

Gull Lake Sewer & Water Authority

7722 N. 37th Street
Richland, Michigan 49083
Phone: (269) 731-4595
Fax: (269) 731-2596
www.glswa.org

1

MINUTES OF THE FEBRUARY 28, 2013 REGULAR BOARD MEETING

Authority Board Meeting

1:00 P.M.

CALL TO ORDER/ ROLL CALL: Chairman Bither called the meeting to order at 1:00 P.M. Commissioners present were Jeff Bither, Alan Bussema, Jimmy Stoneburner and Wes Kahler. None Absent. Also present were Director Rich Pierson and Administrative Assistant Anne Richmond.

REVIEW AND SET THE AGENDA: Stoneburner made the motion to accept the Agenda as presented. Motion was seconded by Bussema. **Motion carried; all ayes.**

MINUTES OF THE JANUARY 17, 2013 REGULAR MEETING: A motion was made by Kahler and seconded by Stoneburner to accept the regular meeting minutes of January 17, 2013 as presented. **Motion carried; all ayes.**

HEAR THOSE PRESENT (Non-Agenda Items): None Present.

CORRESPONDENCE: Pierson reviewed the following correspondence:

Gull Lake Ministries Connection Fee Credits + Rec Center Water Use
Gull Lake Ministries (GLM) has inquired whether they have Connection Fee Credits to apply to other planned structures. Pierson sent them a memorandum explaining the current billing status and history. Currently, GLM owes the Authority 5.2 units (for the dormitory, Karl, Maintenance & Chapel) times the indirect Connection Fee of \$1,625 for a total of \$8,450. It may be possible that GLM can combine parcel numbers into a single parcel to allow the 'credits' from removed structures to be applied against the Connection Fees for the most recently connected buildings and/or new construction planned. Pierson suggested that GLM prepare an updated list of properties to review and compare. Water meter readings recently confirmed that the Rec Center is being billed the correct amount.

EMC – Hartleb Agency Clarification of Coverage for 2009-2010
EMC issued a corrected letter to GLSWA regarding insurance coverage for 2009-2010. It states that because the allegations of injury to the plaintiff's horse occurred within the effective dates of 1/1/09 to 1/1/10, GLSWA does have coverage under the General Liability policy for damages to the horse as well as defense costs.

HCC – Public Risk Claims Service 2003-2004 Coverage/Limitations Review
HCC Public Risk Claim Service, Inc. which administers insurance claims for GLSWA on behalf of Arch Insurance and Municipal Insurance Company sent a letter clarifying coverage and assigning defense counsel in the Bedford matter, although coverage was limited.

Sparks Letter to HCC Re: Bedford Legal Defense
Attorney Sparks advised HCC that GLSWA respectfully disagrees with their conclusions regarding limitations of the insurance coverage to apply to the claims presented in the Bedford matter.

Village of Richland-D Ave Meeting Request with Street Committee
Pierson requested a meeting with the Richland Village Street Committee to discuss how the Village would raise funds to repave D Avenue without a grant and/or sewer project. (See more discussion under Project Update-D Avenue West Project)

UTILITY SERVICE REPORTS

New Format from Antero Software Waiting Unique IDs + Speed Issue
We have not yet implemented the new Antero Work Order System due to speed issues with the software. IT Right is working on a solution.

NEW BUSINESS:

Bedford – 6291 N. 37th Street Follow-up Discussion
No update.

Gentry–30th Street Summary of Testimony
Pierson reviewed a summary of his testimony in the Gentry “High Ground Water” case against the developer. Pierson believes that the high ground water elevation was the cause of the problem. Pierson reported the jury did not award Gentry any damages from the developer.

ACH Update Customer Count
Approximately 120 (5%) of our customers have elected to pay their sewer bill via ACH. Pierson recommended that the Authority Board consider absorbing credit card fees in the future.

2013-2014 Budget Overview
Pierson distributed a draft copy of the 2013-2014 budget. This will be reviewed in more detail at the March 28th Board Meeting.

