

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, April 19, 2023, 6:00 p.m. 231-879-3565  
Fife Lake Township Hall, 134 Morgan Street, Fife Lake, MI 49633

**CALL TO ORDER:** President Tom Gray called the meeting to order at 6:00 p.m.

**ROLL CALL:** President Tom Gray called Roll.

**Present:**

President Tom Gray, Vice President Marilyn Hayes, Treasurer Jodi Thayer, and Commissioners Tom Hempsted, Gerianne Street and Sandi Howell. A quorum was established.

**Absent:**

Secretary Leigh Gifford  
Commissioner Ron Broering

**Others in Attendance:**

Mr. Ray Ravary, Compliance Officer  
Ms. Kay Held, Recording Secretary

**APPROVAL OF AGENDA:**

-Move New Business below Outstanding Task List  
-Remove Modified P&L Report – Move to May

**Board Action:**

Ms. Hayes made a motion to approve the Agenda as amended. Ms. Thayer seconded the motion.

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

**ACCEPTANCE OF MINUTES:**

**Acceptance of Regular Meeting Minutes of March 15, 2023:**

**Board Action:**

Ms. Thayer made a motion to accept the Minutes of the March 15, 2023, Regular Meeting as presented. Mr. Hempsted seconded the motion.

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

**TREASURER'S REPORT:**

**Treasurer's Report – Financial Report of March, 2023, and Payment of Bills:**

The March, 2023, Treasurer's Report was distributed in advance of the meeting for Board review. An updated A/P was provided.

Treasurer Thayer also reported on the following:

Three months into the year the budget should be at 25% YTD. Income is at 35%, in part because we are receiving payments for back taxes. Total Expenses are at 15.5%.

The accounts that are over 25% YTD make sense. The Accounting Fees line item is somewhat high; Treasurer Thayer will review this. It could be due to current Audit work.

There was Board discussion about Utilities and Natural Gas. Total Utilities is at 35%, and Natural Gas is at 63.9%. April's Natural Gas bill was \$228.56; the total for the first quarter (Jan/Feb/March) is \$1,278.

**Board Action:**

Ms. Street made a motion to accept the Financial Report as presented. Ms. Hayes seconded the motion.

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

**Payment of Bills: March, 2023, Bills Payable:**

There was Board discussion regarding Bills Payable. The following expenses/invoices were clarified:

The Accident fund invoice is somewhat high at \$1,675. This is most likely due to the increased level of 1099 employees for the fence project.

There was verification of the Mitchell & Associates invoice.

Regarding Wages: There are entries for -\$172 and \$840. Treasurer Thayer explained this line item is off due to reimbursements from the other municipalities for wages that were paid in 2022 but reimbursed in 2023.

Regarding Integrated Controls: Their \$710 invoice is a quarterly payment. Jay from Integrated Controls informed Mr. Ravary their last four invoices have not been paid. There has to be some explanation if any invoices were not received or payments were overlooked.

Compliance Officer Ravary has invoice to add:

- TC Towing for \$197 to have truck towed.

**Board Action:**

Mr. Hempsted made a motion to approve the March, 2023, bills as amended. Ms. Hayes seconded the motion.

ROLL CALL VOTE:

Howell-Y, Street-Y, Hayes-Y, Thayer-Y, Gray-Y, Hempsted-Y. Motion carried.

**GUESTS:** None.

**COMMITTEE REPORTS:**

**Personnel Committee:** No meeting. No report.

The Personnel Committee will schedule the annual review for the Compliance Officer.

**Steering and Operations Committee:** No meeting. No report.

**Compliance Officer/FVOP Report:** The Compliance Officer Report was distributed in advance of the meeting.

Mr. Ravary also discussed the following:

He has a bid from Lone Eagle for seven trees to come down for \$3,500.

President Gray suggested also contacting Helsel's Tree Service for a second bid and provided their phone number to Mr. Ravary who will contact them. Mr. Ravary will contact President Gray/Treasurer Thayer once he receives the second bid.

Mr. Ravary received bids for video and cleaning of the system at Cedar Ridge and Hayes Subdivision. Matt's Underground quoted it at \$9,785.

