

# **Gull Lake Sewer & Water Authority**

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## **MINUTES OF THE OCTOBER 26, 2016 REGULAR BOARD MEETING**

Authority Board Meeting

1:00 P.M.

**CALL TO ORDER/ ROLL CALL:** Chairman Stoneburner called the meeting to order at 1:05 P.M. Commissioners present were Jimmy Stoneburner, Wes Kahler, Lysanne Harna and Paul Dykstra. None absent. Also present were Executive Director Rich Pierson, Executive Assistant Anne Richmond, Engineer Tom Wheat and GIS Specialist Andrew Hartwick.

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

**MINUTES OF THE SEPTEMBER 7, 2016 REGULAR MEETING:** A motion was made by Harna and seconded by Dykstra to accept the regular meeting minutes of September 7, 2016. **Motion carried; all ayes.**

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

### **CORRESPONDENCE:**

Sullivan – Easement + Invoice      Another Reminder to Mr. Sullivan  
Mr. Sullivan was reminded again that the Authority will not be able to issue sewer connection permits for any new construction in his development until payment and signatures are received for the Easement over Unit #3.

Mark Williams-MSU      GLSWA Radio Antenna on MSU Water Tower  
GLSWA has requested to move forward with a radio antenna on MSU's water tower.

MDEQ-Asset Mgmt Presentation      Follow-up Correspondence  
Pierson followed up with the DEQ on the Asset Management Presentation he and Andrew Hartwick had shared with them on October 6.

Aaron Grogg-Email Update      Update on Vactor & Camera Work  
Aaron and Kenny worked through the night (12:00 a.m. – 8:00 a.m.) on October 6 to clean and camera 1700 ft of pipe on M43 by Hardings headed south towards Gull Meadow Farms.

Blue Cross Blue Shield                      \$412 Rebate from BCBS  
GLSWA received a \$412 Rebate from BCBS as required by the 80/20 rule in the Affordable Care Act.

Clean Earth-PICA Work Invoice      Invoice from Clean Earth to be Reduced  
GLSWA believed that the Clean Earth invoice for the See Snake work was overstated and asked for a cost reduction. Clean Earth agreed to a cost reduction of \$1,776.

C. Rose to Deng                              Excessive Water Use – 1493 Remus  
Cheri Rose worked with the owner and renter of 1493 Remus to resolve an issue of high water use at that location.

Tom Traciak-Umbaugh-SAW              Submittal of Rate Gap under SAW Program  
Tom Traciak submitted the 2.5 year financial report milestone for SAW to the DEQ on behalf of GLSWA and it demonstrated that there is no gap with current rates, therefore, no further action will be necessary related to rate adjustment in regard to SAW Grant requirements. This gives GLSWA more time to complete capital spending refinement and cash flow forecasting. Pierson noted we subsequently received official notice by the DEQ in this regard.

Kate Miller-10304 EGLD                      Teardown, Possible Rebuild  
Kate Miller was advised that if she is not rebuilding within 6 months, GLSWA requires that the 4" be disconnected from the 6" and capped at the 6" public sewer lead. If she rebuilds, GLSWA requires new 4" pipe to the 6" as a cracked pipe and roots were found when televising the 4" pipe. Pierson is working on a proposed policy to eliminate all donut gaskets (allows roots and groundwater intrusion if the 4" pipe settles) and Schedule 35 pipe (not as heavy or durable as Schedule 40) on pre-1993 installations in teardown/rebuild situations.

Powell Custom Homes                      Teardown, Attempted to Camera in 2016  
In the process of capping the 6" sewer lead for a teardown, the contractor hit water and large amounts of water/silt entered the sewer. In 2016, we attempted to clean and camera this pipe but we were unable to due to the large amount of debris. Clean Earth was called to clean the pipe. 1200 gallons of heavy material was evacuated after a full day. The Clean Earth invoice of \$3,709.40 was charged to the SAW Grant and \$360 for GLSWA Labor/Equipment was charged to the contractor.

