**FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)**

**Regular Meeting**

**Minutes**

**Thursday, January 15, 2015, 6:00 p.m.**

**Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633**

**CALL TO ORDER:** The meeting was called to order at 6:00 p.m. by President William Fisk.

**ROLL CALL:** Roll was called by President William Fisk.

**Present:**

William Fisk-President, Jodi Velez-Vice President, Lori Ann Rognlie-Secretary, Tom Gray-Treasurer, and Commissioners Lisa Leedy, Ricky Hulwick, and Terry Street. Linda Forwerck was also seated at the Board table, stating she was there as a duly appointed FLAUA Commissioner, appointed this date by the Fife Lake Township Board.

**Absent:** Commissioners Ron Broering and Brandon Gwizdala.

**Others in Attendance:** Mr. Joe Burfield, FLAUA Relief Operator. Member of the Public.

**APPROVAL OF AGENDA:**

President Fisk referenced recent events by the Fife Lake Township Board regarding appointments, which would be added to this evening’s Agenda and discussed during the meeting.

President Fisk requested the following items on the Agenda be tabled for approximately two weeks, at which time they will be addressed, likely via Special Meeting, as well as the above-mentioned appointments by Fife Lake Township. Items to be tabled: By-Laws Amendment, Annual Report, Rules & Regulations, Organizational Calendar, Personnel Committee, Steering Committee, and Open Items.

**Board Action:**

Ms. Leedy made a motion to approve the Agenda as amended. Ms. Velez seconded the motion.

ROLL CALL VOTE: Fisk-Y, Velez-Y, Rognlie-Y, Gray-Y, Hulwick-Y, Leedy-Y, Street-Y, Forwerck-Y. Motion carried.

**APPROVAL OF MINUTES & FINANCES:**

**Approval of Minutes, Regular Meeting, 12-19-14:**

Mr. Fisk asked for a motion to approve the 12-19-14 Regular Meeting Minutes.

Treasurer Gray noted that on Page 3, the 2015 Budget should be reported as $232,052 in revenues (not $132,052 as recorded). This will be amended.

Mrs. Forwerck stated she did not receive a meeting Agenda packet for this evening’s meeting and requested this be noted in the Minutes.

**Board Action:**

Ms. Leedy made a motion to approve the Amended Minutes of the Regular Meeting of 12-19-14. Mr. Gray seconded. The following Commissioners requested to abstain from this vote as they were absent at the 12/19/14 meeting: Hulwick, Velez, Street, and Forwerck. After Mr. Street abstained, stating he wasn’t at the entire meeting, Mr. Fisk reported the fact that Mr. Street was not at the meeting for any period of time, stating that Mr. Street and Mrs. Forwerck had confirmed their attendance after the meeting time had been changed to better accommodate their availability. The absences subsequently caused a delay in the meeting, required tabling several Agenda items, and resulted in last-minute attempts to achieve a quorum for the meeting to proceed. Mr. Street refused to discuss this, stating he was being scolded for his absence and would leave it if continued. He specifically requested this comment be put in the Minutes.

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

**Approval of Treasurer’s Report for December, 2014:**

The Treasurer’s Report had previously been distributed to the Board.

Mr. Gray indicated some changes to Receivables due to many residents paying in advance; although they paid the fee amount prior to the rate increase; therefore, some additional monies will be owed. Approximately $500 was put in the Improvement & Repair Fund. We are over budget in Postage, Licenses & Permits, and Professional Fees.

**Board Action:**

Mr. Gray made motion to make budget adjustments as follows: $65 for Postage, $340 for Licenses & Permits, and $3,400 for Professional Fees to balance the 2014 year-end budget as required by auditors. A portion of funds will be reimbursable through the SAW Grant. Ms. Leedy seconded the motion.

ROLL CALL VOTE: Rognlie-Y, Gray-Y, Hulwick-Y, Leedy-Y, Street-Y, Fisk-Y, Velez-Y, Forwerck-Y. Motion carried.

**Board Action:**

Mr. Hulwick made a motion to approve the Treasurer’s Report for December, 2014, as amended. Ms. Velez supported the motion.

ROLL CALL VOTE: Forwerck-Y, Gray-Y, Hulwick-Y, Leedy-Y, Street-Y, Fisk-Y, Velez-Y, Rognlie-Y. Motion carried.

**Approval of Bills Payable for January, 2015:**

Treasurer Gray noted estimates for a couple of the bills are listed, as actual invoices have not been received as of this date.

**Board Action:**

Ms. Leedy made a motion to approve the Bills Payable for January, 2015, as presented. Mr. Street seconded the motion.

ROLL CALL VOTE: Hulwick-Y, Leedy-Y, Street-Y, Fisk-Y, Forwerck-Y, Rognlie-Y, Gray-Y, Velez-Y. Motion carried.

**COMMUNICATIONS:**

**President’s Report:**

The President’s Report had been previously distributed to the Board.