GFL Environmental's quote is approximately \$5,150 for 5-7 hours (\$345/hour, \$225/hour, extra \$30/man for overtime; i.e., various rates per service).

The Board asked him to contact GFL Environmental for a firm estimate.

Regarding the Solar Power, Mr. Ravary has received one bid at approximately \$55,000 with a 40-year life and payback schedule of 12-17 years. This is only for the meter at the plant. There was no decision made about moving forward with solar power. Mr. Ravary stated there may be some grant opportunities to cover this expense; he will explore grants.

Regarding the generator cable, the existing power cables are too short. There are several stations that cannot be reached. Two are needed; they are \$400 each. There may be a wire connector to use with existing ends.

He has received the application fee from FAFCU for the tie in and needs approval for the application. He also needs authorization to contact the attorney to work out the easements and transfer of what is in the ground to FLAUA. The Board believes FAFCU's attorney would be responsible for those costs, and then our attorney would review it. He stated FAFCU plans to tie in within the next week.

Prior to tying in, FAFCU needs to provide FLAUA with prints of what is going in; Mr. Ravary has the prints for the building including the site plan. Ms. Street brought out a copy of the plans for the Board to review.

There was Board discussion about FAFCU's corner property, the additional lots, and who owns the lines.

**Board Action:**

Ms. Thayer made a motion to approve the connection request from Forest Area Federal Credit Union (FAFCU) for the tie-in address of 10790 Vans Lane (Parcel 04-002-013-05). A \$1,670 application fee was received. Ms. Street seconded the motion.

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

Mr. Ravary stated MI Rural Waters Association has a filing date for a Class Action suit on PFAS. They will be sending a contract for FLAUA to join, as we tested positive for PFAS in the past. There is no cost to us. This class action lawsuit protects us.

**Board Action:**

Ms. Street made a motion to authorize FLAUA President Gray to sign the Class Action lawsuit for PFAS as presented by Compliance Officer Ravary. Mr. Hempsted seconded the motion.

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

Mr. Ravary felt a duty to report that on multiple occasions his part-time employee improperly recorded his hours and provided specific examples. He informed President Gray, spoke with the employee about this, and gave him a verbal warning. His time sheet was corrected. He is uncertain as to this employee's longevity with FLAUA and is actively looking for candidates. Treasurer Thayer advised him to date and document each occurrence and conversation for the record.

President Gray stated he received a citizen complaint about Mr. Ravary's dogs getting out of the plant fence. Mr. Ravary is aware of this and understands that he will need to keep his dogs contained.

**CITIZEN COMMENT:** None.

**OLD BUSINESS:** None.

**COMMUNICATIONS:** None.

**CITIZEN COMMENT:** None.

**ORGANIZATIONAL CALENDAR:**

Each item on the Organizational Calendar for April was reviewed and discussed. The Calendar was updated with any changes.

**Workman's Comp Audit:**

Will be discussed at May meeting.

**Review Modified P&L Report:**

Pulled from the Agenda – tabled to the May meeting.

**Annual/Quarterly Compliance Officer Review (due in May-Personnel Committee):**

The Personnel Committee will schedule this with Mr. Ravary.

## **OUTSTANDING TASK LIST:**

The Outstanding Task List was reviewed. New items were added for individual and Board follow-up.

Compliance Officer Ravary stated he spoke with NMC's Freshwater Program this week. Their new program starts up in the fall. The representative with whom he spoke will post FLAUA information there. He has also made contact with other outlets including "Overheard in Traverse City."

**--- Note: Treasurer Thayer needed to leave the meeting at 6:55 for another municipal commitment. ---**

Mr. Hempsted noted he was contacted at the Village regarding a potential new RV park behind the Beacon gas station. The proposal is for 101 RV lots and 8-10 cabins. He wonders if they will require sewer hook-up or if there would be any capacity concern for FLAUA. There is no capacity concern. Mr. Ravary and Ms. Street have also been contacted.

