

**FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)
REGULAR MEETING
MINUTES
Tuesday, November 18, 2014
6:00 p.m. Fife Lake Village Hall, Fife Lake, MI**

CALL TO ORDER: The meeting was called to order at 6:05 p.m. by President William Fisk. Mr. Terry Street of Fife Lake Township was introduced and welcomed by Mr. Fisk as a new Board Member.

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: Ron Broering, Ricky Hulwick, Lisa Leedy, Terry Street, and Brandon Gwizdala.

Absent: None.

Others in Attendance:

Mr. Joe Burfield, FLAUA Relief Operator.
Members of the public.

APPROVAL OF AGENDA:

Mr. Fisk requested the following items be added to this evening's Agenda:

1. Under Action Items/Personnel Committee – the Board will address Mr. Joe Burfield's request for vacation December 12-23, 2014.
2. Include an additional section for Public Comment (before Board Comment section) near the end of the meeting, thereby affording two sections for Public Comment.

Board Action:

Mr. Broering motioned to approve Agenda as amended. Ms. Leedy supported. Vote: Yeas: All. Nayas: None. Motion Carried.

APPROVAL OF MINUTES, REGULAR MEETING, 10-16-14:

Ms. Velez asked to abstain from vote to approve the Minutes as she was not present at the October meeting.

Board Action:

Mr. Gray made a motion to approve the Minutes of 10-16-14 as presented. Mr. Broering seconded the motion. Vote: Yeas: All. Nayas: None. Motion Carried.

APPROVAL OF AMENDED MINUTES OF REGULAR MEETING, 9-18-14:

Board Action:

Mr. Gray made a motion to approve the Amended Minutes of the Regular Meeting of 9-18-14 (presented in meeting packet). Ms. Rognlie seconded the motion. Vote: Yeas: All. Nayas: None. Motion Carried.

APPROVAL OF TREASURER'S REPORT FOR OCTOBER, 2014:

The Treasurer's Report had previously been distributed to the Board. Mr. Fisk noted (as stated in President's Report), the data plan on the FLAUA cell phone was reduced from 3 gb to 1 gb, resulting in a \$20/month savings. Cell phone calls will be listed as "FLAUA Mobile" for ease in identifying incoming calls.

Mr. Gray reported monthly revenues versus outgoing costs. He referenced the Running, Wise & Ford (RFW) invoice amount. There were some Board concerns about the attorney fee for drawing up a Resolution. Mr. Fisk noted (as in last meeting), that attorney invoices will need to be itemized over three categories (SAW Grant, In-kind Monies, and FLAUA Operational costs). Many of these fees are for one-time, USDA-mandated items for compliance with the USDA Grant/Loan monies awarded to FLAUA. Numerous required items have not been revised over the 30 year life of the operating system.

There was discussion about Mr. Jasper's property and the compaction invoice (\$350 our cost) as well as the historical cost of \$2,750 for lead hookup. To date, no invoice has been sent to the property owner. Ms. Leedy and Ms. Rognlie each had input on the matter, with Ms. Rognlie stating she has spoken with Mr. John DeVol of Fleis & VandenBrink (F&V) as it relates to the FLAUA Ordinance.

Mr. Gray questioned the F&V invoice for 51.25 hours/\$5,825 for Professional Services and if it should be applied to SAW Grant or In-kind monies. Ms. Leedy believed it was for design services.

Ms. Leedy requested we advise our attorneys with whom they should confer about specific subjects. This will minimize duplication of calls and conferences while reducing billable time. This topic is on the schedule in the Steering Committee section.

Ms. Rognlie noted Mr. John DeVol (F&V) has been on vacation and is out of the office until 11/20/14.

President Fisk noted he has not received the document from Mr. Blair Selover (F&V Project Manager) specifying Fleis & VandenBrink as the new operator on our Certificate.

Treasurer Gray reported the Improvement & Repair Fund is now at \$51k; one year ago it was at \$120k. Ms. Leedy suggested the Board appoint a Finance Committee to analyze the budget and identify any areas which could be trimmed, however small.

Ms. Rognlie asked Treasurer Gray to follow up on the Jasper invoice, and he agreed to do so.

Board Action:

Mr. Broering made a motion to accept the Treasurer's Report. Ms. Leedy seconded the motion. Vote: Yeas: All. Nays: None. Motion carried.

