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

**Regular Meeting**

**Minutes**

**Thursday, June 18, 2015, 6:00 p.m.**

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

**CALL TO ORDER:**  President William Fisk called the meeting to order at 6:04 p.m.

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

**Present:** William Fisk-President, Jodi Velez-Treasurer, Lori Ann Rognlie-Secretary, and Commissioners Tom Gray, Lisa Leedy, Brandon Gwizdala, and Terry Street.

**Absent:** Commissioners Ron Broering and Ricky Hulwick.

**Others in Attendance:**

Mr. Tony Temple, H&R Block

Mr. Ray Ravary, FLAUA Employee

Mr. Duane Burfield, FLAUA Employee

George Gauld, Citizen Volunteer – Member of Operations Committee

**APPROVAL OF AGENDA:**

**Board Action:**

Ms. Leedy made a motion to approve the Agenda as presented. Ms. Rognlie supported the motion.

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

**APPROVAL OF MINUTES:**

Ms. Rognlie stated she had been requested to report in today’s Minutes that final payment to Mr. Danny Smith was made for $141.88.

**Approval of Minutes, Regular Meeting, 5-21-15:**

President Fisk asked for a motion to approve the 5-21-15 Regular Meeting Minutes.

**Board Action:**

Mr. Gray made a motion to approve the Minutes of the Regular Meeting of 5-21-15. Ms. Rognlie supported the motion.

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

**OFFICERS’ REPORTS:**

**Financial Report for May 2015:**

The Financial Report was previously distributed to the Board, prepared by H&R Block of Kingsley. President Fisk expressed thanks to Mr. Tony Temple and his staff for their financial reporting procedures and cooperation.

Mr. Temple reported on behalf of Ms. Charity Sawyer:

* Fifty-three customers continue to pay their bills at Forest Area Credit Union, which is a significant reduction than in the past. Many are paying via on-line method by credit card. H&R Block is working toward the implementation of on-line payment by bank draft; they will work on resolving this.
* Telephone inquiries from customers to H&R Block continue to reduce.
* The financial statement shows two Chemical Bank accounts closed, with two new accounts in their place, specifying Chemical Bank SAW and Chemical Bank USDA for respective funds.
* The AP Aging detail regarding the long-standing overdue account (Berkadia) has been cleared up now. Ms. Sawyer and Mr. Fisk have each spoken with the auditor as well.
* Ms. Velez spoke with Ms. Sawyer about the monthly service fee of $6.99 on the Chemical Bank USDA account; there was Board consensus that the benefit of having the service outweighs the cost. Additionally, it is not believed there are accounts available without service fees.
* It was noted we should need to eventually deposit additional monies to cover monthly service and transfer fees of the Chemical Bank accounts as each was started with a minimal amount of money.
* Ms. Velez stated Ms. Sawyer reported invoices for three accounts have consistently been returned. Mr. Gray will check to see if there is anyone still living at these addresses or if they are vacant.
* Mr. Gray inquired about a Fleis & VandenBrink payment for $1,360.18 (Ck. #2867) and whether this was their operations fee. Mr. Temple will have Ms. Sawyer follow-up.

**Board Action:**

Ms. Leedy made a motion to accept the Financial Report as presented. Mr. Gwizdala second.

ROLL CALL VOTE: Rognlie-Y, Gray-Y, Leedy-Y, Street-Y, Gwizdala-Y, Fisk-Y, Velez-Y

Motion carried.

**Approval of Accounts Payable:**

Ms. Leedy made a motion to pay the bills as presented. Mr. Gray seconded the motion.

ROLL CALL VOTE: Gray-Y, Leedy-Y, Street-Y, Gwizdala-Y, Fisk-Y, Velez-Y, Rognlie-Y.

Motion carried.

**PRESIDENT’S REPORT:**

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

Mr. Fisk expressed thanks to the Board, new employees, advisors, and people in the community for their efforts in helping the organization achieve all that we have thus far toward the renovation of this utility system. He appreciates the time, effort, and sacrifice people have made.

**COMMITTEE REPORTS:**

**Operations Committee:**

The Fleis & VandenBrink (F&V) Operations Report from Brian Lee was previously distributed to the Board. President Fisk asked for Mr. Ray Ravary’s insight since joining the organization.