## **NEW BUSINESS:**

### **Silversmith Data - Representative Report:**

Mr. Tim Bresnahan of Silversmith Data from Gaylord was present to deliver a presentation to FLAUA regarding their company and services. Serving 12 states & 2 Canadian provinces, they are an asset management firm serving multiple industries including wastewater management, utilities and municipalities. Mr. Bresnahan provided an overview of the company with visual support via computer.

Their Asset Status Tracker (AST) system is a comprehensive program that allows the client to effectively manage their assets, maintenance of systems, reporting and more. The Silversmith system is accessible by any device connected to the internet; i.e., laptop, phone, tablet. It is customizable to the client's operation and needs.

Mr. Bresnahan provided several samples of what the FLAUA may utilize for its system including:

- Locate and mark all assets; i.e., sanitary sewers, pump stations, lines, manholes, equipment, wells, lighting, banners, benches, trucks, parcels, cemeteries, etc.
- Issue work orders
- Record maintenance
- Track preventive maintenance needed and performed
- Import data, populate map and upload images
- Flag items requiring attention/repair
- Prioritize tasks
- Provide a verifiable audit trail
- Map function showing updates
- Document asset aging and depreciation
- Input purchase & vendor info
- Photos and PDFs (instruction manuals, etc.) for use in the field
- No limit to number of system users and ability to have read-only users
- Customize unlimited layers of information by populating the Silversmith system with all types of data
- System is cloud-based

There are numerous other applications which may benefit constituent municipalities.

Silversmith Data offers 24/7 support and user training including bi-monthly Zoom conference calls. The client receives notices of Silversmith updates. The system does not store video but can put up a link to televised video.

There were Board questions and discussion with Mr. Bresnahan, Compliance Officer Ravary and Board Members.

Costs:

\$2,750 for software & set up. Annual expense after the first year is \$1,250.

This fee includes the initial loading of data. FLAUA would own its data. A 15-day notice to opt out is required (prior to contract anniversary). There are no additional training costs.

Compliance Officer Ravary stated we are currently a 50% partner with the Village, paying \$1,500/year for the GIS system. The Village rarely uses it. FLAUA needs to access the Village server for the GIS system. Mr. Ravary reported there have been numerous problems using it.

Mr. Ravary would be able to use his phone's GIS function to find leads with the Silversmith program. He needs to do that every time he has a MissDig.

The cost of the Silversmith system would be less than the current GIS system shared with the Village. Mr. Ravary sees a cost saving along with improved service and less time entailed for his applications. Mr. Ravary noted this would essentially become FLAUA's Asset Management Program. FLAUA could sell the Trimble system, eliminating that fee. There could be numerous applications for the Village to utilize as well. There is the potential to partner with Fife Lake Township and the Village of Fife Lake to cost share.

Fleis & VandenBrink should also have data to enter into the system.

Other Silversmith clients in northern Michigan include:

Haring Township  
Blair Township  
Elk Rapids  
Charlevoix Township  
Harbor Springs  
Gaylord

Ms. Street inquired whether the Michigan Infrastructure Program has a similar system.

The Board needs to determine when the current GIS contract expires.

There is more information on their website [www.Silversmithdata.com](http://www.Silversmithdata.com).

Mr. Bresnahan stated that program prices increased in March; however, he spoke with Mr. Ravary in October/November, 2022. The originally discussed price will be honored if FLAUA chooses to approve the service at their May meeting.

Updated pricing is:  
\$3,412 initial set up fee with and annual recurring fee of \$1,436

Mr. Bresnahan left a formal proposal behind. Vice President Hayes will distribute electronic information to the Board.

There was Board consensus to have a full Board presence before any decision is made on this program; it will be revisited at the May meeting. The Board was encouraged with the information he presented and thanked him for his time and presentation.

**BOARD COMMENT:** None.

**ADJOURNMENT:**

**Board Action:**

Mr. Hempsted made a motion to adjourn the meeting. Ms. Hayes seconded the motion.

VOTE: YEAS: All. NAYES: None.

The meeting adjourned at 7:44 p.m.

**Submitted by: Kay Z. Held, Recording Secretary**