

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Thursday, July 19, 2018, 6:00 p.m. 231-879-3565
Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633

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

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Vice President Marilyn Hayes, Treasurer Jodi Velez, Secretary Leigh Gifford, and Commissioners Ron Broering, Dave McGough, Jim Gifford, and David Gill.

Absent: Commissioner Cathy Sorrow.

Others in Attendance: Mr. Ray Ravary, FLAUA Compliance Officer.

APPROVAL OF AGENDA:

Discussion:

- Add in Communications section letter from Kimballs Market/Scott Gwizdala
- Old Business – Offer on the Massey Ferguson tractor
- New Business – 2017 Audit results
- Add Board Comment heading

Board Action: Mr. Broering made a motion to approve the Agenda as amended. Ms. Velez seconded the motion.

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

ACCEPTANCE OF MINUTES:

Acceptance of Regular Meeting Minutes of June 21, 2018:

Mr. Broering made a motion to accept the Minutes of the June 21, 2018, Regular Meeting as presented. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

TREASURER'S REPORT:

Treasurer's Report – Financial Report of July 31, 2018, and Payment of Bills (July, 2018):

The Treasurer's Report was distributed in advance of the meeting. Ms. Velez distributed an updated A/P Report. Ms. Velez additionally reported on the following:

Overall, the total budget is in good shape. Total Expenses are at 37% (they should be at approximately 50% by mid-year). The Treasurer was asked to project labor expenses since adding two additional part-time employees.

Board Action: Mr. Broering made a motion to approve the Financial Report as presented. Mr. Gifford seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Payment of Bills:

Inquiries:

- Regarding the Express Tire invoice for the new backhoe tire and to top off all equipment tires: Mr. Ravary will request an itemized invoice to show cost of tire.
- Regarding the Apple Fence invoice: this was for automatic gate openers.
- Regarding the Integrated Controls invoices:
\$475: \$400 was the service fee to install and \$75 was for supplies.
\$947.52 was for monthly service fees to operate the SCADA system (\$200+ monthly for June, July, August, and September).

- The Overhead Door invoice was for \$216; however, \$40 will be for a 1-hour service call.

Re: the Bridgeway Cummings invoice: continue to withhold payment per prior meeting discussions. This issue is not yet resolved.

Ms. Velez received an email today from Mr. Ben Kladder from Fleis & VandenBrink (F&V) regarding the GPS invoice. No hard copy has been received yet. Mr. Kladder indicated they sent corrupt/missing files to corporate office and their tech spent six hours working on it. They want to bill FLAUA an invoice for \$378 and asked the Board to discuss. After Board discussion, FLAUA is reluctant to pay as the GPS video has yet to work from the beginning and believe this should be part of our original project and service agreement. Mr. Ravary will ask Mr. Kladder to attend our August meeting to discuss, clarify, and resolve this matter. In the interim, FLAUA is withholding payment and written notice will be sent expressing such.

No Bridgeway Cummings letter has been sent yet as Mr. Ravary needs to get more specific info from Charity Sawyer of H&R Block. There is still concern about the generator seizing up due to antifreeze in water. IT IS A PRIORITY for Mr. Ravary to provide to the Board all detail on the problems with the generator and service.

Board Action: July, 2018, Bills Payable:

Ms. Velez made a motion to approve the July, 2018 bills as amended as long as the Overhead Door invoice is for a service fee only. Mr. Broering seconded the motion.

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

Miss Velez reported on the fraud claim filed with Renewal Support for improper invoicing for SAM registration and the conditional credit of \$299. Renewal Support has 45 days to respond. We should have definitive results by the August meeting.

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: No meeting was held. A meeting will be scheduled to conduct Mr. Ravary's performance review. New employees have been working and putting in their hours. After job shadowing, they are now working more independently. Mr. Ravary reported they are working well and being very productive.

Steering and Operations Committee: The committee met 7/19/18. Potential verbiage changes are being considered for the hook-up application. Additionally, customers need to work with the County Health Department on disposal of old septic tanks per Health Department requirements. Proposed changes will be provided at next meeting for Board Review.

Compliance Officer/FVOP Report: The Compliance Officer Report was distributed in advance of the meeting. Mr. Ravary reported on additional topics:

New employees (John and Chris) have been knocking down large pines and responding to emergency calls. They have been doing a great job.

He has been working on resolving MIOSHA infractions.

Dar has been cutting and bailing the fields.

He has not received a return call from F&V after numerous attempts to contact them regarding field valves, effluent intakes, shower leak, corrosion, etc. See his Compliance Report for detail. He has contacted them multiple times and it has been weeks with no response. This needs to be pursued aggressively.

CITIZEN COMMENT: None.

NEW BUSINESS:

Re: 2017 Audit: President Gray and Treasurer Velez distributed the final audit report to Board Members for review and consideration of approval at the next meeting. It will then be posted on FLAUA website for public viewing.

Mr. Ravary reported there are large stumps that need to be pulled out; our backhoe is incapable of this work. Mr. Ravary has a quote from a party to remove stumps at \$110/hour, 8 hours at max (\$880 max).

Board Action: Mr. McGough made a motion to accept the bid from Rogers Excavating to remove tree stumps at the plant not to exceed \$880. Mr. Broering seconded the motion.

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

OLD BUSINESS:

Re: Offer on the old Massey Ferguson tractor: We have a \$3,500 offer for purchase of the tractor. The Board recommended putting it out for sealed bid as it is government property. Mr. Ravary will get pictures to Ms. Velez. She will advertise for sealed bids on Craigslist, FLAUA website, and local posting sites. Mr. Ravary will advise the individual who made an initial offer to submit a closed bid if still interested. The deadline for bids will be two weeks from posting date. Bids will be opened at the next meeting.

Board Action: Mr. Gill made a motion to post the sale of the Massey Ferguson tractor by sealed bid, with a reserve bid of \$3,500. Ms. Velez seconded the motion. VOTE: YEAS: All. NAYES: None.

Mr. Ravary suggested purchasing gravel for wash outs. Regular fill continues to wash out. See his Compliance Report for detail. With the monies from the sale of the tractor, he suggests purchasing a lead and a pup for current and future use. Board discussion resulted in holding off until the tractor is sold.

COMMUNICATIONS:

Re: Letter from the former Kimballs Market, 113 Merritt Street. The client indicated the building has been abandoned since 2010, with no running water. The client requested consideration that the Board reduce their monthly charge to \$55 and backdate the new charge to the beginning of 2018, at which time he would bring the account current. There was Board discussion considering the client's request and reducing their billable REUs to 1 REU based on the current status and function of the building.

Board Action: Mr. Broering made a motion to reduce the rate to 1 REU for the 113 Merritt Street property effective July 1, 2018. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Ms. Velez will advise Ms. Charity Sawyer of H&R Block.

CITIZEN COMMENT: None.

BOARD COMMENT: None.

ADJOURNMENT: Ms. Velez made a motion to adjourn the meeting. Mr. J. Gifford seconded the motion. The meeting adjourned at 7:09 p.m.

Submitted by: Kay Z. Held, Recording Secretary