

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Thursday, February 15, 2018, 6:00 p.m. 231-879-3565
Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633

CALL TO ORDER: President To Gray called the meeting to order at 6:05 p.m.

ROLL CALL: President Tom Gray called Roll.

Present: Tom Gray- President, Marilyn Hayes-Vice President, Jodi Velez-Treasurer, Leigh Gifford-Secretary, and Commissioner Jim Gifford

Absent: Commissioners Cathy Sorrow, Ron Broering

Others in Attendance:

Mr. Ray Ravary, FLAUA Compliance Officer.
Members of the Public.

APPROVAL OF AGENDA:

Addition to Agenda: Unfinished Business: NSF Policy

Board Action:

Mr. Jim Gifford made a motion to approve the Agenda as amended. Ms. Hayes seconded the motion.
VOTE: YEAS: All. NAYES: None. Motion carried.

ACCEPTANCE OF MINUTES:

Corrections to Minutes of January 18, 2018:
Page 1 – AT&T Credits are only for internet service, not telephone phone service
Page 2 under Personnel Committee: Mr. Paul Birgy is NOT a Kelly employee; he is a direct FLAUA hire.
Page 4 – Village Laundry – requested to reduce REU “BY 1 REU” – should be “TO 1 REU”.

Acceptance of Regular Meeting Minutes of January 18, 2018:

Ms. Velez made a motion to accept the Minutes of the January 18, 2018, Regular Meeting as amended.
Ms. Gifford seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

TREASURER’S REPORT:

Treasurer’s Report – Financial Report of January 31 2018, and Payment of Bills:

The Treasurer’s Report was distributed in advance of the meeting. Ms. Velez distributed an updated A/P Report.

Ms. Velez reported on Budget vs. Actual information. She has a revised budget reflecting current information. Truck Repair is over 100% because we had to change the jetter; she will adjust this figure to Equipment Repair, which is where it belongs. It will then bring the Truck Repair into alignment.

Construction in Progress was a category pursuant to the auditor’s request. We will leave it this way through audit and based on their recommendation.

Board Action:

Ms. Hayes made a motion to approve the Financial Report as presented. Mr. Jim Gifford seconded the motion.
VOTE: YEAS: All. NAYES: None. Motion carried.

Payment of Bills:

Mr. Gray requested approval to pay the Michigan Underwriters of Michigan (MUM) insurance invoice at this meeting as it is due by March 1 and no meeting is scheduled prior to that. He requested adding this to Bills Payable.

There is an estimate for Pioneer Diesel for purchase of the backblade which was previously approved; the actual amount is an additional \$80.

Ms. Velez noted Mr. Ravary purchased necessary office supplies at Staples and requests reimbursement for \$79.65.

Board Action: January, 2018 Bills Payable:

Ms. Hayes made a motion to approve the January, 2018 bills as amended with the addition of the Municipal Underwriters of Michigan insurance invoice for \$11,689, an additional \$80 for Pioneer Diesel for purchase of the backblade for the Mahindra, and reimbursement of purchase of office supplies to Mr. Ravary for \$79.65. Ms. Gifford seconded the motion. ROLL CALL VOTE: Velez-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, Hayes-Y. Motion carried.

GUESTS: Mr. Paul Olson, Michigan Underwriters of Michigan (MUM):

Mr. Olson reviewed the insurance policy proposal renewal for FLAUA to the Board. Additional points of note include:

Property values have been increased from \$4m to \$6.4m blanket coverage.

He has discussed equipment with Mr. Ravary including miscellaneous and marine schedule.

He has reviewed the policy against FLAUA property and equipment changes.

The annual premium has increased by a mandatory \$10 by the Michigan Catastrophic Claims Association bringing our annual premium from \$11,679 last year to \$11,689 this year.

Dividends received last year were \$443.71 from the Michigan Participating Township Plan (not from MUM).

There is sewer backup coverage.

He noted the \$100k Employee Blanket Bond is per person coverage rather than per occurrence coverage. Treasurer coverage is \$110k. These are Public Official Bonds.

The Workers' Compensation is through the Accident Fund.

COMMITTEE REPORTS:

Personnel Committee: No January Personnel Committee meeting was held. Ms. Velez reported that Mr. Ravary gave her an application he received from an individual wondering if we need anyone. He is aware of another person who may also be interested. Our Kelly Services employee has been a no-show for two weeks; his contract will be terminated and keys are being requested. Mr. Ravary suggested hiring another person for approximately 15 hours per week, which is within budget. The Personnel Committee will meet to discuss and possibly interview these candidates.

