

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, May 15, 2019, 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 6:02 p.m.

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

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

**Absent:** Treasurer Jodi Velez and Commissioner Cathy Sorrow.

**Others in Attendance:** Compliance Officer Ray Ravary.

**APPROVAL OF AGENDA:** Additions ~

Old Business: 2018 Annual Report

Communications: F&V Correspondence re: Valves

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

**ACCEPTANCE OF MINUTES:**

**Acceptance of Regular Meeting Minutes of April 17, 2019:**

Under "Guests" heading, delete "checked torque" under section outlining items Mr. Ravary checked.

**Board Action:** Ms. Gifford made a motion to accept the Minutes of the April 17, 2019, Regular Meeting as amended. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

**TREASURER'S REPORT:**

**Treasurer's Report – Financial Report of April 30, 2019, and Payment of Bills:**

The Treasurer's Report was distributed in advance of the meeting. An updated A/P report was distributed at the meeting. Discussion addressed the following:

Re: In Financial printout of "Budget vs. Actual 2019," for Bonds, it states  
\$420.00 (Approved)  
-\$263.23 (Spent)  
\$683.20 (Over Budget)

This information appears to be an input error, possibly because the \$263.23 figure was entered as a negative amount (-263.23) in a field that is already set up to deduct. President Gray will forward this information to Treasurer Velez to follow-up with Ms. Charity Sawyer of H&R Block to resolve this discrepancy.

The Board reviewed prior discussion about asking the Treasurer to prepare a financial feasibility report giving an overview of fiscal performance and future funds availability which could affect prospective rate increases in the future.

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

**Payment of Bills:** There was Board discussion regarding Bills Payable.

Addition: \$142.16 to Kay Held for reimbursement of Digital Recorder purchased from Best Buy.

**Board Action: April, 2019, Bills Payable:**

Ms. Hayes made a motion to approve the April, 30, 2019, bills as amended. Mr. Broering seconded the motion. ROLL CALL VOTE: Hayes-Y, Broering-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, McGough-Y, Gill-Y. Motion carried.

**GUESTS:** None.

**COMMITTEE REPORTS:**

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

**Steering and Operations Committee:**

Messrs. Gifford, Gray and Ravary met for the Operations Committee meeting. This following was discussed:

Re: Summer Project – Fencing. Mr. Ravary expressed his goal to complete approximately ¼ acre of fencing and one side of farm fence with posts. Approximate pricing was discussed.

**Board Action:** Ms. Hayes made a motion to authorize Mr. Ravary’s purchase of fencing and posts for the plant property up to \$7,500. He will pursue sale pricing. Mr. Gill seconded the motion.

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

Also discussed at the meeting:

Re: The FLAUA Capital Improvement Plan’s 6-20 year Capital Improvement Projects per Fleis and VandenBrink (F&V) report. In the year 2030 storage lagoon cleaning and liner replacement is estimated at \$2.694 million (in 2017 dollars). This was brought up to the Board as forethought. We are currently still using the original liner which is reaching the end of its life now. The Board discussed the fact that we will undoubtedly need to pursue a grant for this type of funding in the next ten years. The report also shows a sewer cleaner needed by 2025 estimated at \$54,600.

The Board will need to work with F&V in the future to collaborate on pursuing grant funds.

The Compliance Officer needs some sort of storage structure for equipment. He will speak with Grand Traverse County Building Department and the Township regarding requirements. The Compliance Officer is working on this.

**Compliance Officer/FVOP Report:**

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

- Spoke with Brady of Triple Point regarding a diver. The diver will be out in early June.
- Spoke with Tom Grier – Mr. Ravary will drop off generator Warranty Book. Mr. Grier would like to take a look at it.
- Regarding the hook-up letter requirements - he still has to follow-up with winter Florida resident and Family Dollar representative. It is unknown whether we are able to begin billing Vans Lane residents and Family Dollar at this time as the deadline to hook-up has passed. Mr. Ravary will discuss this with Tom Grier.

**CITIZEN COMMENT:** None.

**NEW BUSINESS:** None.

**OLD BUSINESS:**

**Review of 2018 Annual Report:**

Secretary Gifford previously distributed a Draft of the 2018 Annual Report for the Board to review. There was Board discussion about contents. Grammatical corrections will be made by the Recording Secretary.

**Board Action:** Ms. Hayes made a motion to approve the 2018 Annual Report with grammatical corrections. Mr. Broering seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Ms. Velez will post it to the website upon approval.

**2018 Audit:**

Ms. Velez had delivered a Draft of the Gabridge & Co. 2018 Audit for the Board to review. There was Board discussion about the contents of the audit. Members will review this and vote at next month’s meeting for approval.

Outstanding Task List Discussion:

The Outstanding Task List from last month was discussed. New items were added for individual and Board follow-up.

**COMMUNICATIONS:**

Fleis & VandenBrink Engineering (F&V) correspondence, re: valves. They will be in the plant May 28, 2019, 9:00 a.m.

**CITIZEN COMMENT:** None.

**BOARD COMMENT:** Mr. Broering expressed his regret at being unable to attend last month's meeting when we had our guest panel from F&V, Elmers and Etna. He inquired with the Board whether they were comfortable with the response we received as outlined in the April Minutes.

Board discussion followed. Presently, the valve and generator issues and concerns remain. Several Board members are concerned with their collective response; however, we will see what transpires at the upcoming site visit to inspect and monitor valves functions. Aerators are a big problem. The generator issue is also a huge concern. During and following our sewer project, Mr. Ben Kladder had expressed F&V would continue to provide support if there were any problems. The Board feels they have not backed up their words with actions.

The Board is anxious to get these issues resolved as there is concern for future potential problems, some of which could be catastrophic. FLAUA is optimistic for a productive May 28 meeting with F&V.

Mr. Ravary will be on medical leave beginning June 3 for 2-3 weeks and will be unable to be onsite near sewage due to post-op medical requirements. A Medical Return to Work with or without Restrictions will be required before returning to the plant. He will be in touch with part-time employee Chris Houghton and is confident he will be capable of managing the day-to-day operations under Mr. Ravary's guidance.

Mr. Ravary reported John Vredevelt left the employment of FLAUA without notice. The Board advised him to contact a Job Developer at Networks Northwest and Michigan Works to pursue a part-time replacement.

**ADJOURNMENT:** Mr. Broering made a motion to adjourn the meeting. Mr. McGough seconded the motion. The meeting adjourned at 7:10 p.m.

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