

**FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)**

**Regular Meeting  
Minutes**

**Thursday, August 18, 2016, 6:00 p.m. 231-879-3565  
Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633**

**CALL TO ORDER:** President William Fisk called the meeting to order at 6:02 p.m.

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

**Present:** William Fisk-President, Lisa Leedy-Vice President, Jodi Velez-Treasurer, Lori Ann Rognlie-Secretary, and Commissioners Ron Broering, Linda Forwerck, Tom Gray, and Leigh Gifford.

**Absent:** Commissioner Jonathan Rose.

**Others in Attendance:**

Mr. Ben Kladder, Fleis & VandenBrink Engineering.  
Mr. Ray Ravary, FLAUA Compliance Officer.  
Messrs. Jamie Stocking and Ray Garchow, FLAUA employees.  
Members of the Public.

**APPROVAL OF AGENDA:**

President Fisk added two items under Other Business:

- FLAUA to pursue an option of obtaining interns to assist in website/IT service.
- For the FLAUA Board to pursue a Risk Reduction grant from our insurance provider.

**Board Action:**

Ms. Leedy 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 July 21, 2016:**

**Board Action:**

Mr. Gray made a motion to accept the Minutes of the Regular Meeting of July 21, 2016 as presented. Ms. Rognlie seconded the motion.  
VOTE: YEAS: All. NAYES: None. Motion Carried.

**Acceptance of Amended Minutes of June 16, 2016, Regular Meeting:**

**Board Action:**

Ms. Rognlie made a motion to accept the Amended June 16, 2016, Regular Meeting Minutes. Mr. Gray seconded the motion.  
VOTE: YEAS: All. NAYES: None. Motion Carried.

**CORRESPONDENCE:**

Board discussion encompassed attorney correspondence and USDA requirements regarding sewer hookups and recent inquiries of fee waivers or reductions. In summary: 1) there is no legal basis for the FLAUA to NOT require the hookup of the Van's Lane and Boyd Street properties; 2) there is no authority for the FLAUA to waive any part of the connection fee; but 3) there is authority for a deferred payment plan based upon a hardship (typically financial) policy should the FLAUA choose to do so.

Ms. Leedy indicated there are prospective grant programs (NMCAA, Commission on Aging) available to citizens. She will prepare a list of these options and agencies for residents to reach out to.

## **OFFICERS' REPORTS:**

### **Treasurer's Report – Financial Report of July 31, 2016 and Payment of Bills:**

The Treasurer's Report was previously distributed to the Board. Ms. Velez also provided an updated A/P list.

Ms. Velez reported she met with Ms. Charity Sawyer of H&R Block to review areas under/over budget and discuss budgets. The shared employee fees need to be finalized. Currently the cooperative agreement is in place until September.

We are getting employee reimbursement from the Village and are billing bi-weekly. We are also saving monies by utilizing our part-time staff for mechanical services we used to hire out.

Regarding past discussion of transferring funds to the Repair & Maintenance account, that has not transpired yet. The Board discussed these would not be considered budget adjustments; however, transfers from one line item to another in order to provide the best transparency.

### **Board Action:**

Ms. Rognlie made a motion to accept the Financial Report as presented. Ms. Leedy seconded the motion.

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

### **Board Discussion:**

Mr. Broering and the Board extended many thanks to Ms. Velez for the extensive time she has devoted to our budget.

The Board briefly discussed the impending contract termination or modification with Fleis & VandenBrink.

Ms. Velez reported we received letters from AT&T on 3 of the 4 dialers indicating those terms expire October 10. Mr. Fisk verified those dialers will be going away by the end of September.

### **Bills Payable:**

### **Board Action:**

Mr. Gray made a motion pay the bills as presented. Mr. Broering seconded the motion.

ROLL CALL VOTE: Leedy-Y, Forwerck-Y, Gray-Y, Gifford-Y, Fisk-Y, Velez-Y, Rognlie-Y, Broering-Y.

Motion carried.

Ms. Velez reported we have received a 3<sup>rd</sup> USDA Draw Request for \$643,888.61. There have been some change orders. We are currently approximately \$12,000 under budget according to Mr. Ben Kladder of F&V. All funds and expenses are being closely monitored.

Wastewater plant is +\$1,400.

Central Michigan Contracting is +\$19,000 due to additional required paving.

Contract 1 on the A Station has a deduction \$32,650.

### **Board Action:**

Ms. Leedy made a motion to approve the 3<sup>rd</sup> USDA Construction Draw Request. Ms. Rognlie seconded the motion.

ROLL CALL VOTE: Forwerck-Y, Gray-Y, Gifford-Y, Fisk-Y, Velez-Y, Rognlie-Y, Broering-Y, Leedy-Y.

Motion carried.

