in our currently pending lawsuit. Mr. Broering seconded the motion.

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

Additional discussion followed.

President Gray and Compliance Officer Ravary, along with Ms. Wilson and her guest Phil met with FLAUA Attorney Tom Grier. The FLAUA By-Laws were referenced for any hardship assistance.

President Gray read aloud a portion of the FLAUA By-Laws, Section 801: Lien Created.

“Pursuant to Act 178 of the Public Acts of Michigan of 1939 as Amended:

Charges for sewer service furnished by the system to any premises shall constitute a lien on the premises. The Authority shall provide a list of the name and address of the owner of the premises and the amount of the delinquency to the Township Treasurer for those uses of the system in the Township for which sewer systems are delinquent for three months.” The FLAUA follows this process annually.

President Gray continued:

“Section 11.01: The owner of a premise may file a hardship application with the Township Board seeking a deferment in partial or total payments of charges imposed under Section 301 and 401 above based on a showing of financial hardship in accordance with state laws.” He has provided a full copy of this to Ms. Wilson.

It is believed the new Bond and USDA authorities within it may have some implications on this application.

Board members believe hardship application consideration is related to taxes; not specifically the tie-in fees. FLAUA believes the law in this case is on its side; however, encourages Ms. Wilson to submit the hardship application.

Secretary Gifford will contact Fife Lake Township Assessor Dawn Kuhns, regarding forms to apply for a hardship waiver consideration. She will email it to Treasurer Thayer to provide to Ms. Wilson.

Ultimately, the FLAUA attorney submits an Order with a breakdown of fees being requested. If awarded the Judgment and it is not paid, the FLAUA would need to go into collections. The Board would specify to the attorney to include in the Order if fees are not paid by the next tax period they be put on the tax rolls as opposed to FLAUA going into collections methods.

Pre-trial Statements were sent out 4-15-21; they are due to be returned 4-29-21. Neither the FLAUA nor the Wilsons have received a Pre-trial Statement yet. As of this date, the hearing date is not known.

Asset Management Plan: Ongoing.

Outstanding Task List Discussion:

The Outstanding Task List was reviewed. New items were added for individual and Board follow-up.

**COMMUNICATIONS:** None.

**CITIZEN COMMENT:** None.

**BOARD COMMENT:** Mr. Broering extended thanks to Board members for their work, particularly to Treasurer Thayer for the extensive involvement in the accounting & audit work, as well as the Vans Lane lawsuit.

**ADJOURNMENT:** Ms. Thayer made a motion to adjourn the meeting. Ms. Hayes seconded the motion. The meeting adjourned at 7:16 p.m.

**Submitted by: Kay Z. Held, Recording Secretary**