Appelgren Builders      Re-use of 4" Denied; Require Donut Gasket Abandonment  
Camera investigation of the 4" sewer revealed a stake through the 4" upper lateral, therefore, the Authority required replacement of 30 – 35 ft of the upper lateral. The 4" went under the road to the public 6" and had a donut gasket. The Authority hired a contractor to sleeve the donut gasket rather than excavate the road. The 1<sup>st</sup> 4 ft sleeve went okay, but the following (2) 4-footers did not take so the Authority workers tunneled under the pavement and removed the 4" and made a proper ferro connection. An invoice was sent to Appelgren Builders for this work.

Harrison-9924 WGLD                      Teardown, Rebuild; Failed Joint in 4"  
 Camera investigation of the 4" sewer found a bad joint. The Authority required that the bad joint be repaired in addition to requiring that the donut gasket be replaced with a fernco connection.

## NEW BUSINESS / PROJECTS UPDATE

Policy Discussion      Policy for Re-use of 4" Pipes + Donut Gasket Abandonment  
 Pierson reviewed a draft of a proposed policy for teardowns and/or rebuilds with the goal of GLSWA to eliminate all donut gaskets (allow roots and groundwater intrusion if the 4" pipe settles) and all Schedule 35 pipe (not as heavy or durable as Schedule 40), primarily on pre-1993 sewer installations.

Michigan Dept of Treasury      3-year Deficit of Expenses Exceeding Revenues  
 GLSWA received a Request for Improvement of Deficiencies (Corrective Action Plan) from the Michigan Dept of Treasury. The issue cited by the Michigan Dept of Treasury was that expenditures have exceeded revenues for the last three years and they requested submittal of a detailed corrective action plan to resolve this. Pierson reviewed a proposed response with the Board. We believe analyzing operating revenues and expenses without the impact of depreciation is the appropriate measure for the Authority and that the Authority's operations are fiscally sound. Unless directed otherwise by the State of Michigan, we do not plan to include depreciation as a cash expense, and therefore, we do not have a Corrective plan of Action as we are in a sound fiscal position. A motion was made by Dykstra and seconded by Kahler to authorize Pierson to submit the proposed response to the Michigan Dept of Treasury.

**Motion carried; all ayes.**

Gull Lake School Admin Bldg      Award to Peters at \$30,546; Budget Amendment  
 Peters bid of \$30,546 (lowest of 3 bids) in response to the Request for Proposal-Gull Lake Public Schools Administration Building Sanitary Sewer was \$5,796 over the budgeted estimate. There was also additional cost to the project due to the MDOT requirement for Geotechwork and the inspection requirement for MDOT. Pierson asked the Board to approve a budget amendment to the Gull Lake Schools Admin Building Sanitary Sewer project in the amount of \$9,296 and authorize awarding the work to Peters in the amount of \$30,546. A motion was made by Kahler and seconded by Dykstra to authorize awarding the bid to Peters in the amount of \$30,546 and approve the project budget amendment of \$9,296. **Motion carried; all ayes.**

Ross Tower Use Agreement      Approve Agreement; Waive Legal Conflict; Expedite  
 Pierson reviewed an Agreement for Tower Use with Ross Township to allow the Authority to co-locate the Authority antenna and equipment on Ross Township's tower, and noted we needed to expedite the tower reconstruction (if possible) by paying up to \$2,200 additional. A motion was made by Harma to approve the Agreement for Tower Use, waive any conflict with legal counsel as the same legal counsel represented both parties, and authorize the expenditure of up to \$2,200 to

expedite work on the tower so that GLSWA can get the radio system working and perform data analysis. Motion was seconded by Stoneburner. **Motion carried; 3 ayes; 1 abstain (Dykstra).**

## SAW Schedule

## Updates

Presentation on SAW      SAW Presentation to MDEQ on October 6  
Pierson and Hartwick went through the SAW Presentation that they had given to the MDEQ with the Board.

SAW Grant Extension      Approve Resolution Requesting Extension  
Pierson reviewed a proposed resolution requesting a SAW Grant Extension. Harma made a motion to approve the resolution for a SAW Grant extension. Motion was seconded by Dykstra. **Motion carried; all ayes.**

SAW Assistance Request      Reviewing AM Plan document for shelf & website  
Pierson reviewed Wightman's Asset Management Plan document for "shelf" and "website". He has requested the same information from Prein & Newhof for review and will decide whether to use an engineer's template or perform the work ourselves.

