

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting – Minutes

AMENDED

Wednesday, August 17, 2022, 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 6:00 p.m.

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Vice President Marilyn Hayes, Secretary Leigh Gifford, Treasurer Jodi Thayer and Commissioners Ron Broering, Tom Hempsted and David Gill. A quorum was established.

Absent: Commissioners Jim Gifford and Dave McGough.

Others in Attendance:

Ms. Kay Held, Recording Secretary

APPROVAL OF AGENDA:

Old Business: Add Discuss Boat/Pontoon

Board Action:

Ms. Gifford 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 July 20, 2022:

Board Action: Ms. Thayer made a motion to accept the Minutes of the July 20, 2022, Regular Meeting as presented. Mr. Hempsted seconded the motion.

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

TREASURER'S REPORT:

Treasurer's Report – Financial Report of July, 2022, and Payment of Bills:

The July, 2022, Treasurer's Report was distributed in advance of the meeting for Board review. An updated A/P was provided. Treasurer Thayer also reported on the following:

We should be 58% YTD on the Budget at this point in the year. Total Expenses are at 45.68% YTD and Income is at 70.64%.

She will look into the Administrative Expense item discussed last month that is over by \$20.

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: July, 2022, Bills Payable: There was Board discussion regarding Bills Payable.

President Gray referenced the expense of \$890.49 to Ferguson's. He believes it was for the maintenance on the zero turn mower based on Compliance Officer Ravary's report indicating the work needed on the mower.

Treasurer Thayer looked up the invoice, reporting it was .5 hour labor for \$20.50 and a power unit at \$870. The Board reviewed the Compliance Officer's report from July which explained work that was done on the zero turn mower.

Board Action:

Ms. Hayes made a motion to approve the July, 2022, bills as presented. Mr. Broering seconded the motion.

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

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: No meeting. No Report.

Steering and Operations Committee: No meeting. No report.

Compliance Officer/FVOP Report: The Compliance Officer Report was distributed in advance of the meeting. Mr. Ravary had also sent a secondary report to address some concerns.

Compliance Officer Ravary was absent from the meeting as he sustained a job-site injury today. No further information was known as of the meeting time. President Gray did rounds in the afternoon.

In Mr. Ravary's absence, the Board discussed items from his reports.

Mr. Ravary indicated in his monthly report how laborious the fence replacement project has been and that his part-time staff has been working hard at it. He asked if FLAUA would be willing to provide lunch (\$10/each max) once a week during the duration of this project as a goodwill measure.

There was Board discussion regarding the request and overall consensus that this would not be an approvable expense because of the FLAUA's structure as a public utility with accountability to its customer base. Additionally, funds are appropriated by the bonding company. There was concern that payroll hours Ms. Thayer approved today showed four part-time employees had only worked a combined total of 25 hours in a week's time. The Board believes approving the lunch request would not set a good precedent. Therefore, the request was denied.

Regarding the Solar Bee, President Gray had looked at it today. It maintains its position by a cable on each side and has a pump underneath it as it floats. He stated this unit has been pulled to the shore past winters by pulling cables attached to it and returned the same way. The Board discussed utilizing this same method to service the Solar Bee rather than needing to take a boat to it.

There was Board discussion about the Compliance Officer's second report referencing past savings and an anticipated need for large expenditures he outlined in his report.

Treasurer Thayer reported to the Board we have a Future Equipment fund of \$80k, the Improvement and Repair fund of \$41k and the Michigan CLASS Investment Account of \$75,500. The USDA RRI account with \$175k is comprised of required monies and are inaccessible. The money would be available in the case of emergency; however, would need to be replenished.

Mr. Ravary's report outlined pump maintenance requirements. We have three stations with 26 total pumps. Six of these pumps are near or at 1,000 hours, which is the recommended point for preventative maintenance. Kennedy Pump provided him with a quote of \$29,000 to service all of the pumps. The majority of the pumps are well below the 1,000 hours. Servicing the six pumps at 1,000 hours and requiring maintenance at this time has been bid at \$6,000. Mr. Ravary proposed hiring Kennedy to service these as he observes the process in order to perform the maintenance himself in the future and save money as this is an expensive maintenance cost.

The Board believes that this is Kennedy's expertise. If there are any problems, it would be their responsibility to rectify. Additionally, they would be disposing of the used oil. The Compliance Officer has a large workload as it is. It would also be more expeditious for Kennedy to perform the PMs.