**PRESIDENT'S REPORT:** The President's Report was previously distributed to the Board.

Per Mr. Fisk's report, he expressed extreme concern and frustration that motorists have intentionally put contractors in danger during the construction process. At times, vehicles were literally driven/veered toward construction workers, motorists were not following barricades, and other issues. There was also some damage to Elmer's equipment. Construction workers have been encouraged to get license numbers and be extra diligent about safety. We will pursue any incidents via law enforcement. Police departments have been notified. No workers were injured.

Ms. Leedy outlined upcoming construction areas and had done so several times in the past month to inform the public of planned construction. Fire Service and EMS have been informed about upcoming construction and changes in traffic flow.

Ms. Forwerck indicated that Fife Lake Township might possibly have a public hearing on 9/7/16 that could have many attendees. She inquired whether Boyd St. construction could take place before that date. Mr. Kladder will look into and let her know.

#### **SECRETARY'S REPORT:**

Ms. Rognlie reported on the following:

- Regarding the Organizational Chart, we need to do a 90-day operation for plant employees in August; it will be rescheduled.
- The annual performance review for the Compliance Officer is due in September.
- Business cards need to be ordered for Compliance Officer Ray Ravary. She inquired exactly what the title should be now that he is licensed. Ms. Leedy indicated there are certain titles to use due to exempt/non-exempt employment status. Ms. Leedy will look into this.

#### **COMMITTEE REPORTS:**

##### **Compliance Officer/FVOP Report:**

The Compliance Officer's Report and FVOP Report were previously distributed to the Board. In addition:

Bypasses are being put in. Effluent sump stations are cleaned up and bells are going in. He recovered everything he could from the building that could be used elsewhere. He is also doing recovery work on old stations. He will discuss with Michigan Rural Water on items to possibly sell. Wet well lids went on A1 & 2 today.

He spoke with AIS regarding Station A-3's stand-by pump. They have a 4", which meets specs and a 6" if the 4" is unavailable. They also have the piping, etc., if we need to switch it out in an emergency.

Monitoring well sampling is done. The soil sample is done and will be sent in. He has cleared the last of the brush, which needs to be hauled out. He has taken down some dead/diseased trees; however, some of these trees can only be cut until November 1 per the DNR. Some pines have died from the Pine Spruce Beetle.

He prepared his report with Brian Lee. He is ready to take over whenever the Board chooses. Mr. Lee is aware of this.

He will work on the sprinkler head, time permitting. He put new flails on the flail mower.

A homeowner on Grand Kal approached him to request a sewer hookup. He was present at the meeting:

Mr. Matthew Keeck: 10857 Grand Kal, Fife Lake, MI 49633, asked the Board to be considered for hookup to the sewer. Board discussion followed regarding line locations and pressure vs. gravity line. Mr. Kladder will look into this regarding the engineering of it. It is unknown at this time if we have to extend to him for a hookup.

Mr. Ravary also noted an individual has purchased two lots in Mrs. Marilyn Hayes' sub-division. Application packets need to be completed by both parties.

##### **Personnel Committee:**

The Personnel Committee Minutes of the July 25, 2016, meeting were previously distributed to the Board.

Mr. Broering wanted to expand on the two meetings held on personnel issues, as he was unaware of any problems. Mr. Fisk indicated we may need to go into closed session. Mr. Ravary did not request a closed session. Mr. Ravary expressed concern about the Personnel Meeting and felt very taken aback about things that were said to and about him at the meeting and issues, he was completely unaware of.

He expressed to the Board the level of commitment he has given this organization, the extensive improvements and operations that have been taken care of, and numerous examples of incidents in which he has saved the organization money. He has also been instrumental in implementing new mandated compliance procedures. He stated he recently had a very positive employee review, and was surprised to hear of the issues and concerns brought up at the meeting.

Ms. Velez, in representing the Personnel Committee, acknowledged the Personnel meeting was excessively long, and there was definitely some negative discussion. She believes there may be some communication issues between the Board and employees, and among employees, resulting in stress and misunderstandings.

She made a point to state that Mr. Ravary's contributions have been exceptional and he has, indeed, saved us funds in many areas. At the meeting, a framework for a schedule was discussed about who does what and when. The jobs have been fluid to this point and more clarity is in order. We will know more once we receive the proposal from the Village regarding the cooperative agreement with employees.

The situation has not been entirely resolved. Ms. Velez suggested holding another Personnel meeting with either each individual privately or at a meeting with all three of the plant personnel. This was discussed extensively; ultimately it was determined the group would meet collectively with the Personnel Committee. A meeting date of 8/23/16 at 6:00 p.m. at the Village Hall was decided upon.

**Steering Committee:**

Ms. Leedy detailed the anticipated construction schedule regarding road and lane closures. Notices have been sent to homeowners, put on the Village Face book page, and more than 250 emails were sent out. Local Law Enforcement, EMS, and the Township Clerk were also notified. Ms. Forwerck requested the Fife Lake Township Supervisor also be copied on the notices.