APPROVAL OF BILLS PAYABLE FOR NOVEMBER, 2014:

Mr. Gray inquired whether the \$11.36 fee for the phone.com account is monthly or a one-time fee; Ms. Leedy confirmed it will be a monthly expense. This is the virtual auto attendant with menu options for incoming calls and ease in message retrieval. She is in the process of setting it up.

Re: CLS/Cintas uniforms. Mr. Gray stated FLAUA should not leave the plant gate unlocked for the purpose of linens exchange. He received an email from Tina at Fife Lake Hardware, who stated they can store the uniforms there. The FLAUA Board extends its thanks to them for this offer.

Mr. Street inquired about the Great Lakes Energy utility bills in that there are two entries for them. Treasurer Gray noted that we typically have three bills for 17 meters. Depending on the billing cycle and meeting schedule, bills are occasionally paid after the Bills Payable Report, but before the regular meeting. This cost should drop in the winter months due to no irrigation.

Board Action:

Mr. Broering motioned to accept the Bills Payable for October, 2014, with exception of F&V invoice of \$7,166 (awaiting clarification of charges and to what "accounts" they should be charged; i.e., SAW Grant, In-kind, Operations). Ms. Rognlie seconded the motion.

ROLL CALL VOTE: William Fisk-Y, Jodi Velez-Y, Lori Ann Rognlie-Y, Tom Gray-Y, Ron Broering-Y, Ricky Hulwick-Y, Lisa Leedy-Y, Terry Street-Y, Brandon Gwizdala-Y. Motion passed.

COMMUNICATIONS:

President's Report:

The President's Report was previously distributed to Board members.

Mr. Fisk discussed a request to purchase 0.0/pH (Dissolve Oxygen/Ph) meter and metal detector. We have preliminary costs, and more specific information will be forthcoming from Mr. Blair Selover. Per Board Member discussion and input from Mr. Joe Burfield, Relief Operator, this is required equipment and a typical tool of the trade. It is an operational expense for FLAUA. Ms. Leedy offered to lend her meter in the interim if needed.

Mr. Fisk noted there is no Operator's Report at this time. He reported one of three lines went out when a squirrel was fried in the system, setting off an alarm (responded to by Tom Gray and Glen Stein).

Mr. Burfield has completed system winterization.

There has been discussion regarding lock boxes on the facility gate rather than it being left open for vendor access. The concern is to reduce liability.

Board Action:

Ms. Leedy made a motion to purchase lock boxes, not to exceed \$100, for access to the building and gate, with the President to determine who is authorized for access. Ms. Rognlie seconded the motion.

ROLL CALL VOTE: Jodi Velez-Y, Lori Ann Rognlie-Y, Tom Gray-Y, Ron Broering-Y, Ricky Hulwick-Y, Lisa Leedy-Y, Terry Street-Y, Brandon Gwizdala-Y, William Fisk-Y. Motion passed.

Mr. Fisk noted that Relief Operator, Mr. Joe Burfield, has given notice as of June, 2015, when he will be resigning from his post with the FLAUA. It is imperative that the Personnel Committee work toward seeking a permanent replacement. He and the Board extended thanks to Mr. Burfield for the additional work he has been doing in the interim without an FLAUA Superintendent.

Mr. Fisk stated FLAUA has received notification that all items we have provided for the DEQ permit process are acceptable. Mr. Rognlie extended thanks to Messrs. Ben Kladder and John DeVol (F&V) for their assistance in the permit application as it was invaluable to our success in the application process.

Correspondence:

Correspondence had previously been distributed to the Board.

Mr. Fisk formally announced a Special Meeting of the FLAUA and the three municipalities (Fife Lake Township, Village of Fife Lake and Springfield Township) on Tuesday, November 25, 2014, at 3:30 p.m. at the Village Hall. Notification of this meeting has already been sent to the constituent municipalities. Its purpose is to bring together each of the Boards, the public, and the professionals with whom we are working (legal, engineering, etc.) for information regarding the application process, grant and loan funding, technical/mechanical needs, and moving forward on the renovation.

Board Comment:

Mr. Gray stated he would typically present the 2015 Budget at the November meeting; however, he is lacking revenue information as of this date. A budget needs to be approved at the December meeting. Ms. Leedy stated budget information will be provided at the upcoming Special Meeting. The Treasurer will prepare a projected Budget after gathering data at this meeting.

