

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, May 21, 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, Vice President Marilyn Hayes, Treasurer Jodi Thayer, Secretary Leigh Gifford, and Commissioners Ron Broering, Tom Hempsted, David Gill and David McGough. A quorum was established.

Absent: Commissioner Jim Gifford.

Others in Attendance: Recording Secretary Kay Held.

APPROVAL OF AGENDA:

Amendments:

Addition: Compliance Officer Report: PFAS

Board Action:

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

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

ACCEPTANCE OF MINUTES:

Acceptance of Regular Meeting Minutes of April 21, 2021:

Treasurer Velez noted three corrections to the originally submitted Minutes of April 21, 2021, all on Page 3:

- All references to "Mrs. Gail Wilson," "her husband Phil," and "the Wilsons" should reference only "Ms. Gail Wilson," and "her guest Phil" at each occurrence.
- The paragraph beginning "President Gray suggested to Ms. Wilson....." regarding County permit – should be changed to read ".....add the expense to the previously approved contract price." rather than "Mrs. Wilson's previously approved contract price."
- Near the bottom of the page correct the spelling of Fife Lake Township Assessor Dawn Kuhns name from "Koons" to "Kuhns."

Board Action:

Ms. Hayes made a motion to accept the Minutes of the April 21, 2021, Regular Meeting as amended. Mr. Broering seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Mr. Gill abstained from the vote as he was not present at the April meeting.

TREASURER'S REPORT:

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

The April, 2021, Treasurer's Report was distributed in advance of the meeting for Board review.

Treasurer Thayer also reported on the following:

Re: Budget vs. Actuals. Total income is at 43%; this is up significantly, likely because many residents have paid for the entire year in advance.

There was a question on the A/P for Velo Law; Treasurer Thayer verified this is a garnishment reallocated from Mr. Ravary's wage.

Regarding previously inquired about Advantage Electric bill paid for \$1926.81, Treasurer Thayer confirmed this was for replacing 3 fixtures, installing 3 photo cells and replacing a bad GFI receptacle.

Board Action:

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

Payment of Bills: May, 2021, Bills Payable: A revised A/P report was distributed. There was Board discussion regarding Bills Payable.

Board Action:

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

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: The Personnel Committee (Treasurer Thayer and Commissioner Broering) met with Compliance Officer Ravary to explore increasing wage/benefit options for part-time staff member Mr. Chris Houghton. It is our objective to not only retain quality trained staff, but also ensure there is a back-up employee for Compliance Officer Ravary's absences/vacation leaves.

Mr. Houghton's wage is currently \$15/hour, averaging 4-10 hours/week with FLAUA; however, we need him to work more hours. He has expressed an interest in procuring an Operator's License, and it is believed that although he works a full-time job, he is willing and available for increased hours with FLAUA.

There was a great deal of Board discussion about wage/benefits to offer Mr. Houghton in an effort to ensure quality staff retention. Compliance Officer Ravary researched health/dental benefits. The most beneficial dental plan was through Delta Dental for \$186/year for Mr. Houghton. The Board discussed prospective wage increases and work hours.

Mr. Houghton is due for a performance review at this time.

Treasurer Thayer noted there are funds in the budget for this increase as we have planned for two additional part-time employees.

Board Action:

Mr. Broering made a motion to offer Mr. Chris Houghton \$17/hour and the Delta Dental plan with the requirement he work 50 hours/month to maintain the insurance coverage. Mr. Gill seconded.
ROLL CALL VOTE: Broering-Y, Gray-Y, L. Gifford-Y, Hempsted-Y, Gill-Y, McGough-Y, Hayes-Y, Thayer-Y. Motion carried.

Treasurer Thayer will present this wage/benefit/work hours proposal to Mr. Houghton.

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.

NOTE: Mr. Ravary was not at the meeting in person due to illness; however joined the meeting on speaker phone at 6:25 p.m. for this portion of the meeting. Mr. Ravary reiterated his report and also reported on the following:

Michigan Rural Water suggested FLAUA do a PFAS (Polyfluoroalkyl Substances) test on bio-solids. Compliance Officer Ravary opted to do so as there is a new regulation requiring PFAS testing on waters removed from ponds; i.e., irrigation. Test results showed evidence of PFAS, albeit below the State's maximum limits of 16 parts per trillion. Mr. Ravary collected samples from influent water which analyzed multiple chemicals in the PFAS testing; the results were shared with the Board and generally compared with PFAS levels in lakes. FLAUA does not use PFAS in its operations; it is filtering into the system. Some Board members would like to investigate how other sewer authorities may be handling a similar situation.

There was extensive discussion among Board members and the Compliance Officer to determine appropriate measures moving forward. Discussion also included test procedures/samples utilized, sampling criteria, PFAS source, disclosure, prospective remediation, potential liability, risk reduction, safe levels, filtration systems, etc.

The testing company reported the results were concerning and suggested FLAUA work with an environmental consultant or turn results over to the health department for further investigation and due diligence on our part.

Board Action:

Ms. Hayes made a motion, on the recommendation of the Compliance Officer, that we report the PFAS results to the Grand Traverse County Health Department. Mr. Gill seconded the motion.

ROLL CALL VOTE: Thayer-Y, Broering-N, Gray-Y, L. Gifford-Y, Hempsted-N, Gill-Y, McGough-Y, Hayes-Y.
6-Yes, 2-No. Motion carried.

