

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, March 17, 2021, 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 6:03 p.m.

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Treasurer Jodi Thayer, Secretary Leigh Gifford, and Commissioners David McGough, David Gill and Tom Hempsted. A quorum was established.

Absent: Vice President Marilyn Hayes and Commissioners Ron Broering and Jim Gifford.

Others in Attendance: Compliance Officer Ray Ravary and Recording Secretary Kay Held.

APPROVAL OF AGENDA:

Amendments:

Add to New Business:

Proposal from Northern A-1: Clean Out Sewer Lagoons

Proposal from Performance Engineers Inc.: Proposed Headworks Site Plan

Board Action: Mr. Gill 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 February 17, 2021:

Board Action: Mr. Gill made a motion to accept the Minutes of the February 17, 2021, Regular Meeting as presented. Ms. Gifford seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Ms. Thayer abstained as she was not present at the February meeting.

TREASURER'S REPORT:

Treasurer's Report – Financial Report of February, 2021, and Payment of Bills:

The February, 2021, Treasurer's Report was distributed in advance of the meeting for Board review. Treasurer Thayer also reported on the following:

It was recently determined that the 2019 MI Waters permit fee was never paid; the reason for that remains unknown. We have been charged \$27/month in interest. This oversight came to light upon receipt of the 2019 bill with the 2021 MI Waters invoice. Treasurer Thayer inquired with MI Waters and asked for interest fees to be waived; she was successful in having \$100 in fees deducted from the charges.

Subsequently, we need to move \$4,000 in the Budget from the Contingencies line item to Licensing and Permits to cover the 2019 fee. We will need to make an adjustment in the Budget to account for this. It is unknown why we were either not billed in the interim, did not receive an invoice altogether, if it was sent elsewhere, or if prior personnel received it and did not bring it to the Board's attention. Compliance Officer Ravary has directed MI Waters to make him the contact person in their system to ensure it is sent to directly to FLAUA. To avoid this type of situation in the future, it will be put on the FLAUA annual Organizational Calendar as a cross-reference.

The Gabridge onsite audit to be held at H&R Block is scheduled for May 3.

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

Payment of Bills: March, 2021, Bills Payable:

There was Board discussion regarding Bills Payable.

There was an inquiry about purchases made at Menard's. Compliance Officer Ravary replied we are not pumping ferric chloride; he purchased some heat tape. He also purchased several miscellaneous items; i.e., numerous orange snow stakes, wood and sand for the back of the truck, 2x4 lumber, etc. Many of these are items not readily available at the local hardware. When available, he submits receipts to Menard's rebates. Board members suggested he also consider Kingsley hardware/lumber for similar needs.

Board Action: Ms. Gifford made a motion to approve the March, 2021, bills as presented. Mr. Gill seconded the motion. ROLL CALL VOTE: Thayer-Y, Gray-Y, L. Gifford-Y, McGough-Y, Gill-Y, Hempsted-Y. Motion carried.

Board Action: Mr. Gill made a motion transfer \$4,000 from the Budget's Uncategorized line item to Licensing and Permits for the 2019 MI Waters fee as discussed earlier. Ms. Thayer seconded the motion.

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

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: No meeting. No report.

Mr. Ravary spoke to the Board about discussions he and they have had about increasing starting wages for new employees as staff retention has been difficult due to wages. He was concerned that new employees coming in may be starting close to his current part-time staff's existing wage. This could cause an issue as this individual has been with us for some time now.

He spoke with his part-timer, Mr. Chris Houghton, who asked the Board to consider providing him with some form of insurance benefit in lieu of a pay increase.

Mr. Ravary requested a meeting be set up with the Personnel Committee to discuss increased starting wages for new employees as he will soon need to replace the part-time people he lost over the winter. He knows of a potential candidate with a mechanical background who has expressed an interest.

Steering and Operations Committee: No meeting. No report.

Compliance Officer/FVOP Report:

The Compliance Officer Report was distributed in advance of the meeting and discussed among the Board. Mr. Ravary reiterated his report and also reported on the following:

Regarding the generator, he spoke with DTE and we have not been using any natural gas. There is no indication it has run its weekly test. He is researching testing procedures of the generator and the transfer switch. He will be speaking with Mr. Jay Norris about it as well. Mr. Ravary and the Board agree ensuring the generator's proper operation is a priority item.

Mr. Ravary presented our annual insurance invoice from Municipal Underwriters of West Michigan, effective 3/1/21 in the amount of \$11,969. (Last year's cost was \$11,979.)

Board Action:

Mr. McGough made a motion to pay the FLAUA annual insurance invoice from Municipal Underwriters of West Michigan, which is due 3/1/21. Mr. Gill seconded the motion.

ROLL CALL VOTE: Hempsted-Y, Gill-Y, McGough-Y, Thayer-Y, Gray-Y, L. Gifford-Y. Motion carried.

CITIZEN COMMENT: None.

NEW BUSINESS:

Compliance Officer Ray Ravary spoke to the Board regarding two quotes he received for services:
Northern A-1: Clean Out Sewer Lagoons
Performance Engineers, Inc.: Proposed Site Plan Fife Lake Headworks

Proposal from Northern A-1:

This is a maintenance project. We have a tremendous amount of debris and garbage in the pond. It needs to be removed and cleaned out. Northern A-1's proposal is itemized and would be nearly \$500/hour for 3 employees and require 16-24 hours. This would need to be completed every 2-3 years if we do not get the solids removed.

Unfortunately, residents continue to put an extensive array of items into the sewer system that should not be disposed of in that manner; i.e., rags, diapers, feminine products, lighters, sand, etc. They have been informed multiple times of items that can and cannot be disposed of through the sewer system.

Proposal from Performance Engineers Inc.:

Performance Engineers provided a detailed and itemized proposal and estimate for a headworks project totaling just under \$364,000. Headworks were not part of the recent sewer redevelopment project. The headworks project includes facility and equipment to build the headworks site, clean out sewer lagoons, and keep out the waste that residents are sending into the sewer system. This will be a large project with an extensive permit and build process. Grant cycles are currently into 2023. We would also need to procure a USDA loan for such a project.

There was Board discussion on both proposals including our short- and long-term needs and options. Once more information is procured, multiple bids will be required.

Board Action:

Mr. Gill made a motion for Compliance Officer Ray Ravary to begin research and exploration of grant opportunities to support financial Headworks opportunities. Ms. Gifford seconded the motion.
VOTES: YEAS: All. NAYES: None. Motion carried.

Review Draft of Pest Removal Contract:

There was Board discussion and clarification of content of the Pest Removal Contract draft. The Board asked for one additional change and that is to add "sole individual performing services" to contract to ensure the only person removing pests is the individual named in the contract. Mr. Ravary will fill in specific information related to the individual to provide the service.

OLD BUSINESS:

Asset Management Plan: Ongoing.

Outstanding Task List Discussion:

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

COMMUNICATIONS: None.

CITIZEN COMMENT: None.

BOARD COMMENT: None.

ADJOURNMENT: Ms. Thayer made a motion to adjourn the meeting. Mr. McGough seconded the motion.

The meeting adjourned at 7:05 p.m.

Submitted by: Kay Z. Held, Recording Secretary