

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Thursday, September 20, 2018, 6:00 p.m. 231-879-3565
Fife Lake Village Hall, 616 East Bates Street, Fife Lake, MI 49633

CALL TO ORDER: President Gray called the meeting to order at 6:01 p.m.

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Vice President Marilyn Hayes, Treasurer Jodi Velez, and Commissioners, David Gill, and Dave McGough.

Absent: Commissioners Ron Broering, Cathy Sorrow, Jim Gifford, and Secretary Leigh Gifford.

****Note:** Commissioners Leigh Gifford and Jim Gifford arrived at 6:05 p.m.

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

APPROVAL OF AGENDA: Agenda Additions: Add "Board Comment" after Citizen Comment.

Board Action: Ms. Velez 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 August 23, 2018:

Ms. Hayes made a motion to accept the Minutes of the August 23, 2018, Regular Meeting as presented. Ms. Gifford seconded the motion. Mr. Gill abstained from the vote as he was not present at the last meeting.

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

TREASURER'S REPORT:

Treasurer's Report – Financial Report of August 30, 2018, and Payment of Bills:

The Treasurer's Report was distributed in advance of the meeting. Ms. Velez distributed an updated A/P Report. Discussion covered year-to-date revenues, expenses, monthly USDA payments, and where we stand with respect to budgeted figures. The majority of line items are close in line to budget. Those that are up or down are related to seasonal expenses, monthly/annual payments, etc.

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

Payment of Bills:

Board Action: September, 2018, Bills Payable:

Add Triple K Irrigation in the amount of \$442.03 for 8 brake kits to rebuild sprinkler heads.

Clarification: TradeBit.com for \$33.99 was a manual for the backhoe.

Integrated Controls payment: The SCADA panel for the internet system went out due to a lightning strike. An insurance claim should be submitted. Ms. Velez will call IC to verify whether their invoice is for the lightning service repair or our annual service contract. She will review all payments and let Mr. Ravary know the status. Mr. Ravary will file the claim with our insurance company to recoup the expense if we have already paid it.

Ms. Hayes made a motion to approve the September, 2018, bills as amended. Mr. Gill seconded the motion. ROLL CALL VOTE: Hayes-Y, Velez-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, McGough-Y, Gill-Y. Motion carried.

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: Ms. Velez reported that she and Ms. Gifford met to review payroll budget and potential recommendations for salary increases and cost of living adjustments (COLA) for Compliance Officer Mr. Ray Ravary and part-time employees Chris Houghton and John Vredevelt.

Board discussion covered their current rate of pay and hours, budget availability, pay raise amounts, and the significant decrease in professional fee expenses.

Board Action: Mr. David Gill made a motion to increase Mr. Ravary's salary by \$1.00/hour and part-time employees Messrs. Houghton and Vredevelt a \$1.00/hour increase each. These figures include a 2% COLA increase. These increases are effective October 1, 2018. Mr. McGough seconded the motion. ROLL CALL VOTE: Velez-Y, Gray-Y, L. Gifford-Y, J. Gifford-Y, McGough-Y, Gill-Y, Hayes-Y. Motion carried.

Steering and Operations Committee:

FLAUA Deferred Monthly Commodity Charge Policy:

This was previously distributed to the Board for review. Board discussion covered prospective changes and corrections that are not required or are out of our purview:

- Deleted requirement for licensed plumber as this is not necessary
- Edited sewer connection procedures
- Automobile liability not required
- Some sewer specs deleted (MDOT specs are not under our jurisdiction)
- Updated the connection permit rate
- Deleted MISSDIG phone number as it has changed

Mr. Ravary will make revisions to the policy effective 9/20/18. Ms. Velez will then post revised forms and policy to the website. Ms. Gifford will provide the policy and procedure manual for the Board at the October meeting.

Board Action: Ms. Gifford made a motion to approve the Deferred Monthly Commodity Charge Policy revisions. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Compliance Officer/FVOP Report: The Compliance Officer Report was distributed in advance of the meeting and discussed with the Board. Mr. Ravary reported on additional topics:

He reiterated the high level of algae in the ponds due to excessive duckweed and provided the Board with information on several devices for managing duckweed. This issue and the problems duckweed causes have been discussed extensively. The Board reviewed and discussed multiple options, features, technical aspects, and cost of skimmers that Mr. Ravary researched and provided.

