

# Gull Lake Sewer & Water Authority

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## **MINUTES OF THE FEBRUARY 26, 2009 REGULAR BOARD MEETING**

Authority Board Meeting

10:30 A.M.

**CALL TO ORDER/ ROLL CALL:** Chairman Bither called the meeting to order at 10:30 a.m. Commissioners present were Jeff Bither, Jackie Light, Jim Stoneburner and Roger Turner. None absent. Also present were Director Rich Pierson and Office Manager Anne Richmond. Engineer Tom Wheat was not able to attend.

**REVIEW AND SET THE AGENDA:** The agenda was acceptable as presented with the addition of Lien Discussion under Old Business.

**MINUTES OF THE JANUARY 22, 2009 REGULAR BOARD MEETING:** A motion was made by Turner and seconded by Light to accept the regular meeting minutes of January 22, 2009 as presented. **Motion carried; all ayes.**

**HEAR THOSE PRESENT (Non-Agenda Items):** Ken Peregon from O'Boyle, Cowell, & Blalock & Associates, Inc arrived later in the meeting for the Office Expansion & Site Improvements review.

### **CORRESPONDENCE:**

To: City of Kalamazoo                      True-Up Cost (10% of Budget)  
The City of Kalamazoo recently completed the True-Up studies for the fiscal years 2006 and 2007. The studies compare the projected cost of service (on which the rates were established) to the actual cost of service. The City is required to adjust (charge or credit customers) for any difference between projected and actual cost of service. The total true-up charge to GLSWA is \$107,039 for fiscal years 2006 and 2007.

To: Doug Nord                              Kalamazoo Utilities Lookback  
Rich Pierson requested a single invoice on or about November 15, 2009 to pay the total true-up charge of \$107,039 in a lump sum. An affirmative response was received from Doug Nord on February 11, 2009.

To: Richland Township                      GIS Cost Sharing Potential  
GLSWA is requesting from the County 32 sectors (18 in Richland township) for mapping / flying at high resolution at a cost of \$6,400 +/- over 2 years. Richland Township was asked to consider sharing some of this cost.

To: Cooper Township                      New Cooper Customers (3)

Cooper Township was advised that the City of Kalamazoo had continued to bill 5 accounts along G Avenue for sewer even after previous requests from GLSWA to discontinue sewer billing in Cooper Township. A summary of what was found from the City records and what GLSWA proposes to do was provided to Cooper Township for their acknowledgement and approval prior to implementation. Cooper Township approved the proposal as outlined in the January 29, 2009 letter.

To: Doorlag Cooper Township Customer (new 1 of 3)

Mr. and Mrs. Doorlag were advised that their sewer account had incorrectly remained with the City and, effective immediately, GLSWA will become the billing agent for their public sewer at our current rate of \$65 per quarter.

To: Antisdale Cooper Township Customer (new 1 of 3)

Mr. and Mrs. Antisdale were advised that their sewer account had incorrectly remained with the City and, effective immediately, GLSWA will become the billing agent for their public sewer at our current rate of \$65 per quarter.

To: Campbell Sewer Availability – Sherman Lake

Mr. Campbell of Boris Realtors had inquired whether 11900 Yorkshire would be subject to mandatory sewer connection and was informed that sewer is not currently available to the property within 200 feet. The Authority would need to obtain an easement from the Pejka's to have sewer available. *Pierson indicated that sometime in 2009 he intended to request an easement from Pejka.*

To: Wheat Rosenberg Engineering Bills

A meeting was recently held with Rich Rosenberger to discuss engineering bills for review and inspection of the sewer installed by Woolf Excavating-Richland Condominiums behind New Hope Church. As an outcome of this meeting, Engineer Wheat was asked to review two invoices and provide more detail on the billing of engineering services. In addition, his assistance was asked to create a methodology for review + inspection services that is transparent to the developer + contractor so they are not surprised at the invoice(s).

To: Vaccaro Mowing

Mr. Vaccaro was advised that we are cutting back on what he has historically mowed for us and was asked to quote the upcoming season's work. He has not yet responded.