Board Action:

Mr. Gill made a motion approving Kennedy Pumps to perform seal oil change maintenance on six pumps at our three stations. This is preventative maintenance on motors with 1,000 hours. The estimated expense for this service is \$6,000. Mr. Broering seconded the motion.

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

CITIZEN COMMENT: None.

NEW BUSINESS:

Mr. Ravary's Employment Agreement re: Vacation Amendment:

This item was discussed last month and tabled to the August Agenda. Ms. Thayer distributed the Amended Employment Agreement for Compliance Officer to the Board with the changes previously addressed.

Board Action:

Mr. Broering made a motion to approve the Amended Employment Agreement for Compliance Officer Ray Ravary. Ms. Gifford seconded the motion.

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

OLD BUSINESS:

Discuss Boat/Pontoon:

Compliance Officer Ravary needs a pontoon to be able to spray the pond which is costly to contract out each time. The boat needs to be stable and support the weight of two people, a 50-gallon drum of materials and other equipment. The Board has been searching for something for several months.

President Gray presented a Facebook listing of a 19' pontoon swim raft that is in much better condition than the one we presently have which requires a new deck and some repairs. This prospective boat has reinforced welding to the sides and supports. It appears to have a reasonably new deck on it with new outdoor carpeting. There is no motor.

President Gray spoke with the owner of the pontoon and boat rental company that listed the boat, Mr. Brett Campbell. It is near Traverse City and listed on Facebook for \$1,215. The owner will make delivery for \$100. Mr. Campbell agreed to hold the boat until it could be presented to the Board at tonight's meeting.

This boat would be ready to be on the big pond immediately. It will reduce costs related to contracting pond spraying. The smaller pontoon we own needs to be reworked and can be used on the small pond.

Board Action:

Mr. Gill made a motion to authorize the President to purchase the Facebook listed pontoon by Mr. Brett Campbell, not to exceed \$1,500 delivered. Mr. Broering seconded the motion.

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

President Gray will contact the seller in the morning.

COMMUNICATIONS:

President Gray brought to the attention of the Board the hours of the part-time employees as reported in the Financial Report.

He and the Board reiterated the need for a properly trained employee to work a 40-hour week in the summer and someone who is capable to cover the Compliance Officer in the event of his absence or vacation. This summer we had four part-time employees who were working minimal hours. We could have had them working full-time to get some large projects done. If Mr. Ravary has been seriously injured today, he may be off work for some time. He may also be limited in his duties for some time.

The Board discussed his work load, the fact that some jobs require two people, and the necessity for a licensed person to manage administrative matters and paperwork. Staffing has been an ongoing issue.

Once the Board learns of Mr. Ravary's condition, the Personnel Committee will have a special meeting with him to discuss the four part-timers who are working minimal hours during the most productive time of the year. They may subsequently have a meeting with the employees to discuss these issues.

Treasurer Thayer noted our Payroll Expenses are at 56.62% YTD and Wages are at 57.72% YTD. We are projected to be at 58.33% YTD.

CITIZEN COMMENT: None.

OUTSTANDING TASK LIST:

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

There has been research into ensuring up-to-date Oaths of Office are in place for each Board Member from their Respective municipalities. Ms. Thayer has located oaths with incomplete information or expired terms. The Board agreed that each Member of the FLAUA will take updated Oaths of Office to ensure compliance. Ms. Thayer will prepare the documents to include the proper term dates. Ms. Hayes will handle Village representatives, Ms. Gifford will handle Fife Lake Township representatives, and Ms. Thayer will take care of Springfield Township. Oaths of Office must be conducted at a meeting of their respective municipality, not by the FLAUA. Copies of executed Oaths should be provided to Ms. Thayer for FLAUA recordkeeping.

ORGANIZATIONAL CALENDAR:

Deleted from August: Conduct 90-day reviews for two part-time employees; one of whom has returned to college and the other who is not near enough hours for a review.

Added to October:

Required Destruction of Special Meeting Minutes from last year's lawsuit.

BOARD COMMENT: None.

ADJOURNMENT:

Mr. Broering made a motion to adjourn the meeting. Mr. Gill seconded the motion.

VOTES: YEAS: All. NAYES: None.

The meeting adjourned at 7:17 p.m.

Submitted by: Kay Z. Held, Recording Secretary