Mr. Ravary reiterated how badly the plant is in need of an upgrade and remaining in compliance. He encouraged the Board to continue their efforts in implementing the SAW Grant to accomplish this goal.

He reported that he and Mr. Duane Burfield are prioritizing a task list and taking on the most important issues first. He has also spoken with Mr. Brian Lee of F&V about compliance issues, maintenance, and repair needs. He is working with Mr. Duane Burfield on safety and lock out procedures and reports that he is doing a great job.

Mr. Gray inquired about installing a submersible pump; Mr. Ravary is confident he can get it installed.

Mr. Ravary also reported the influent meter lost 6-7 days of readings as power to it became disconnected. As there will be excavation happening soon, he recommends putting underground power to the meter to avoid this in the future. He made requests for equipment and materials required for immediate maintenance needs.

**Board Action:**

Ms. Leedy made a motion to authorize Mr. Ravary or Mr. Burfield to purchase signage, flash gloves, and materials to trench power to the influent meter. Ms. Rognlie seconded the motion.

ROLL CALL VOTE: Leedy-Y, Street-Y, Gwizdala-Y, Fisk-Y, Velez-Y, Rognlie-Y, Gray-Y.

Motion carried.

Mr. Ravary also requested authorization to remove some trees along the fence line.

**Board Action:**

Ms. Leedy made a motion to authorize staff to cut a path along the fence line, including tree removal, following all safety procedures. Ms. Velez seconded the motion.

ROLL CALL VOTE: Street-Y, Gwizdala-Y, Fisk-Y, Velez-Y, Rognlie-Y, Gray-Y, Leedy-Y.

Motion carried.

Mr. Ravary encouraged the Board to consider the purchase of an underground locating device for the sewer system as it is important in marking for Miss Dig. Ms. Leedy stated the purchase of this was not built into the SAW Grant or USDA funds. Ms. Leedy owns a locator and offered to lend it to FLAUA in the interim until one is purchased.

**Board Action:**

Ms. Leedy made a motion to authorize our staff to purchase an underground locator, up to $1,000. Ms. Rognlie seconded the motion.

ROLL CALL VOTE: Gwizdala-Y, Fisk-Y, Velez-Y, Rognlie-Y, Gray-Y, Leedy-Y, Street-Y.

Motion carried.

Ms. Rognlie requested Mr. Ravary implement the use of a Miss Dig log; she will create one for our plant employees’ use.

**Personnel Committee:**

A report from the Personnel Committee was previously distributed to the Board regarding the hiring of our two new employees. Ms. Velez indicated the new plant staff are working out very well, identifying needs, and communicating with the Board very well.

**Steering Committee:**

Ms. Leedy reported a meeting with engineers. They are working on the purchase of GIS software and equipment and also received a demonstration of the equipment. The equipment and subscription are being purchased through the SAW Grant. There is an opportunity for FLAUA and the Village to share a subscription for the GIS system. This would allow for both sewer and stormwater information to be in the system and both parties to be trained in the operation of it. It would also enable us to utilize some of the SAW Grant funds for something else. It was suggested the FLAUA be the primary holder of the subscription and bill the Village for their portion. FLAUA would retain the handheld device. We would have a license off of the Village and pay our portion of the license to the Village. The cost of the system is $7,000, plus annual fees going forward. The system retains a great deal of information valuable to both organizations. This is an excellent opportunity for intergovernmental collaboration and could save both municipalities significant dollars. A legal agreement would need to be drawn up and DEQ approval on the agreement would be required. If we did not collaborate, each entity would incur $7,000 as well as the subscription costs.

Ms. Leedy stated we received USDA approval and the Committee is working on cost structure of office improvements at the sewer plant, which is required. If FLAUA and the Village are agreeable, we could possibly expand office space here at the Village Hall to create a joint governmental center for customers to be able to pay their bills and not stop at the plant, which is a safety concern. It would provide better service to all customers and increase intergovernmental cooperation. Mr. Fisk stressed the State is looking for just that. This is still in the exploration phase. There are many opportunities to look at for improving the facilities available to the public if everyone is agreeable. The restrooms at the plant are also in great need of upgrading.

