

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

**Regular Meeting
Minutes**

**Thursday, October 15, 2015, 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 6:07 p.m.

Mr. Tom Gray requested hard copies of the meeting packet attachments rather than electronic copies.

ROLL CALL: President William Fisk called Roll.

Present: William Fisk-President, Lori Ann Rognlie-Secretary, and Commissioners Brandon Gwizdala, Ron Broering, and Tom Gray.

Absent: Treasurer Jodi Velez and Commissioners Lisa Leedy, Terry Street and Ricky Hulwick.

Others in Attendance:

Ms. Charity Sawyer and Mr. Tony Temple, H&R Block
Mr. Ray Ravary, FLAUA Employee

APPROVAL OF AGENDA:

Board Action:

Mr. Broering made a motion to approve the Agenda as presented. Mr. Gwizdala supported the motion.

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

APPROVAL OF MINUTES:

Approval of Minutes, Regular Meeting, 9-17-15:

President Fisk asked for a motion to approve the 9-17-15 Regular Meeting Minutes.

Board Action:

Ms. Rognlie made a motion to accept the Minutes of the Regular Meeting of 9-17-15. Mr. Broering seconded the motion.

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

OFFICERS' REPORTS:

Financial Report for September 30, 2015:

The Financial Report was previously distributed to the Board, prepared by H&R Block of Kingsley.

Ms. Sawyer and Mr. Temple referenced the following topics:

- An updated A/P report was distributed at the meeting.
- She added account delinquencies as of the end of September to the report.
- She added the tax roll collections listed by township and village.
- He stated effective 1/1/16; H&R Block will be ending their contract with Forest Area Credit Union (FACU) to accept payments at their branches, as H&R Block does not consistently receive the data from FACU in a timely or complete manner. Currently, 50 accounts continue to pay through the Forest Area Credit Union. H&R Block will give those accounts a two-month notice of this change.
- She indicated the QuickBooks they use is online based. H&R Block would like to set up Treasurer Velez as an authorized user to view information. Ms. Velez would not be able to enter or change information. This would facilitate quicker review and communication with H&R Block. There is no cost to execute this. The Board expressed general consensus for this to take place.

Mr. Fisk reported that he spoke with Treasurer Velez who spoke with H&R Block regarding the budget. H&R Block has no FLAUA budget history in its possession; however, they see no issues with utilizing the current financial information regarding the budget. Ms. Rognlie will e-mail 2013 and 2014 financial statements to H&R Block.

Mr. Gray referenced the format on the printed form of the budget to gather the correct YTD information. H&R Block will see if they can modify the format, making it more real-time, which would be particularly helpful in the event of an audit.

Mr. Broering inquired about the delinquent accounts that are ultimately put on the tax roll and the interest they are also charged. He is asking H&R Block to verify who is ultimately receiving the interest amounts. Mr. Temple will check to confirm if the Township is retaining this delinquency fee. Some townships cost-share it back.

Board Action:

Ms. Rognlie made a motion to approve the September 30, 2015, Financial Report as presented. Mr. Broering seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

BILLS PAYABLE:

Ms. Sawyer provided a copy of the Fleis & VandenBrink (F&V) invoice with the updated A/P report (\$2,400 this month) in case there were any questions by the Board.

Mr. Broering asked if we have received improved clarification on the Running, Wise & Ford (RWF), and F&V invoices. Ms. Sawyer indicated they are more concise and past questions have been cleared up. Mr. Fisk has also been reviewing the information and agreed.

Mr. Fisk noted to the Board that in efforts to reduce costs, we are able to reduce the amount of visits by Brian Lee of F&V each month, as Mr. Ravary is able to conduct many of the tests and other tasks. This winter there will not be any effluent testing needed; Ms. Rognlie noted Mr. Ravary should receive cross training on effluent testing from F&V. Mr. Fisk will speak with F&V about this.

Board Action:

Mr. Gray made a motion to approve the Bills Payable as presented. Mr. Gwizdala supported the motion.

Mr. Gray inquired about the bill from the Village of Fife Lake for \$275. Ms. Sawyer reported this was our portion of a bill we split with them from Elmer's for pump service.

ROLL CALL VOTE: Gray-Y, Broering-Y, Gwizdala-Y, Fisk-Y, Rognlie-Y.
Motion carried.

Mr. Gwizdala inquired about the listing of Fife Lakeside Resort in the delinquent accounts. He indicated this information is incorrect, specifically the address listed for Fife Lakeside Resort (which is on State Street, not Janet Street). The report has it listed at 104 Janet Street, which is where a new daycare just opened. We need to find out who was responsible for it before the daycare opened. Ms. Sawyer stated this invoice is often returned as undeliverable.

Mr. Ravary stated Jamie Stocking had not yet been paid on the 2nd billing for the Ford generator repair. Ms. Sawyer does not have a copy of it. Mr. Ravary will provide another copy of it to President Fisk for H&R Block to process.

Board Action:

Mr. Gray made motion to approve payment for Jamie Stocking for repair services provided on the Ford generator. Mr. Gwizdala seconded the motion.

ROLL CALL VOTE: Broering-Y, Gwizdala-Y, Fisk-Y, Rognlie-Y, Gray-Y.
Motion carried.

Mr. Fisk asked Ms. Sawyer about the USTI invoice for old billing software; we are not renewing it, as we no longer require their service. Mr. Fisk will notify them.

Mr. Temple indicated that H&R Block's no-fee presence at our meetings since the transition has been part of our contract with them. Beginning in January, there is a fee (per the contract) for their time attending the meeting. If FLAUA would like H&R Block's presence, we can request it, and they are happy to assist.

President's Report:

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

Mr. Fisk reported that until we get the discharge permit approved, we cannot move forward; however, he has been in contact with USDA and our checklist requirements. Once we receive the MDEQ discharge adjustment, final design plans can be made, and then bids can move forward.