Board Action: Mr. Gill made a motion for Mr. Ravary to purchase the FWS 00A381 Skimmer from SkimOIL Inc./Separator Systems in the amount of \$5988.00. Mr. Gifford seconded the motion. Mr. Ravary will inquire about trial period, short- and long-term warranty, service, etc. prior to purchase.

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

Mr. Ravary has provided in-depth training to our part-time employees; however, believes they can also benefit from formal industry training and has signed them up for basic lagoon operations. They also need uniforms.

Mr. Ravary passed the Applicator's Exam; he may pursue special certifications for trees, field crops, and pond/lake treatment. The courses are at no charge if taken within six months on the Applicator's Exam and would be beneficial to the plant and FLAUA.

There are ongoing issues at the plant regarding the blowers, shower/roof leaks, etc. (see Compliance Officer report). He has been trying to reach Mr. Ben Kladder of Fleis & VandenBrink. He will continue to pursue resolution of these issues.

The recently purchased rescue tripod has already paid for itself based on usage and confined space entry for manhole repairs.

Northern A1 needs to be hired to remove excessive sand from certain manholes. The work will require a vacuum truck as it is more involved than hand shoveling. It was suggested we consider coordinating with and sharing the cost with Fife

Lake Village (FLV) as they may need the same service for their storm drains. Mr. Ravary will procure cost estimates with Northern A1 and check with FLV.

Additional Board discussion included:

Three F&V employees and an Etna representative were out today. They agreed the large nut on top of the valves were too tight. Etna may offer to give us new valves from a different manufacturer for spray fields. We would be responsible for the labor to dig the old ones up. There is Board concern about warranty coverage of we were to accept this offer. This will continue to be pursued.

Regarding the generator issues, Mr. Kladder of F&V is still working on this. We may get an extended warranty.

CITIZEN COMMENT: None.

NEW BUSINESS:

Massey Ferguson Bids: Four sealed bids were received for the purchase of the Massey Ferguson tractor and opened at the meeting. The following bids were received:

Mr. John Vredevelt: \$1,000. Mr. Michael D. Gibbs: \$2,107. Mr. Ron Mallison: \$3,976. Mr. Mark Williams: \$3,755.

Board Action: Mr. Gill made a motion to accept Mr. Mallison's bid of \$3,976 and accept Mr. William's bid of \$3,755 as a backup in the event Mr. Mallison backs out. Ms. Hayes seconded the motion.

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

Ms. Velez will notify the parties who bid on the tractor.

Van's Lane Residences:

Ms. Carla Huffman of 10908 Van's Lane, Fife Lake, Michigan represented the Van's Lane residents. As a new representative of the group, she requested information regarding the hook-up requirements for the Van's Lane residents and why this is necessary.

The Board provided her with a thorough verbal explanation of state requirements, type of system, hook-up specifications, etc. Because it is a State of Michigan requirement, it becomes an FLAUA requirement. President Gray also read aloud Section 2-01 of FLAUA Ordinance #10 regarding connection requirements and the enforcement process. Ms. Huffman inquired about costs for hook-up. Mr. Ravary will provide her with cost information; i.e., application fee, monthly service fee.

The Van's Lane residents group requested an extension of hook-up to the system and payment date as this is a significant hardship for many of the residents. FLAUA Secretary Gifford will provide information on a hardship assistance program available to any residents interested in pursuing financial assistance.

Board Action: Mr. McGough made a motion to offer a six-month hook-up extension to residences of Van's Lane if the State of Michigan and FLAUA attorneys allow. The Board will inquire with attorneys whether this is allowable and any related penalties for non-compliance. The extension will only be granted if allowed by the State of Michigan. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

The Board will contact our attorney and letters will be sent to Van's Lane residents as soon as clarification is received.

OLD BUSINESS:

Outstanding Task List Discussion:

- We do owe the \$299 to Renewal Support, and it needs to be paid. Ms. Velez filed a complaint with the Consumer Protection Agency.
- CLS still needs to give us a purchase price for the uniforms Paul Birgy wants to purchase; he will continue to pay rental fee in the interim.
- Mr. Ravary has a quote for \$1,220 for a pup and a lead of gravel. He will check additional resources and execute the best option.

COMMUNICATIONS: None.

CITIZEN COMMENT: None.

BOARD COMMENT: None.

ADJOURNMENT: Mr. Gray made a motion to adjourn the meeting. Ms. Velez seconded the motion. The meeting adjourned at 7:46 p.m.

Submitted by: Kay Z. Held, Recording Secretary