Operations Committee: No report to present.

Compliance Officer/FVOP Report: The Compliance Officer Report was distributed prior to the meeting. In addition to his report, Mr. Ravary noted the following:

The MIOSHA representative was in and reported the following issues that need to be addressed:

- There is heat tape on blowers with extension cords; they must be hardwired
- The jetter key snapped and needs to be replaced
- The battery disconnect needs to be mounted on the wall of the jetter not inside the guarding
- Fire extinguishers need to have metal tags
- An arc flash shield needs to be purchased (cannot use a regular face shield)

Mr. Ravary indicated he has tried, without success, to retrieve the following from the Past President:

Company credit card, building key, gate remote, laptop computer and charger, hard drive and cables, box of files, and FLAUA affiliated passwords. Ms. Velez has reached out to her several times requesting passwords and received a message back indicating she is very busy with job deadlines and will get the items to FLAUA when available and work slows down. The Board discussed this issue, agreeing that the situation needs to be resolved and suggested we consult with our attorney for their suggestion in how best to achieve this. Board members noted the items have been requested for several months including prior to the end of the Past President's term, which ended December, 2017.

Board Action:

Ms. Hayes made a motion to contact our attorney for advice on requesting the return of outstanding FLAUA property from the Past President. Ms. L. Gifford seconded the motion.

ROLL CALL VOTE: Gray-Y, L. Gifford-Y, J. Gifford-Y, Hayes-Y, Velez-Y. Motion carried.

It appears one of our aerators has moved. Mr. Ravary has called Mr. Ben Kladder of Fleis and VandenBrink (F&V) about it. The Board believes it may be an engineering problem; however, it could be one of several issues and will be investigated and repaired.

Mr. Ravary stated the B3 light was on and received calls from numerous people about it. He explained the parts are on order.

He is still having problems with the SCADA system.

NEW BUSINESS:

Website: This was covered with password discussion above.

FOIA Request: We received a FOIA request for FLAUA 2017 Annual Report including Board representation, meeting schedule, sewer system condition and direction of improvements, budget overview for 2017 year-end, 2018 Projected Budget, goals, by-laws clause, and township clause supporting FLAUA. Electronic copies were requested.

Ms. Velez sent letter within the required 5-day response time, and we will take the allowable extra 10 business days due to the volume of information requested. This information needs to be provided by Monday, February 19, 2018. Ms. Velez and Ms. Gifford will collaborate to gather remaining documents. There is a cost per page to provide the information; they will notify the individual by email with the cost.

OLD BUSINESS:

NSF Policy: Secretary Gifford distributed a draft of the proposed NSF Policy for Board review.

Resolution to Adopt NSF Policy:

Edits of the NSF draft will be made and presented for Board review at the next meeting. Secretary Gifford will prepare a Resolution to adopt the document at next month's meeting.

GT County Road Commission Permit 10174 Closed:

The permit has been received stating this is closed.

2017 Budget Balance: Ms. Velez reviewed changes to balance the budget:

Administrative Expenses: +\$500

Office Supplies: +\$500

Postage: +\$500

Operating Expenses: +\$400 (from \$0)

Contract Services: +\$3,582

Operating Supplies: +\$1,226

Wages: +\$8,000

Testing Fees: +\$740

Truck Repair: +\$1,000

QuickBook Fees: +\$800

Advertising: -\$300

There was a total of \$16,948 in adjustments. Any line items over budget were balanced and adjustments taken from Professional Fees line item.

Board Action:

Mr. J. Gifford made a motion to approve the 2017 budget adjustments. Ms. Hayes seconded the motion.

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

Ms. Velez reported the 2017 audit is scheduled for March 6 & 7, 2018.

COMMUNICATIONS: None.

CITIZEN COMMENT:

Mr. Stan Patrick, 7461 Blue Road, Fife Lake, MI: Mr. Patrick expressed surprise in the difficulty we are having retrieving property and wishes us luck. He also stated he believes the monthly sewer fees are reasonable.

Mr. Gray referenced Ms. Charity Sawyer's (H&R Block) call log: H&R Block only seals their envelopes with a small piece of tape and they open very easily. A customer called her to request H&R Block securely seal their invoice envelopes not tape them. Ms. Velez will inquire with Ms. Sawyer to see what they can do so that resident's concern is addressed.

BOARD COMMENT: None.

ADJOURNMENT:

Ms. Velez made a motion to adjourn the meeting. Ms. Gifford seconded the motion. The meeting adjourned at 7:20 p.m.

Submitted by: Kay Z. Held, Recording Secretary