She indicated the project is currently under budget. While we may have had some initial problems, they have been circumvented, and additional communication and safety measures have been put in place.

Some equipment stored on the Village Hall parking lot was stolen. Surveillance cameras will be adjusted.

Ms. Leedy is onsite daily and attends regular construction meetings. She addresses many issues daily.

Ms. Gifford inquired whether signage and communication to residents could be better. Ms. Leedy stated there will be road closures to thru traffic due to safety and construction needs. Mr. Kladder indicated typically only one location at a time each day is closed, and that drivers will need to use alternative routes. County departments and EMS, police, and fire have also been notified.

**SPECIAL ORDERS:**

**Resolution #16-11 – Temporary Unavailability of the President:**

**Board Action:**

Mr. Broering made motion to adopt Resolution #16-11: Temporary Unavailability of the President. Ms. Rognlie seconded the motion.

ROLL CALL VOTE: Gray-Y, Gifford-Y, Fisk-Y, Velez-Y, Rognlie-Y, Broering-Y, Leedy-Y, Forwerck-Y.  
Motion carried.

**UNFINISHED BUSINESS:**

Mr. Gray noted the previously discussed proposal of increasing the spending authority of the Compliance Officer per the June 2016, meeting.

**Board Action:**

Ms. Rognlie made a motion to increase the spending authority of the Compliance Officer to a \$500 spending limit with authorization of the President. Mr. Broering seconded the motion.

ROLL CALL VOTE: Gifford-Y, Fisk-Y, Velez-Y, Rognlie-Y, Broering-Y, Leedy-Y, Forwerck-Y, Gray-Y.  
Motion carried.

**NEW BUSINESS:** None.

**CITIZEN COMMENT:**

Mr. Mike Tornow, 421 Shelby St., Fife Lake, MI 49633:

Mr. Tornow expressed his thoughts that the initial signage for the construction was a travesty for business and safety. There were many hazards, regardless of who was responsible. If it is ultimately the engineering company's responsibility, the FLAUA Board should also be involved. He hopes we have learned something from it and do better going forward.

Safety and the successful completion is ultimately the FLAUA's responsibility, as they are the people's representatives. He believes traffic and safety were poorly handled, if not ignored.

Mrs. Marilyn Hayes, 446 Woodsedge Drive, Fife Lake, MI 49633: Mrs. Hayes inquired who is on the Personnel Committee. Mr. Broering, Ms. Velez, and Ms. Rognlie comprise the Personnel Committee.

**OTHER BUSINESS:**

Mr. Fisk suggested we consider interns through NMC or Baker College to assist in tech support, IT, and the website. Ms. Leedy noted the Village internship was great and came at no cost, came with a job coach, and gave the student an opportunity to gain valuable work skills. There was general Board consensus to pursue this and put it on the Organizational Calendar for early next year.

**Board Action:**

Ms. Forwerck made motion to seek a Risk Reduction grant from our insurance company. Ms. Leedy seconded the motion.

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

**BOARD COMMENT:**

Mr. Fisk stated he believes he was subjected to comments last month that implied he lied. He noted in 2014, he approached Mr. Raden of the Forest Area Credit Union about possibly setting up the SAW Grant account. Mr. Raden deferred him to one of the Vice Presidents. Mr. Fisk was told at that time the account would have to be set up as a sub-account under the umbrella of our major account. He advised the gentleman that would not be possible per our USDA representative, Mr. Blake Smith.

There was no further resolution at that time. Mr. Raden did not personally tell Mr. Fisk we could not have a separate account. However, one of the Vice Presidents did tell him this. Additionally, Ms. Velez was informed that everyone had to be there at the same time to sign for a new account. Whereas, she works in Traverse City and was able to go to a Chemical Bank nearby on her lunch hour. He is very disenchanted with the way this situation was handled and comments that have been subsequently made.

Mr. Fisk wanted it noted that there was no intent to denigrate anyone or not try to go local in choosing a financial institution. He stated the audience is welcome to express their opinion; however, asked they understand issues their opinions can cause.

Ms. Forwerck suggested that speaking with Mr. Bob Raden about the circumstances could go a long way in terms of repairing public relations.

Mr. Fisk also stated that this Board must address the fact that he may not be available as he has been in the past, particularly regarding his employment status.

Mr. Broering stated many people are aware of what Mr. Fisk, and others, have done. They are owed a big debt of gratitude. Mr. Broering specifically requested that Mr. Fisk's comments be in the Minutes regarding the credit union situation and that he did in fact pursue setting up an account there.

**ADJOURNMENT:** Mr. Broering made a motion to adjourn the meeting. The meeting adjourned at 7:38 p.m.

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