Mid-Year Staff Review March 28, 2013
These will be reviewed at the March 28, 2013 Board Meeting.

Banking-CD Resolution

Update Banking Resolutions; FDIC Ins

Richmond discussed current bank balances and noted we are above FDIC coverage limits at one location due to the expiration of the temporary full FDIC Insurance Coverage for non-interest bearing transaction accounts. A motion was made by Kahler, seconded by Bussema, to spread GLSWA funds among different banks to maintain bank balances at or below (within reasonable amounts +/-) the maximum amount insured by the FDIC (currently \$250,000). **Motion carried; all ayes.**

A motion was made by Bussema, seconded by Stoneburner, to approve the Resolution for Banking and Investment updating authorized institutions for banking and investments and the authorized signatories for banking transactions. **Roll Call Vote: all ayes; Motion carried.**

PROJECT UPDATE:

D. Avenue West Project

Draft Letter to Village of Richland

The design is completed and shovel ready, but the Village has not gone through the informational meeting/assessment process if they want to implement a sewer project. Pierson wrote a letter to Richland Village outlining available options and the associated costs and attended the January 14, 2013 Richland Village Council Meeting to review it. Recently, federal funds from KATS (Kalamazoo Area Transportation Study) became available for a D. Avenue reconstruction project. If the Village Council decision is to accept federal funds and construct public sewer, the next probable step is to select a date to hold an informational meeting with the D. Avenue property owners (April) and to advise them of the options and receive their input.

Gull Vista Plat

Sewer Design

Mr. Harris of 8741 Merrimac asked GLSWA if it was possible for him to connect to sewer and what the cost would be as the estimated cost for his new septic system is \$10,000 - \$12,000. At the last Board meeting, Engineer Wheat presented 5 possible scenarios encompassing different sewer districts. After talking again with Mr. Harris, Pierson reported that it is unlikely this project will go forward as Mr. Harris's neighbors are not supportive of a sewer project.

Cooper Township – Keyes + Riverview areas

Update

At the prior meeting, Engineer Wheat presented an update on the Cooper – Keyes + Riverview options and cost. Rural Development money is being investigated for these projects.

Lift Station Guide Rail Replacement Project

Update

Lift Station #5 was done on 9/20; #16 was completed on 12/18; #13 is next. GLSWA plans on 3 per year.

within the Authority district require each home sold in our district to have a complete camera inspection of the private building sewer, beginning within the home to the tap at the street. Such a policy would protect buyers from having problems and from contingent liability for the Authority that may occur, plus it would identify sump pumps, gravity stormwater connections and 4" pipes that have infiltration evident.
Pierson to continue to develop policy recommendations going forward.

Percival – Sump Pump Reconnection DEQ Matter
The property reconnected the sump pump to the public sewer due to a fuel oil spill. This is currently a DEQ matter. Pierson is following up on the current status.

Software – GIS – M-Power – Scanning Review Update
M-Power: Matt Winger provided 2 days of on-site training which was very helpful.
Filebound: Software training/improvements are in process.

OLD BUSINESS: STATUS UNCHANGED

Malpass, Sherman Lake Grinder Customer Sewer Back-up Liability Concern
Mr. Malpass is concerned about GLSWA's limited liability under the statutes for sewer back-ups for Grinder Pump customers where the tank, pump, and line to the street are publicly owned. *Pierson to discuss this issue with Mr. Malpass and present alternatives at a subsequent meeting to better serve our grinder pump customers if feasible.*

Manhole Inspection/Inflow/Infiltration Project Update
Postpone manhole inspections + repair of piping until Spring 2013 - staffing issues/\$\$

Grinder Lines (37th Street Only)
There is a corrosion issue with ductile iron next to copper grinder line connections and these are being remedied (wrapped or replaced with plastic). *There are 4 in Charleston yet to do.*

Charleston Township Sewer Update on Rates: Begin Cost-Benefit Analysis
80 homes +/-, +2 pumping stations; Pierson to continue with cost-benefit analysis.
Their sewer contract expires 2016.