Mr. Ravary stated we are not yet irrigating. Mr. Jay Norris of Integrated Controls Engineering (ICE) has completed the cameras but has not yet finished the irrigation upgrade/flow meter.

The Board would like to see irrigation starting as soon as possible as we have a contract with farmer for hay. Mr. Norris guaranteed that he will be in this Friday 5/21 to complete it. Mr. Ravary will call him tomorrow to let him know Board expects it done 5/21 in order to start irrigating.

The generators were load tested; two portables were not running at 100%. Mr. Mike Graham of Graham Electric came in and got A3 running, and subsequently ran a cycle. Mr. Ravary load tested today; it faulted several times showing Low Voltage and Unacknowledged faults.

Mr. Graham stated we need to go through Bridgeway Cummins at this point for further resolution on the controls. Evidently, Mackinaw has had a similar situation getting the same unidentified codes and other problems we've had with the generator.

Mr. Graham suggested running the generator(s) once/month, not once/week as the emissions are the cause of the actuator getting gummed up. He also suggested load testing it every other year. Compliance Officer Ravary will be contacting Bridgeway Cummins about the generator issues.

Additionally, the blowers have been kicking out today; he will have Mr. Norris look at that too. It may be related to upgrade.

Treasurer Thayer reported that she called Corey Hooper in the plumbing department at Grand Traverse County regarding the Wilson property Vans Lane sewer system connection. He stated we need a permit for sewer hook-up below 6". She completed and paid the \$62 permit application online; it is a plumbing permit for connection to sanitary sewer system. We need to call them for an inspection before we bury it, which is required per the permit. She will forward a copy to Compliance Officer Ravary.

Additionally, the Compliance Officer will need to fill out an FLAUA application for connection to sewer and any other required internal permits/applications for the Wilson property connection. All documents and expenses will be detailed by Compliance Officer (and any others by Board members) and submitted to the Board for final approval before delivered to the attorney.

Compliance Officer Ravary read aloud to the Board the verbiage to be sent to all system users regarding materials that CAN and CANNOT be put into the sewer system. There was Board consensus on the content. He will provide it to H&R Block for distribution to all system users.

CITIZEN COMMENT: None.

NEW BUSINESS:

Annual Fidelity Bond Review:

Ms. Thayer reached out to Emily Escajeda at H&R Block and Mr. Paul Olson of MUM to inquire about this. An email search showed in 2016 we were required to get this as part of the USDA loan. It is believed this was part of the process while drawing funds. It is unclear if a Fidelity Bond is still required. She will investigate further and is also awaiting a response from Mr. Olson.

OLD BUSINESS:

Asset Management Plan: President Gray had reviewed and pulled out several items which were identified as needing to be updated or revised. The Board briefly discussed. Treasurer Thayer will contact Compliance Officer Ravary, asking him to prepare material for the Board to discuss at the next meeting on specific items to revise.

Outstanding Task List Discussion:

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

Per prior meeting, as a consideration for Ms. Gail Wilson on Vans Lane, we agreed to contact her/her friend Phil to advise when the contractor would be onsite. Ms. Thayer has tried unsuccessfully to reach her by phone three times; she will try again. MISSDIG has been notified. Other vendors will also be onsite. The work is set to begin on 5/21/21.

Ms. Thayer spoke with Fife Lake Township Assessor Dawn Kuhns about the Hardship Application Ms. Wilson of which she was advised. Ms. Kuhns indicated the program deals with tax debt only, not special assessments, liens, or anything outside of the tax assessor's purview. Therefore, hardship consideration would not be available to Ms. Wilson in this instance.

Ms. Thayer procured and dropped a copy of the Pre-trial Statement to Ms. Wilson. In reviewing the current attorney invoice for preparation of the Pre-trial Statement, there are charges for approximately four hours of billed time in the amount of \$1,300. She believes this is an excessive amount of time for the preparation of a Pre-trial Statement based on her experience in the court system and prior attorney billing experience. Board members concurred that we will pursue new counsel once we are over this hurdle, as has been previously discussed.

Pre-trial Statements have been filed. The Pre-trial Order has come out which sets deadlines, and we are awaiting our copy from the attorney. She will make sure we receive it in a timely manner.

COMMUNICATIONS: None.

CITIZEN COMMENT: None.

BOARD COMMENT:

President Gray indicated May's Organizational Calendar shows Recording Secretary Evaluation. There was some discussion and thanks for her work. Recording Secretary Held expressed to the Board she completes her seventh year with FLAUA at this meeting and thanked the Board for their compliments. She looks forward to continuing to work with FLAUA in this capacity.

Commissioner Broering indicated he noticed a particular property on the H&R Block "Call List" has been sold. He has sent letters to numerous residents in an effort to have properties cleaned up. He would like to contact H&R Block for the name of the new owner so he may contact them regarding the matter. Out of an abundance of good faith he inquired whether the Board viewed this as a conflict of interest. Board consensus indicated no conflict of interest.

ADJOURNMENT: Mr. Broering made a motion to adjourn the meeting. Ms. Gifford seconded the motion. The meeting adjourned at 7:37p.m.

Submitted by: Kay Z. Held, Recording Secretary