Mr. Broering inquired whether there were any properties found that were hooked up to the system that were not paying or any Tax ID numbers that were not hooked up to the system. Ms. Rognlie is still finalizing this information, following much research this summer. Every address will be in the database.

COMMITTEE REPORTS:

Compliance Officer Report / Fleis & VandenBrink Operations Report (FVOP):

Mr. Ravary will have written reports in the future for advance distribution to the Board for review. He reported that he is close to winter preparation completion. He is pumping ponds. Equipment is in good shape. A-3 needs some maintenance work yet.

Operations Committee:

Mr. Fisk reported that, with Jamie Stocking's assistance, motors are more useful and will have a better re-sale value.

Personnel Committee:

The Minutes of the Personnel Committee meeting of October 6, 2015, were previously distributed to the Board.

Mr. Fisk reported the committee has met with four snowplow/handyman candidates to date and will present all recommendations, including additional candidates, to the Board after the posting expires October 30. There may also be a need for an additional backup position for Mr. Ravary if Mr. Burfield secures a full-time engineering position.

Personnel Committee member Broering noted this is also valuable for backup support if Mr. Ravary is on vacation. He reported the quality of the candidates was very good. Mr. Fisk announced that a Special Meeting is set for Monday, November 2, at 6:00 p.m. (this was subsequently changed to 5:00 p.m. post-meeting) at the Fife Lake Village Hall for presentation of candidates. He will confirm with Board members via phone/email.

Resolution #15-13 – Fife Lake Area Utility Authority Employee Manual

The Board had received the draft of the Employee Manual. The following changes will be made:

Re: Plant Hours – that paragraph has been deleted as much of the work is in the field.

Page 8: Add 90-day Performance Review for Mr. Ravary. This will allow for feedback both ways.

Page 11: Attendance: if away from plant, must let the President know... add: "or put on time sheet."

Page 17: Dress Code/Personal Appearance: insert "as work permits" due to the nature of the work.

Board Action:

Ms. Rognlie made a motion for the adoption of Resolution #15-13 – Fife Lake Area Utility Authority Employee Manual as presented for better business practices. Mr. Broering seconded the motion.

ROLL CALL VOTE: Gwizdala-Y, Fisk-Y, Rognlie-Y, Gray-Y, Broering-Y.

Motion Carried.

Steering Committee:

Regarding REUs, Mr. Fisk discussed the review and corrections from last month's distribution of the REU chart.

Board discussion and additional changes include the following:

- Restaurants: Fast Food/No Seating is listed as 1.0 + .15; however, it should be 1.0.
- The American Legion should fall under Fraternal Organizations, even though we do not have one on the system.
- Add heading for Fraternal Organization with Kitchen / with Bar.

It is stated at the end of the REU chart: **When a new business comes in or there is a use change, there should be a new evaluation.** Ms. Rognlie will add this function to the first quarter of the Annual Organizational Chart.

Mr. Broering noted the Village restrooms are currently listed as 1 REU per restroom. Is this regardless of the number of fixtures? He would like this addressed and a determination made so the Village will know what they will be paying for.

Resolution #15-14 Appendix A – REU Chart for Better Business Practice

Board Action:

Ms. Rognlie made a motion to accept Resolution #15-14 Appendix A – REU Chart for Better Business Practice as presented. Mr. Broering seconded the motion.

ROLL CALL VOTE: Fisk-Y, Rognlie-Y, Gray-Y, Broering-Y, Gwizdala-Y.
Motion carried.

SPECIAL ORDERS:

Budget Adjustment – Ms. Velez: This was covered earlier in the meeting with H&R Block.

UNFINISHED BUSINESS:

Ms. Rognlie reported a written Hazardous Materials Program document has been researched and revised according to Material Safety Data Sheets (MSDS) compliance. This material is now posted in the plant.

Regarding Mr. Tom Traciak's comparison analysis, his figures are not correctly listed as ½ years at \$28.50 and \$54.00 whereas the correct figure should be \$35 for a full year. Mr. Fisk will contact Mr. Traciak for correction of this information.

Mr. Gray indicated that Mr. Traciak's bond payoff schedule does not reflect the additional \$5,000 we paid on the Bond in 2011. He believes Mr. Traciak's report as of 2/1/15 should show the principal balance of \$95,000 rather than the \$100,000 listed.

Mr. Broering inquired about the bond payoff ahead of time and when this will take place. Mr. Fisk stated he does not have final confirmation; however, we do have adequate funds. He will report on the status of this in his next President's Report.

NEW BUSINESS:

Ms. Rognlie reported the completion of the Standard Operating Procedure (SOP) is on hold until the new employees are on Board. She will help in developing the SOP.

CITIZEN COMMENT: None.

BOARD COMMENT:

Mr. Broering inquired if we are on schedule with the USDA grant process and the status of the prior Disadvantaged Status discussion. Mr. Fisk stated Ms. Lisa Leedy continues to maintain communication with her contacts regarding the conflict of the data they used to make their determination. At this time, we have no confirmation of the final status of this matter.

Mr. Broering expressed thanks to Board Members for their tireless work in all of the projects that have been underway in preparation for the plant renovation.

Mr. Fisk stated we have until the end of November to submit the Grant Application for a Locator through the Michigan Township Participating Plan. He will continue to work on it.

Mr. Fisk stated water filtration problems with the south end of the lake were found via camera work. There is now a sleeve mechanism that can bond or fill in the problem areas, which will resolve these issues.

ADJOURNMENT:

Mr. Gray made a motion to adjourn the meeting. Meeting adjourned at 7:36 p.m.

Submitted by:

Kay Z. Held, Recording Secretary