

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting
Minutes

Thursday, March 17, 2016, 6:00 p.m. 231-879-3565
Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633

CALL TO ORDER: President William Fisk called the meeting to order at 6:03 p.m.

ROLL CALL: President Fisk called Roll.

Present: William Fisk-President, Lori Ann Rognlie-Secretary, Treasurer-Jodi Velez, and Commissioners Ron Broering, Jonathan Rose, and Leigh Gifford.

Absent: Commissioners Lisa Leedy, Brandon Gwizdala, and Tom Gray.

Others in Attendance:

Mr. Ray Ravary, FLAUA Employee
Mr. Ray Garchow, FLAUA Employee

APPROVAL OF AGENDA:

Board Action: Mr. Broering made a motion to approve the Agenda as presented. Ms. Rognlie seconded the motion.
VOTE: YEAS: All. NAYES: None. Motion carried.

ACCEPTANCE OF MINUTES:

Acceptance of Minutes, Regular Meeting, 2-18-16:

Board Action:

Ms. Gifford made a motion to approve the Minutes of the Regular Meeting of 2-18-16 as presented. Mr. Rose seconded the motion. Mr. Broering abstained from the vote as he was not present at the last meeting.
VOTE: YEAS: All. NAYES: None. Motion Carried.

OFFICERS REPORTS

Treasurer's Report: Financial Report – February 29, 2016, and Payment of Bills

The Financial Report was previously distributed to the Board.

Ms. Velez indicated our Budget vs. Actual expenses are in line overall. Our insurance for the year has been paid.

On the updated A/P, the AT&T phone bill was larger this month as the internet payment was applied to wrong accounts by AT&T. Therefore, we have a credit on our internet bill.

Note: Ms. Leedy arrived at 6:08 p.m.

There has been a request for late fee removal by a resident who has moved and her forwarded mail did not catch up to her prior to the due date of the February invoice. There was Board discussion regarding this matter. Clients are responsible for their invoices each month. Additionally, discussion cited prior examples denying requests for waiving late fees. The Board will further investigate this issue and address at a future meeting. At this time, this resident's request is denied.

Board Action:

Ms. Rognlie made a motion to approve the February, 2016, Financial Report as presented. Mr. Broering seconded the motion.
VOTE: YEAS: All. NAYES: None. Motion carried.

Bills Payable:

Board Action: Ms. Rognlie made a motion to pay the Bills Payable. Mr. Rose seconded the motion.
ROLL CALL VOTE: Broering-Y, Rose-Y, Leedy-Y, Gifford-Y, Fisk-Y, Velez-Y, Rognlie-Y. Motion carried.

President's Report: The President's Report was previously distributed to the Board.

President Fisk also reported on the upcoming USDA account specifications. Checks will be ordered for payment of vendors during the renovation project. Checks will clearly state payment is from the construction fund account, not our regular operating account. Signers will be the President and the Treasurer.

For clarification and to emphasize transparency, the Board discussed the multiple layers of checks and balances for protection of the FLAUA, constituent municipalities, and the community. The USDA, our engineers (Fleis & VandenBrink), our financial advisor, and legal counsel have very specific requirements that must be met and approved. Our financial advisor was recommended by the USDA based on experience and track record. Fleis & VandenBrink has put their stamp of approval on every design and plan along the way.

Running, Wise & Ford was hired to protect FLAUA and has reviewed the contracts. Additionally, the Office of General Counsel also reviewed them for defensibility. All contractors are required to have liability insurance, engineers have insurance, and FLAUA is also insured.

As we move forward with construction contracts, specific language will be in those contracts to protect the interest of FLAUA as well as Bid and Performance Bonds, guaranteeing the contractor will comply with the contract. These Bonds also serve as additional insurance in the event of any problems or catastrophic event. Additionally, funds have been planned beyond building the system, but also for maintenance requirements.

While this subject has been addressed from the planning phases of the project to the present, the FLAUA Board is formally reflecting this subject in these Minutes to assure the public the level of Board oversight that has taken place. Additionally, due to the nature and size of this project, we will be providing a checklist indicating the extensive steps taken and requirements met which protect the FLAUA, community, and constituent municipalities. This checklist will provide tangibility and public awareness as to the extent of our planning and compliance.

President Fisk announced the need for a Special Meeting to award the bids. This will be addressed during the Steering Committee Report.

Secretary's Report: No report.

COMMITTEE REPORTS:

Compliance Officer/FVOP Report:

The Compliance Officer's Report was previously distributed to the Board. Mr. Ravary also reported on the following:

Snow tires and plow have been removed. The Sodium Nitrate will be delivered tomorrow. The MIOSHA meeting has been rescheduled. The plant staff continues to work on projects including installation of monitoring well lock cabinets.

President Fisk noted the DEQ requested the well monitoring equipment needed to be secured, which our staff performed at very little cost to FLAUA.

Mr. Ray Garchow was thanked for personally saving over \$300 on the purchase of air monitoring equipment while still meeting specifications.

Messrs. Ray Garchow and Jamie Stocking have received additional electrical training.

Personnel Committee: No report.

Steering Committee: Steering Committee Meeting Reports of February 16, 2016, and March 9, 2016, were previously distributed to the Board.

Ms. Leedy reported on the following:

We need a Special Meeting for hearing and awarding bids based on the recommendations of our engineers once they review all of the bid details. She explained the process in detail.

The Special Meeting will be held **Thursday, April 7, 2016, 7:00 p.m., at the Fife Lake Township Hall.**

Mr. Ravary inquired about whether de-sludging the finishing pond is in the project plans; Ms. Leedy suggested he contact Mr. Ben Kladder with Fleis & VandenBrink to clarify.

It should be known that if any outside bidders inquire about the project, they must contact the engineering firm first and provide written Requests for Information (RFI). This is clearly stated in the bid packet. Any inquiries should be directed to Fleis & VandenBrink.

Ms. Leedy reported more than 30 companies attended the Pre-bid meeting, that all bidders/contractors must be registered with F&V as a bidder of record, and that they all received the exact same information in the bid packet. There has been an increase in traffic in town given the interest in the project and prospect of new jobs, etc.

The Steering Committee is working on language regarding delinquent accounts.

The bond attorney will be sending the schedule for meetings, bids, approvals, etc., to the constituent municipalities.

FLAUA will be featured in an article in a Michigan water publication, resulting in positive publicity.

Fleis & VandenBrink will be featuring FLAUA at a conference in Lansing next week, highlighting our project.

SPECIAL ORDERS: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS: None.

CITIZEN COMMENT: None.

BOARD COMMENT:

There was a Board census regarding availability for the Special Meeting on Thursday, April 7, to ensure a quorum will be met.

Ms. Gifford inquired about verbiage used in making Motions; i.e., "Approve" versus "Accept." Ms. Leedy provided information on this matter.

Mr. Broering again expressed thanks to the Board for their role and extensive time on the renovation project.

ADJOURNMENT: Mr. Broering made a motion to adjourn the meeting. The meeting adjourned at 6:57 p.m.

Submitted by:
Kay Z. Held, Recording Secretary