

Gull Lake Sewer & Water Authority

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MINUTES OF THE MAY 6, 2014 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 Executive Director Rich Pierson, Executive Assistant Anne Richmond, Engineer Tom Wheat, Attorney Rob Thall and Attorney Roxanne Seeber.

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

MINUTES OF THE MARCH 27, 2014 REGULAR AND APRIL 8, 2014 SPECIAL MEETING: A motion was made by Kahler and seconded by Bussema to accept the regular meeting minutes of March 27, 2014 and special meeting minutes of April 8, 2014 as presented. **Motion carried; all ayes.**

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

CORRESPONDENCE:

Rolling Pines – Ms. Troff Inquiry Reply to Voice Mail Inquiry
Ms. Nancy Troff had contacted GLSWA regarding the sewer billing for the Rolling Pines Apartment Complex, as she believes the sewer bills are high there compared to her other properties and high based on the amount of water used. Pierson informed Ms. Troff that we are making progress on her issue. We expect to purchase new billing software soon which will allow us to develop rates based on meter size and consumption.

Pinto – Interlaken Follow Up on Restoration Use of Yard for LS 12 Work
Pierson checked on any additional cleanup required due to the work we did on LS 12 and found nothing evident. Mr. Pinto agreed that no further restoration was necessary.

Spencer – 510 EGLD Letter on sagging pipe – should be repaired
GLSWA assisted Mrs. Spencer's plumber in locating her 4" private building sewer line with our camera. The camera located approximately 30 feet of piping that was

improperly installed (sagged-full of water). We recommended complete replacement of Mrs. Spencer's 4" private building sewer, provided her a sketch of the 4" sewer, and billed her for the camera work.

Zoetis – Sewer Meter Inaccuracy Sewer Meters Improperly Installed
A meeting was held at Zoetis on 4/2/2014 to further discuss how to address the differential between the sewer meters and the water in + rain runoff. Pierson outlined some of the follow up items in an email to Zoetis. Next steps may include additional testing or monitoring, or relocating the sewer meters to new manholes that will be positioned such that the installations comply with the meter manufacturer's requirements.

R. Thall - Bauckham, Sparks et al Process to Select an Attorney of Record
Authority Attorney Ken Sparks retired on April 1st. Pierson asked Rob Thall and Roxanne Seeber of Bauckham Sparks to attend the Authority Board meeting so that we could learn more about each of them and their team approach.

Associated Government Services-Pole Barn Site Plan or Building Permit?
Pierson asked for clarification on whether or not we needed site plan approval again for the third Pole Barn that GLSWA is proposing to build -- since the extension term had expired on the original site plan approval and we did not build the barn in 2010-2011. He received feedback that since work had been done on the site plan over the past several years, it would be recommended that we only require a building permit.

NEW BUSINESS/PROJECTS:

Ken Sparks Retirement Presentation from R. Thall + R. Seeber
Authority Attorney Ken Sparks retired on April 1st. Rob Thall and Roxanne Seeber from Bauckham, Sparks were present to discuss their firm and their individual specialties. After the presentation / discussion, a motion was made by Kahler and seconded by Stoneburner to retain the Bauckham, Sparks law firm with Attorney Rob Thall as the lead counsel for the Authority and Attorney Roxanne Seeber as secondary. **Motion carried; all ayes.**

**Asset Management Implementation Signed Agreement with the DEQ;
Discussion on 10% Funding Gap**
Pierson informed the Board that per Authority direction and commitment, he had signed the Agreement with the DEQ for the SAW Grant. He also discussed with the Board the implications of the grant requirement to close 10% of the Asset Management funding gap. Based on recent input from Prein & Newhof, the gap can be addressed by borrowing money in the years when it is needed, so GLSWA should not need to drastically raise the rates. This borrowing vs. rate increase policy will be reviewed by the Board once the gap has been determined prior to the end of the three year grant period.

Asset Management-Prein & Newhof Contract Required
GLSWA is required by the SAW Grant to enter into a contract with any vendor that we will spend over \$50,000 for Asset Management Work. We are working on the contract with Prein & Newhof.

Asset Management-Cobra Camera Ordered \$102,914; Week of 5/27
GLSWA has ordered the Cobra Camera so that we can inspect our sewer lines for the Asset Management plan. Delivery and training will be at the end of May.