Regarding the BIM testing results, Mr. Ravary stated boring samples were taken and capacity is available. We are awaiting approval for raising our discharge permit.

Ms. Leedy also reported on a meeting with our Financial Advisor, Mr. Tom Traciak, of Umbaugh & Associates. Topics of discussion were the Disconnect Policy and recommendations for schedule of fees. Financial projections are on track. He will be writing a recommendation on timing and the paying off the bond.

Mr. Fisk reported an employee manual has to be finalized, as well as the Groundwater Monitoring program. Both projects are ongoing.

Ms. Rognlie reported they are pursuing policies and procedures for disconnects, a schedule of fees for disconnects and connects, as well as permit requirements. The details for these items are being worked out and will be run past Running, Wise & Ford, our attorneys. There was Board discussion about procedures, health department requirements, resident responsibilities, and our procedure regarding connects and disconnects.

**SPECIAL ORDERS:** None.

**UNFINISHED BUSINESS:**

Ms. Rognlie inquired of Ms. Velez if Mr. Joe Jones received his billing reimbursement (up to $70), and about reimbursement to Mr. Dan Curran on Merritt Street. Both of these items are on Ms. Charity Sawyer’s list at H&R Block.

Ms. Rognlie reported that as of Saturday, June 20, our Rules and Regulations shall become effective. She would like to have them posted on our website; Ms. Leedy believes they already may be on the site. Ms. Rognlie would also like to have the F&V smoke test results posted on our website.

Ms. Rognlie referenced past certified letters we had to submit to the USDA. She reported we have received the following:

* Certificate of Number of Users Obtained
* Certificate on Enforcement of the Ordinance (Publication and Rules & Regulations)
* Certificate of Adequate Accounting System and Auditors
* Certificate of Zoning (which was verified by F&V)
* Letter of Vulnerability

President Fisk stated the USDA requires us to adopt a Public Emergency Egress Plan (PEEP) for emergency evacuation from a meeting.

**Board Action:**

Ms. Leedy made a motion to adopt the Public Emergency Egress Plan (PEEP) presented at the meeting. Ms. Rognlie seconded the motion and will create a Resolution sheet for it.

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

Ms. Rognlie has several outstanding connects/disconnects that need resolution for the following customers:

* Mr. Dan Curran – there is no structure on the property. It was disconnected and capped approximately in March 2013. There is no bill due, per Ms. Sawyer of H&R Block.
* Mr. Joe Jones – we need to check with Ms. Sawyer at H&R Block as noted above.
* Mr. & Mrs. Bob & Peggy McConkie – on State Street. They are considering digging up their lead to have their own dedicated line to the sewer. Their neighbor, with whom they share the lead, is not being billed; however, is required to be hooked up and billed. This needs to be researched and parties need to be informed.
* Mr. & Mrs. Mark and Cathy McMahon – on Coster Road. They want their sewer plug capped. There is still a structure over it. They will continue to be billed, as we cannot authorize a disconnect while there is still a home on the property.
* Regarding the property at 11565 Lakeshore (cottage) – they wish to tie the sewer into the boathouse on the property. The boathouse is a living space and deemed a separate unit, which will require an inspection and two bills. Fife Lake Township may also need to be notified if there are any zoning issues.

Ms. Rognlie will draft letters to these individuals and the President will review them.

**NEW BUSINESS:** None.

**CITIZEN COMMENT:** None.

**BOARD COMMENT:**

Ms. Velez stated the logbook that Mr. Ravary and Mr. Burfield have started using is a helpful improvement and contains very good information.

Mr. Street stated the Fife Lake Township Board would like to meet with President Fisk privately due to perceived tension between the two Boards. President Fisk stated they are welcome to meet with the entire FLAUA Board for full disclosure and transparency. He also stated (and there was Board consensus), that he did not sense any tension this evening, nor is there any intent to create tension or barriers.

**ADJOURNMENT:** Ms. Leedy made a motion to adjourn the meeting. Meeting adjourned at 7:47 p.m.

**Submitted by:**

**Kay Z. Held, Recording Secretary**