Mr. Fisk reported on a very preliminary discussion with Mr. Mitchell Foster, Manager of the Kingsley water utility, regarding the potential of sharing an operator for their system and the FLAUA system. Two primary considerations are whether there would be a cost savings and that the Operator would be required to have both B2 and L2 licensure. There may be the possibility of state-funded grant monies for one year for a shared operator. Additional information included the fact that Wade-Trim operates the Kingsley plant, much like Fleis & VandenBrink (F&V) operates for FLAUA, and each facility has a part-time person. If this proposition should come to fruition, it would lower our F&V costs. Mr. Gray would like the Personnel Committee to explore this soon if we are going to consider moving forward with the idea.

Commissioner Leedy reported the FLAUA website is averaging over 200 hits per month, with more than half of them in the week preceding the regular monthly meeting.

**Correspondence:**

Correspondence had previously been distributed to the Board.

Mr. Fisk reported Ms. Sandra Wilton of Forest Area Services (FAS) forwarded him several messages from members of the community about the rate increase. He is responding to each individual inquiry.

**NOTE:**

**Commissioner Ron Broering arrived at the meeting at 6:25 P.M.**

**Board Comment:**

Mr. Hulwick referenced the Main Station fuse that blew last month; Mr. Burfield confirmed that it was a different fuse that blew recently and was replaced.

Mr. Gray stated he, Mr. Burfield, and Mr. George Gauld have been working on generators that would not start. One is now running smoothly; the other continues to have some difficulty firing and will need attention.

**Citizen Comment:** None.

**ACTION ITEMS:**

These items were tabled for this evening’s meeting as referenced on the Amended Agenda approved earlier in the meeting: By-Laws Amendment, Annual Report, Rules & Regulations, Organizational Calendar, Personnel Committee, Steering Committee, and Open Items.

**BOARD COMMENT:**

Regarding recent actions today (1/15/15) by the Fife Lake Township Board, extensive discussion was held. In summary, President Fisk reported that the Fife Lake Township (FLT) Board voted for the removal of Commissioner Lori Ann Rognlie from the Fife Lake Area Utility Authority (FLAUA) Board and appointed Mrs. Linda Forwerck in her place.

After commending Ms. Rognlie for her role on the Board and inquiry from President Fisk as to the substance leading to this action, both Mrs. Forwerck and Mr. Street responded they did not wish to explain or go into detail, that it was the decision of four Members of the FLT Board, and requested a Closed Session if this discussion were to go any further. Mrs. Forwerck stated that due to this action, Ms. Rognlie should not be seated on the FLAUA Board this evening. She also reported that according to the Michigan Township Association (MTA), this action was conducted in a legal fashion.

President Fisk advised Mrs. Forwerck that, according to FLAUA-retained attorneys, the FLT Board actions were neither legal nor compliant with the FLAUA By-Laws. He reported that further action will be taken by the FLAUA Board and attorneys regarding this situation. Both Ms. Rognlie and Mrs. Forwerck remained seated at the Board table for the duration of the meeting.

Ms. Leedy noted that only Contract Negotiations and Personnel issues afford a Closed Session. As Ms. Rognlie is a volunteer Board Member and not employed by the FLAUA, a Closed Session is not a legal option.

Mr. Gray read aloud Section 4 (of Article V) of the FLAUA By-Laws: “Pursuant to notice and/or opportunity to be heard, a Commissioner may be removed from office for cause by a majority vote of the governing body, which appointed him, subject to review by the Circuit Court.” Until this issue is resolved by legal representatives, state entities, and/or governing bodies, he was concerned about Ms. Rognlie making motions or casting votes in the event it should affect their validity later, depending on the outcome of this matter.

Mr. Fisk reported that, under the advisement of FLAUA attorneys, Ms. Rognlie is to remain seated on the Board at this time. Ms. Leedy noted FLT is required to show cause for removal of an appointed Commissioner. Ms. Rognlie stated she will remain on the Board and is entitled to a Circuit Court review.

In light of this issue, it was undetermined who will take on the workload that Ms. Rognlie performs as FLAUA Secretary, which is particularly large at the present time due to extensive compliance requirements for our sewer renovation project.

On a separate matter, Mr. Fisk discussed the possible need for a motion to revise the Amended Agenda to revisit activities by Mrs. Forwerck at the November meeting regarding her motion and vote on hiring two FLAUA part-time employees to assist Mr. Burfield. Mrs. Forwerck and Messrs. Street and Gray did not believe this was necessary.

Extensive discussion followed about whether Mrs. Forwerck had formally been a valid alternate member as the FLT audio recording indicated the intent to vote on this; however, no vote was taken during their November meeting (per audio recording). On the contrary, the FLT-approved Minutes for Novemberreported these actions had taken place. The concern is whether her participation, motion, and vote were valid at the FLAUA November meeting to ensure that the hiring of these two individuals was executed properly. Mrs. Forwerck stated the MTA reported that once their (FLT) Minutes are approved, the action is valid. President Fisk had sent a detailed inquiry (via email) to Mrs. Forwerck regarding this situation.

**ADJOURNMENT:**

Mr. Gray made a motion to adjourn the meeting. Meeting adjourned at 6:49 p.m.

**Submitted by:**

**Kay Z. Held, Recording Secretary**