### PROJECT UPDATE:

30<sup>th</sup> Street Allen Edwin

In a letter to Mr. Sanderson dated January 27, 2009, he was provided an interim 30<sup>th</sup> Street sewer project status report, including a financial update. Under the terms of our agreement, GLSWA is currently anticipating approximately \$16,223 +/- would be returned to Allen Edwin. However, \$6,750 is owed to GLSWA for watermain

installation and the Board directed that this amount should be netted out of any monies to be returned to Allen Edwin, unless requested otherwise by Allen Edwin. In addition, Mr. Sanderson was also asked to pay engineering invoices related to sewer installation for Phase 1B (\$6,167.64) and the water main inspection (\$400) for the water main on 30<sup>th</sup> Street.

Tamarron No Response to date  
Joe Gesmundo's response to the proposed Tamarron Agreement between AVB, the Township and the Authority is needed to move forward on this project. There has been no response.

Storm Water Analysis Flow and infiltration – review and update  
There are plans to walk the pipe and evaluate the condition of the manholes and pipes.

30<sup>th</sup> Street South Update  
No update.

Water Scope Future Water Issues  
Yet to be done.

## NEW BUSINESS

Draft Budget 2009-2010  
Pierson briefly reviewed the tentative budget. This will be reviewed in more detail at the March 26, 2009 meeting.

Financial Forecast Projections & Cash Balances  
Pierson and Richmond reviewed a summary of the current cash balances and projected uses as well as a ten year projection of future revenue. Based on the projections, if industrial and purge water flows continue as last year, it will not be necessary to increase rates until later in 2010 or beyond.

Office Improvements Estimates / process  
Ken Peregon from O'Boyle, Cowell, & Blalock & Associates, Inc presented the design concepts and cost estimates for the Office Expansion & Site Improvements. A concern was raised with the placement of the pole barn in front of the new building if the driveway is relocated to 37<sup>th</sup> Street as proposed. A motion was made by Turner and seconded by Stoneburner to authorize Pierson to go to the Ross Township Planning Commission with the site plan and to approach contractors with the plans and obtain their input on procedure and cost. **Motion carried; all ayes.**

Investment Resolution Update  
A motion was made by Turner and seconded by Light to approve the attached Resolution for Banking + Investment adding PNC and OMNI Community Credit

Union to the list of authorized institutions for banking and investments. **Roll Call Vote taken; all ayes; Motion carried; Resolution adopted.**

Cooper customers (3<sup>rd</sup> new customer) Draft letter – For Authority Approval  
A draft letter to Mr. and Mrs. Allen was reviewed with the Board. A motion was made by Stoneburner and seconded by Turner to send the letter as written and implement the gradual increase in rates over two years. **Motion carried; all ayes.**

GIS Sector pictometry and update-Resolution for approval  
GLSWA is requesting from the County 32 sectors (18 in Richland township) for mapping / flying at high resolution (pictometry). A motion was made by Light and seconded by Stoneburner to approve the agreement with the County for 32 sectors total, costing \$6,400 +/- over two years with some reimbursement from Richland Township. *Pierson to sign.* **Motion carried; all ayes.**

Corrpro Report & Letter Augusta letter-Budget Est. \$14,000, request \$7,000  
Based on the December 15<sup>th</sup> Corrpro report on the Cathodic Protection testing of Augusta's Lift Station #1 and discussions with Dave Zeleznak, Pierson recommends that GLSWA and the Village of Augusta move forward to install an "impressed current" protection system at the station. The budget estimate is \$14,000 and Pierson requested approval for GLSWA to split this cost 50 /50 with the Village of Augusta.

Augusta Flow Meter Budget Estimate \$14,000, request \$7,000 approval  
The estimated cost (material + engineering) to install a flow meter at Brooklodge is approximately \$14,000. Pierson requested approval for GLSWA to split this cost 50/50 with the Village of Augusta. A motion was made by Turner and seconded by Stoneburner to approve cost sharing with the Village of Augusta for the impressed current protection system and the Brooklodge Flow Meter for an amount not to exceed \$7,000 each. **Motion carried; all ayes.**

## OLD BUSINESS

Generators Update  
The renewal of the contract for generator service is currently being reviewed.

Truck Purchase Update  
GLSWA purchased a used truck for \$17,422 and plans to sell the Van and purchase another used truck for weekly station checks. This would allow GLSWA to use the large utility truck only when needed, with better economy.