Vactor: Proposed Purchase Review of Costs/Benefits/Recommendation
Pierson reviewed with the Board his analysis / feasibility calculations on whether GLSWA should purchase a vactor enabling us to clean our own sewer pipes in lieu of contracting the cleaning (prior to video-taping). Pierson concluded that it is likely that 50% of the vactor purchase price (used vactor at under \$120,000) would be paid for by the grant reimbursement, so we would then own our own vactor, enabling us to utilize the vactor for other work after the grant period expired. We would need to hire a part-time CDL operator for the vactor. A motion was made by Bussema and seconded by Stoneburner to purchase the 2001 Remanufactured Vactor Model 2103 from Jack Doheny as proposed for a cost not to exceed \$110,000. **Motion carried; all ayes.**
Pierson to hire a part-time summer (20 week) employee with CDL to drive the vactor.

Augusta – Forcemain Redirect Cancel if Vactor Purchased
As GLSWA will be able to clean the Galesburg pipe with the vactor that we are proposing to purchase, Pierson recommended cancellation of the Augusta Forcemain Redirect Project. A motion was made by Kahler and seconded by Bussema to cancel the Augusta-Forcemain Redirect project. **Motion carried; all ayes.**

Proposed Billing + Accounting Software Request to Authorize Purchase
GLSWA needs to update our billing system as the current billing system is outdated. Pierson reviewed Utility Billing proposals from Springbrook Software and BS & A Software and a Utility Billing/Accounting proposal from BS & A Software. *Pierson to present refined cost comparisons for the proposals at the next Board Meeting.*

Pole Barn – Site Plan and Plans Proposed Sketch and Plan View
Pierson showed the Board the plans for the proposed Pole Barn. He hopes to have quotes for the next Board Meeting.

Staff Review Annual Staff Review Packet
The Packet will be reviewed at the next Board Meeting. Pierson asked the Board to approve the pay increases as proposed in the budget. A motion was made by Bussema and seconded by Kahler to approve the pay increases as proposed with the effective date May 4. **Motion carried; all ayes.**

Budget Recap with SAW Estimates Approve 2014-2015 Budget w/ SAW
 Pierson reviewed the estimated changes to the 2014-2015 budget due to the SAW Grant. SAW Grant expenditures above reimbursement amounts were estimated to be \$94,000 per the Grant Application. We plan to offset the amount with in-house services, reducing the unfunded SAW / Authority expenses to \$50,000. Pierson noted this budget did not include the part-time CDL vactor operator needed, but that cost may be offset somewhat, depending on grant reimbursement conditions. Kahler made the motion to accept the SAW Grant adjustments to the budget as presented. Motion was seconded by Stoneburner. **Motion carried; all ayes.**

Cummins Bridgeway Generator Approve 5-Year Pricing Plan
 Pierson reviewed quotes to maintain GLSWA's 20 stand by generators and 4 portable generators and recommended that GLSWA retain Cummins Bridgeway for generator servicing. Bussema made the motion to retain Cummins Bridgeway as GLSWA's approved vendor for generator maintenance for 5 years. Motion was seconded by Stoneburner. **Motion carried; all ayes.**

OLD BUSINESS: ACTIVE

Minier – 12174 N. Sherman Lake Dr Cost Estimate vs Actual
 Mr. Minier was provided a summary of the actual cost of his Grinder Pump Installation as compared to the estimate with his final bill.

Pascoe – 6074 Island Drive Awaiting Asphalt
 Mr. Pascoe's driveway was damaged during his Grinder Pump Installation. We are awaiting asphalt to repair this.

Regional Commission – City of Kalamazoo Lawsuit Filed
 Pierson reported that a lawsuit was filed the week of April 21 and GLSWA is one of 11 plaintiffs.

Air Release Valve Rebuilding Rebuild 10 Air Release Valves
 As a result of the SSO incident with the galvanized nipple, GLSWA is rebuilding 10 Air Release Valves. There are 2 yet to be rebuilt.

D. Avenue West Project Payment Received from Village
 Richland Village Council acknowledged the costs that GLSWA had requested for reimbursement (the cost of the Information Packets exceeding the planned 43 packets (\$1,359) and 50% of the Engineering costs (\$482.25)). These were expected to be paid as part of the Road Project. GLSWA has received these funds.

OLD BUSINESS: INACTIVE

Morsman – 2852 Arctic Letter Offering up to \$1,800 – Driveway Settlement
There is a public sewer manhole in the concrete drive and the area around the manhole has settled, cracking the drive. GLSWA offered to reimburse up to the first \$1,800 to repair this. Ms. Morsman contacted us to let us know that she will get quotes and get back to us. We have had no contact from the owners at 3006 Arctic.

Personnel Policy + Ethics Policy Updates
Proposed updates to be reviewed in Feb-March 2014 – now to be forthcoming.

Televising 4" Building Sewers Summary + Cost Update
Pierson indicated we had not done many 4" inspections this past three months and he was comfortable with the \$85 inspection fee at this time. We will continue monitoring and prepare a summary of findings to date for televising 4" building sewers and an update on the estimated cost in the future.

