

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Thursday, JUNE 21, 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 6:02 p.m.

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

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

**Absent:** Cathy Sorrow

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

**APPROVAL OF AGENDA:**

**Board Action:** Mr. McGough made a motion to approve the Agenda as presented. Mr. Broering seconded the motion.  
VOTE: YEAS: All. NAYES: None. Motion carried.

**ACCEPTANCE OF MINUTES:**

**Acceptance of Regular Meeting Minutes of May 17, 2018:**

Ms. Velez made a motion to accept the Minutes of the May 17, 2018, Regular Meeting as presented. Mr. Broering seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

**TREASURER'S REPORT:**

**Treasurer's Report – Financial Report of MAY 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.

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

**Payment of Bills:**

There was Board discussion to continue to withhold Overhead Door and Cummings Bridgeway Generator payments. It is believed these are not valid charges as the generator is still under warranty. There have been major repairs and it is uncertain whether the issues are completely resolved.

H&R Block has some additional charges for office supplies, mainly envelopes. Ms. Velez motioned to approve the additional charges; Mr. Gill seconded, All in Favor, Motion Carried.

ETNA is ok to pay.

**Board Action: MAY, 2018, Bills Payable:**

Mr. Broering made a motion to approve the May 17, 2018 bills as amended (withholding Overhead/Cummings payment). Mr. Gill seconded the motion. ROLL CALL VOTE: Velez-Y, Broering-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, Hayes-Y, McGough-Y, Gill-Y, Sorrow- Absent, Motion carried.

**GUESTS:** None.

**COMMITTEE REPORTS:**

**Personnel Committee:**

Meeting was held June 13, 2018.

Discussion on the need to hire people. We had three interviews in place at the plant. One called for change of interest. The other two have been interviewed and will need to go through the rest of the hiring process.

Personnel Committee needs to do a follow up meeting and Review Mr. Ravary

**Board Action; June 21, 2018**

Mr. Broering made motion to hire both at twelve dollars an hour at a maximum of 40 hours, 20 hours each. Mr. Gill seconded. All in Favor, Motion Carried. Mr. Ravary will set up hiring.

**Steering and Operations Committee:**

Per prior meeting discussion, the Operations Committee will meet to discuss whether contractors are required to be bonded and their liability limits well as the Asset Management Plan and the Hook-up Policy. Needs Review.

**Compliance Officer/FVOP Report:**

On going problems-6-21-18,

The blowers were worked on a second time. Mr. Ben Kladder from F&V is to follow-up with the vendor regarding adjustment of blower intake parameters and repair of relief valves. He did preventative maintenance on them.

Per his Compliance Officer Report, Cummings Generator worked on the A3 Generator again. It was still burning anti-freeze; he topped it off and after two weeks, it is down ½ inch. He will continue to monitor.

He is concerned that when the head gaskets were replaced it is not sealing properly, there is water in the oil, and the cylinders may have been scarred. He has called them several times to ask exactly what service was performed; however, has not received a response. He suggests we continue to withhold payment, and the Board does not believe there should be any fees due to the warranty.

This is a brand new, very expensive piece of equipment. A new generator with 16 hours on it should not require a new head gasket. There was extensive Board discussion with concerns that this equipment should be properly operating, it is under warranty, and Cummings Generator needs to be aggressively addressed. This has become a routine issue of discussion each month. Because Cummings has not responded, it was suggested our attorney issue a letter to them reiterating our concerns and requesting service.

The Board would like F&V to attend a FLAUA meeting to discuss the problems. They may need a letter of notice.

**Board Action:** Mr. Gill made a motion we ask our attorney to prepare a letter to Cummings Bridgeway Generator concerning the ongoing service issues we are having with the new generator and related bills for what should be warranty work. Mr. Broering seconded the motion.

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

Mr. Ravary (or the Board) will contact the attorney with details of this matter.

There is Board concern that our Operator, Mr. Ravary, has had to make numerous repairs and adjustments that we believe should have been taken care of by vendors or our Project Manager, Fleis & VandenBrink (F&V) Engineering, relevant to each issue. These matters are above general maintenance; i.e., problems with the overhead doors, lighting relocation, irrigation system, roof maintenance, road trench, etc.). It is believed we have incurred additional labor expenses that should not fall to FLAUA. The Board asked Mr. Ravary to make an inclusive list of the items and approximate time spent since on them from the construction through start-up and operation of the system so the Board can ask F&V to meet with us to discuss these issues. (on going problem 06-21-2018).

**CITIZEN COMMENT:** Stan Patrick asked about the laundry mat charges.

**NEW BUSINESS:** Broering will call health department regarding property on Mirror Lake.

**OLD BUSINESS:**

Personnel Committee needs to do a follow up review with Mr. Ravary regarding past citation.

**COMMUNICATIONS:** None.

**CITIZEN COMMENT:** None.

**ADJOURNMENT:** Mr. Broering made a motion to adjourn the meeting. Ms. Gifford seconded the motion. The meeting adjourned at 7:00 p.m.

**Submitted by: Leigh Gifford, Secretary**