Comstock Township Sewer + Water Update on Rates: Begin Cost-Benefit Analysis
Discussed briefly with incoming Supervisor, Ann Nieuwenhuis; Sewer contract expired.

Grease Ordinance + Enforcement Update
Pierson to review ordinances and initiate program for grease enforcement.

CMOM-Collection System Requirements Pending / Self Assessment: On-Going. CMOM stands for "Capacity, Management, Operations, and Maintenance" and is a framework for municipalities to utilize widely-accepted wastewater industry practices to better manage sewer collection systems. It is anticipated Michigan will adopt a requirement for public sewer systems to adopt and adhere to these practices. Self Assessment is on-going.

Billboard/Purchase of Consumers Energy Property Pierson Met With Representative
Pierson met with a Consumers Energy representative regarding billboard removal and/or relocation.

Easement Releases Ongoing Project-coordinate w/ scanning files to GIS.

Sewer Connection Fee Issues No response; \$8,900 Eng Fees not Paid
There has been no response from Attorney Ken Sparks letter to Attorney Swenarton as of yet. In addition, Rosenberger still owes GLSWA engineering fees of approximately \$8,900.

30th Street South Gravity Design Easement Pursuit
Easement pursuit to be accomplished by Pierson.

Water Connection Fee Issues Ongoing Project
Plan to be developed for administering water connections for Richland Township and Richland Village in order to cost-average short-side and long-side taps to the water main, preventing one side of the road paying more than the other side (where the water main is located). *Pierson to make recommendations.*

Also, need to establish adequate connection fees to provide for the replacement of watermain in the future, as the Township owns the watermain. Pierson acquiring data on the assets.

Sherman Lake Easement-Clean-up and Check Review
Pierson to review easements and check for accuracy – file in GIS system.

FINANCIAL REPORT

Purchases over \$1,000 Summary
Pierson reviewed a summary of the purchases over \$1,000.

Financial Report / Bills Paid + Payable / Prein & Newhof Billing
A motion was made by Stoneburner and seconded by Kahler to file the financial reports as presented, approve the standard bills paid, and pay the Prein & Newhof bill.
Motion carried; all ayes.

CLOSING COMMENTS

ADJOURN. NEXT MEETING THURSDAY MARCH 28, 2013: 11:00 a.m. Workshop;
Lunch; 1:00 p.m. Meeting

Chairman Bither adjourned the meeting at 1:50 p.m.

Submitted for approval



Alan Bussema – Secretary

RESOLUTION FOR BANKING + INVESTMENT

At a regular meeting of the Gull Lake Sewer and Water Authority ("Authority") held the 28th day of February, 2013, 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 (includes subsequent ownership changes):

- Fifth Third Bank (Western Michigan)
- First Community Federal Credit Union
- Chemical Bank
- Comerica Bank
- Keystone Community Bank
- United Bank
- Consumers Credit Union
- Bank of America
- PNC
- Hastings City Bank

NOW THEREFORE, BE IT RESOLVED:

The Authority Administrative Assistant 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:

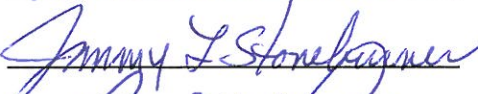
Jeffrey W. Bither, Chairman



Alan C. Bussema, Secretary/Treasurer



Jimmy L. Stoneburner, Vice-Chairman



Richard L. Pierson, Director



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

COMMISSIONERS PRESENT: Bither; Stoneburner; Bussema; Kahler

AYES: All

NAYS:

ABSTAIN:

COMMISSIONERS ABSENT:

Motion Carried.

I, Alan Bussema, duly authorized Secretary of the Gull Lake Sewer and Water Authority, attest that the above resolution was duly approved on February 28, 2013, at a regular meeting of the Gull Lake Sewer and Water Authority Board of Commissioners.



ALAN BUSSEMA

02-28-2013

DATE