Mr. Gray inquired whether the SAW grant monies would be part of the audit. That information is unknown at this time; Ms. Leedy stated we would need to ask. In-kind hours were also discussed.

Board discussion included an inquiry about the impending rate increase and whether it requires the approval of the three municipalities; at this time it does. In the future with the new FLAUA revenue bond, their approval will not be required. It will, essentially, be user-funded. However, until our current revenue bond is paid off, the same approval process is necessary for any rate changes.

Mr. Fisk extended an invitation to Mrs. Linda Forwerck, Fife Lake Township Supervisor, to present a question as she had expressed an interest in addressing the Board at this time.

Mrs. Linda Forwerck, 116 Front Street, Fife Lake, MI:

Mrs. Forwerck asked several questions referencing financing and bonding, the renovation itself, municipal involvement, rate increases, and authority/decision making.

Ms. Leedy responded the Revenue Bond will be better for the entities and the FLAUA will be self-sustaining. Additionally, it will not take away from the other entity's bond ratings.

Mr. Gray noted that in order to receive the USDA grant and loan, we are required to have a Revenue Bond.

Mr. Fisk confirmed the project is over \$5 million and there is a requirement by the government for this type of unification and solidification. We will have more information from the pertinent experts at the Special Meeting on November 25.

Citizen Comment:

Mrs. Julie Gray, 10357 Grand Kal Road, S.W. Fife Lake, MI 49663:

Mrs. Gray spoke regarding the Grand Traverse County Wastewater Treatment problems related to their design and projection of users. Mr. Fisk responded that the FLAUA Board will remain represented by the three constituent municipal Boards.

ACTION ITEMS:

Pumpkin Garden:

President Fisk mentioned the possibility of growing pumpkins for a fall community event. Several Board Members expressed concerns about citizen access due to the forthcoming lock boxes, safety near the construction that will be underway, and potential issues related to handling or human consumption of the pumpkins if they are grown in the irrigated section. It was noted that we have a farming agreement in place with Mr. and Mrs. Zimmerman and perhaps we could make similar arrangements with them. Ms. Rognlie will put this topic on the Organizational Calendar for March, 2015. In the interim, President Fisk asked that Board Members research the noted concerns.

Municipal Resolution – Terms Expiration & Appointment:

Ms. Rognlie stated the Resolution for the Articles of Incorporation presented at last month's meeting are due; she has received signed copies from one of the three municipalities. Signed Resolutions are due from Fife Lake Village and Fife Lake Township.

Mr. Fisk proposed to the Board a more effective way to designate each seat of the three municipalities, specifically for electronic communication as membership changes due to term expirations, resignations, etc. It was suggested a single email address be implemented for each seat. For example: FLT-1, FLT-2 and FLT-3 for Fife Lake Township. The same approach could apply to Fife Lake Village (FLV) and Springfield Township (SPT). Note: A, B, or C extensions are another suggestion. This would also allow all current/past correspondence to be accessible, particularly for new Members. Ms. Leedy indicated this

could be set up on the FLAUA website. Additionally, Members would not be required to use their personal email addresses for FLAUA communication.

Confined Space Manual – Resolution:

Mr. Fisk and Ms. Rognlie reported a Confined Space Manual was emailed to Board Members and is a requirement of the USDA. We need to adopt a manual to use as a guideline.

Board Action:

Ms. Leedy motioned we adopt the Resolution as presented with Amendments as noted. Mr. Fisk seconded the motion.

ROLL CALL VOTE: Lori Ann Rognlie-Y, Tom Gray-Y, Ron Broering-Y, Ricky Hulwick-Y, Lisa Leedy-Y, Terry Street-Y, Brandon Gwizdala-Y, William Fisk-Y, Jodi Velez-Y. Motion passed.

Lateral Cleaning Mailing:

Ms. Rognlie presented a Plummer's notice printed on the reverse side of a lateral inspection application. Its purpose was to advise homeowners about opportunity for Plummer's to service their lateral lines on their property at their cost of \$175. Mr. Fisk is preparing a grant request to assist in supporting costs to residents for lateral cleanings. This is through the insurance company and called Risk Reliability Funding.

Treasurer Gray inquired whether the cost of this mailing was a SAW Grant or FLAUA expense. Ms. Rognlie offered it was In-kind monies and inquiries should be directed to Fleis & VandenBrink. Ms. Leedy stated it is to be a SAW Grant matching item.