Telephone Consolidation / Savings Investigating Options
GLSWA is investigating options for a new phone system that would consolidate phones, internet and cell phones.

Apartment Flow Data-Preliminary Compilation of Data and Water Use
Ms. Nancy Troff had contacted GLSWA regarding the sewer billing for the Rolling Pines Apartment Complex, as she believes the sewer bills are high there compared to her other properties and high based on the amount of water used. At a previous meeting, Pierson presented a preliminary analysis comparing our flat rate billing assumption with actual metered water consumption for all of the multi-family complexes in our districts that are on water meters. On average, compared to metered water consumption, the flat rate charges are approximately 25% more for these properties. Pierson attended a rate study workshop on January 29 and 30th to evaluate possible rate structures as we pursue the possibility of changing to metered billing. In addition, he is studying other alternative billing methods. There is no guarantee that any of these methods would result in a lower rate. *Pierson will come back with more information over the next several months.*

Gull Lake Ministries Review of Residential Units + New Construction Plans
Tammy (GLM) and Bonnie (GLSWA) will prepare a map and address list and we will advise GLM if we have been billing inappropriately. If GLM could combine parcels, then they could remove single-family homes and construct new homes, duplexes or other (ie. Rec Center) and use the credits for reconnecting. *Pierson will lend assistance to them -- to attempt to make 4 or 5 large parcels from GLM's existing property holdings, update the map with how many sewer connection credits are on each of the parcels, allowing GLM to use the credits for new connections. Pierson will meet with our engineer and Township officials to make sure that combining existing*

parcels is the right thing to do for GLM and the Township, as he believes that tracking by parcel number is the best methodology, and the old parcel maps have many obsolete 40 and 60 foot width parcels.

Emergency Fuel Acquisition Awaiting Spring Before Purchase
GLSWA needs to have fuel readily available in an emergency for the portable generators and for our vehicles. We had been relying on local gas stations for truck gas and diesel fuel for portable generators, but a significant power outage could find us short on fuel. At a previous meeting, Pierson presented a quote for \$2,270 for 2 new 550 tanks, pumps, gages, and E vents. We received a letter from Crystal Flash regarding their emergency generator fueling. *Pierson to complete this purchase in the Spring.*

EF Ave Sewer-Old Plug Company Project Still Not Finalized
This was constructed during the week of 9/3 and inspected by Prein & Newhof and GLSWA staff. Project is not yet finalized.

2014 Sump Pump Enforcement Begin Sump Pump Enforcement
Pierson plans to begin Sump Pump Enforcement once again. GLSWA is evaluating whether to televise homeowners' 4" building sewer and if notification to the homeowner is required.

Grinder Lines (37th Street Only) Corrosion – Erosion Prevent
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 and 1 in Ross Township yet to do. These are to be done Spring 2014.

Entrance Sign-Landscaping Proposal Authorization for Landscaping-Sign
The plantings will be done in the Spring and flags for the pillars will be purchased.

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.*

30th Street Gravity Sewer-Future Design Completed; Need Easements
Per our 2008 agreement, GLSWA is obligated to construct necessary downstream infrastructure (capacity) to handle the Allen Edwin development and beyond, likely to involve a 30th Street force main and/or gravity sewer. *Pierson needs to obtain 7 easements prior to starting this gravity sewer project.* The project timeline is dependent upon the developer's build out of their phase II, which has not yet begun.

Lift Station Guide Rail Replacement Project Update
 Lift Station #5 was done on 9/20/12; #16 was completed on 12/18/12; #13 was completed on 5/15/13; #8 was completed in June and #18 has recently been completed. We were budgeting for 3 per year.

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 on a year-by-year basis.

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

1980 – 1990 Easement Releases Ongoing Project-coordinate w/ scanning files
 Established format for filing easements.

Sewer Connection Fee Issues No response; \$8,700 Eng Fees not Paid
 There has been no response from Attorney Ken Sparks letter to Attorney Swenarton as of yet. In addition, the developer still owes GLSWA engineering fees of approximately \$8,700.

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. Pierson has started this.

FINANCIAL REPORT

Financial Report / Bills Paid + Payable / Prein & Newhof Billing
 A motion was made by Stoneburner and seconded by Bussema 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 WEDNESDAY, MAY 21, 2014 at 1:00 p.m. Chairman Bither adjourned the meeting at 2:40 p.m.

Submitted for approval

A handwritten signature in dark ink, appearing to read "Alan Bussema", written over a horizontal line.

Alan Bussema – Secretary