DEQ Contract / PPP Sent to City for acknowledgement 12/10/08  
At City of Kalamazoo waiting acknowledgement.

Easement Releases In process for Kalamazoo and Barry County

Charleston Township – sewer district In Process

Water Connection Fee - Richland Village & Township      In Process

Red Flag/Social Security Privacy      In Process

The deadline has been extended to May 1, 2009. GLSWA is studying the implications.

Insurance

Coverage @ \$2,000 per year estimate

Pierson asked the Board to consider earthquake insurance protection on the manholes at an estimated cost of \$2,000. A motion was made by Stoneburner and seconded by Turner not to purchase earthquake insurance on the manholes. **Motion carried; all ayes.**

Lien process

Update

Pierson informed the Board that Attorney Sparks was researching an idea to protect GLSWA's interest in our lien on the Rambling Trails property.

## **FINANCIAL REVIEW/ PAY BILLS**

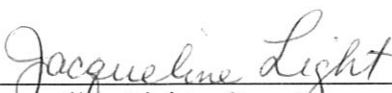
A motion was made by Light and seconded by Turner to file the financial reports as presented, approve the standard bills paid, and pay the Prein & Newhof bills as presented.

**Motion carried; all ayes.**

## **CLOSING COMMENTS**

ADJOURN. NEXT MEETING MARCH 26, 2009 at 1:00 p.m.: Chairman Bither adjourned the meeting at 12:30 p.m.

Submitted for approval

  
Jacqueline Light – Secretary

## RESOLUTION FOR BANKING + INVESTMENT

At a regular meeting of the Gull Lake Sewer and Water Authority ("Authority") held the 26th day of February, 2009, duly posted, at which a quorum of Commissioners were present, the Authority Board of Commissioners resolved as follows:

WHEREAS, the Authority, pursuant to its Investment Policy and appropriate statutes of the State of Michigan, desires to transact banking business and secure investments through Certificates of Deposit ("CD's") at various financial institutions listed below, all licensed to do business within the State of Michigan; and

WHEREAS, the listed financial institutions require authorization via resolution from the Board of Commissioners in order to transact business;

Authorized institutions for banking and investments:

- Fifth Third Bank (Western Michigan)
- First Community Federal Credit Union
- Independent Bank-South
- Comerica Bank
- Keystone Community Bank
- United Bank
- Consumers Credit Union
- Bank of America
- OMNI Community Credit Union
- PNC (formerly National City)

NOW THEREFORE, BE IT RESOLVED:

The Authority Office Manager has the authority to discuss, negotiate and initiate banking transactions including CD investments with financial institutions listed above and licensed to do business within the State of Michigan.

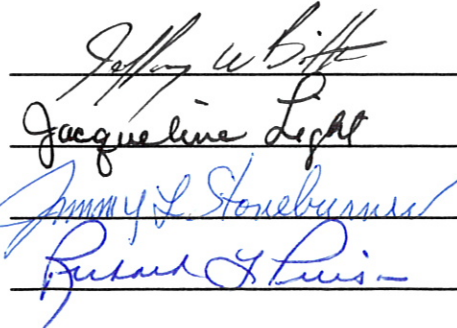
Authorized signatories for banking and investment transactions are as listed below -- two signatures required:

Jeffrey W. Bither, Chairman

Jacqueline Light, Secretary/Treasurer

Jimmy L. Stoneburner, Vice-Chairman

Richard L. Pierson, Director



Motion by Turner, seconded by Light, to approve the resolution, and that all conflicting resolutions previously adopted are hereby repealed.

COMMISSIONERS PRESENT: Bither; Stoneburner; Light; Turner

AYES: Bither, Stoneburner, Light, Turner

NAYS:

ABSTAIN:

COMMISSIONERS ABSENT: None

Motion Carried.

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I, Jackie Light, duly authorized secretary of the Gull Lake Sewer and Water Authority, attest that the above resolution was duly approved on February 26th, 2009, at a regular meeting of the Gull Lake Sewer and Water Authority Board of Commissioners.

Jackie Light  
JACQUELINE LIGHT

3/4/09  
DATE