Steering Committee:

Ms. Leedy reported on the Steering Committee meeting and that each member is working on different components. They will meet again before the 11/25 Special Meeting. She reported that the engineering function is in progress with regard to final drawings, and RFQs for equipment and construction bids are being prepared. The committee is also working on legal and easement documentation.

She requested the Board pass a motion to identify specific individuals to our professionals with whom they should confer, as every contact is billable. She noted that other municipal members have had contact with some of our providers, potentially impacting our costs. Auditors will have to contact various Board members for their function, and that is part of their cost/service. She suggested President Fisk prepare the correspondence to inform these professionals and include contact information of appropriate Board Members.

Board Action:

Mr. Broering made a motion to authorize the President to contact our professionals to advise them of their main contact person for billable services. These contacts will be Committee Chairs and the only authorized personnel with whom the professionals speak. They are: Brandon Gwizdala for Personnel, Lisa Leedy for Steering Committee and Lori Ann Rognlie for document needs. All other matters are to be directed to the Chairperson/President Fisk. Mr. Gwizdala seconded the motion. Vote: Yeas: All. Nays: None. Motion carried.

Ms. Leedy reported Bylaw Updates and Rules & Regulations will be coming up soon with Ordinance changes that will need to be adopted by the municipalities.

Personnel Committee:

Mr. Gwizdala reported on the meeting of the Personnel Committee (Messrs. Gwizdala, Hulwick, and Broering, assisted by Ms. Rognlie). The first order of business was to hire someone to help Mr. Burfield. Applications were left at the Fife Lake Inn (with deadline of Thursday night and possible interviews Saturday morning). Five applicants have come forth through word of mouth. Fliers have also been distributed.

They determined Mr. Burfield would assist in the supervision and scheduling of the new hire. The new employee would perform rounds, check meters, and snowplow with the future possibility of some of the more technical/mechanical functions.

Board Action:

Ms. Rognlie made a motion to accept the new hire application package with job description for part-time new hires, as amended (stating At-will Employment per Ms. Leedy), with an hourly wage of \$10-12/hour. Mr. Broering seconded the motion. Vote: Yeas: All. Nays: None. Motion carried.

Mr. Gwizdala referenced conducting a performance evaluation of the Recording Secretary. Mr. Gray stated the FLAUA does not evaluate contractors. The Board was in agreement on this. President Fisk stated that upon hiring, he indicated the Recording Secretary would be provided with feedback three months from hire. He will confer with Mr. Gwizdala and Ms. Held.

Mr. Fisk reported Mr. Joe Burfield's vacation request for December 12-23, 2014.

Board Action:

Ms. Leedy made a motion to approve Mr. Burfield's vacation time as requested. Mr. Gray supported the motion. Vote: Yeas: All. Nays: None. Motion Carried.

Open Items (from prior meeting(s)):

Per Ms. Rognlie:

- Resolutions are due from the Village and the Fife Lake Township.
- Terms are due in November from Springfield Township and Fife Lake Village.
- Need Sign-off Oaths from Springfield Township (Tom, Ricky, Rick and Carl).
- The Jasper invoice is to be issued.
- There is a Rate Workshop; however, it is \$700 to attend.
- The Confined Space Manual is now adopted.
- Mr. Traciak will be providing bond rates.
- Re: the Title Company invoices; is F&V or the attorney going to pay their invoices?
- Shared copier to be determined.
- The Commissioner e-mail communication system was covered tonight.
- The virtual phone system is in place and needs final set up.

PUBLIC COMMENT:

Mrs. Gray, Board Members, and the Personnel Committee discussed the cost and the decision not to place the ad for the Interim Part-time Position in the Traverse City territory. Commissioner Street suggested we re-post it. Mrs. Gray requested a copy of the application/employment packet previously discussed this evening.

Mr. Gwizdala read the job description aloud to clarify what the Board is looking for at the present time, referring to it as an "Interim Part-time Maintenance Position." Ms. Leedy summarized that as of today, we are interviewing for two interim, part-time maintenance people to support Mr. Burfield. Down the road, we will be interviewing candidates to replace Mr. Burfield.

BOARD COMMENT:

There was no Board comment.

ADJOURNMENT:

Ms. Leedy made a motion to adjourn the meeting. Meeting adjourned at 8:49 p.m.

Submitted by:

Kay Z. Held, Recording Secretary