## SAW work summary:

- PICA 2015 – on #1 FM      LS #1 south FM: Need to do dig verifications and repairs on South LS#1 FM North ½ of #1 FM: Level of service: Replace within 10 years?
- PICA (5) Forcemains      Initial results of 5 forcemains week of 7/11; Pierson shared with the Board the recent results of the See Snake, and noted the article about See Snake used on Gull Lake Forcemains
- Radios: Inflow/Infiltration      Best to have 4 towers: Ross-145'/GLSWA-100'/MSU-150'/Parchment ?; BB continues to work on new radios: hopefully soon begin monitoring
- PACP-Cleaning + Camera: Cont'd focus on Vactoring + Cameraing eligible pipes: \$28,000 of work in 2 mos; 38,500 ft eligible remain; plus up to 20% ineligible may be eligible = 34,000 ft
- Manhole Repairs: 1200 total; 84 under grass; 2016-80+ under asphalt; Goal not achieved
- MACP-Manhole 500 done; 700 to go.
- Clean-up of GIS      A. Hartwick cont'd work on GIS additions, easements, leads, GPS mapping, etc.
- Service Lead Addition      A. Harwick ahead of schedule on this task.
- Level of Service      Contracts with Comstock/Galesburg; Letters to homeowners, etc.

Projects-Miscellaneous                      2015-2016 Various Projects and On-Going Work

- Gilmore Farms – next phase of 240 homes +/-; requires sewer + water ext
- Plat east of Stage Coach Inn – Balwat Cottages: Ongoing – 1<sup>st</sup> Connection Made
- Gull Lake Condos – On Hold: Woodhouse Next Phase Not Yet Approved
- Cooper's Landing – 2 new buildings for 2016 – 19 Units per Building
- New 4500 sq ft bldg behind existing Mission Pte Restaurant: On-hold
- N. 32<sup>nd</sup> St: North of McDonalds - Proposed Nursing Home: On-hold
- New GL Schools Admin Bldg-Sewer installed under M-89
- E DE Avenue-Richland T: Met with L. Harma/ M. Drouin / D LaDuke

4 Outstanding Repairs-Now 2                      Update

1 Manhole is already repaired; 1 drop manhole + 1 wye yet to be repaired.

Regional Commission                      Update

Including Village of Richland (non-Plaintiff) in proposed Water Agreement.

Annual Christmas Party                      Proposed Date 12/15/2016

A motion was made by Harma and seconded by Kahler to choose Kitchen House to cater the annual GLSWA Christmas luncheon at the same budget as last year. **Motion carried; 3 ayes, Dykstra abstained.**

## OLD BUSINESS: ACTIVE

Charleston Draft Proposal      Proposal for November Board Review

The Charleston Draft Proposal will be worked on in November for Board review.

Credit Card Payments-Absorb Fees      Executed New Agreement

The new contract has been signed. Waiting assignment of Official Payments Project Manager to update interface screens and set implementation date.

Pole Barn                      Seeking Assistance to Update Design

Seeking assistance to update design for site plan submittal. Pierson noted we were seeking an alternate design person to complete and our current one failed to get the drawings completed.

CMS Easement Acquisition      Engineering Survey Work Begun

Rosenberger-Gull Lake Condos                      Resolution of pipe, manhole, engineering issues

Cooper (+ Charleston Twnp) Discussion on Acquisition of Infrastructure  
Discussion on acquisition of pipe infrastructure and pumping station.

Employee Review                      Formal Review of Staff + Mid-Year Recommendations  
 Pierson has completed the employee reviews and will go over them individually with each staff member. Annual review of Director Pierson – the Board members were asked to evaluate Pierson and forward him their evaluations. Also, Pierson requested approval for 2 weeks of vacation for Cheri Rose for 2016 and 2017 calendar years (an additional week above personnel policy guidelines). A motion was made by Harma and seconded by Stoneburner to award Cheri 2-weeks vacation time in both 2016 and 2017 calendar years. **Motion carried; all ayes.**

Metered Billing Update              Working with BS&A to coordinate databases

**OLD BUSINESS: INACTIVE** (see attached list). The Board reviewed the Old Business / Inactive list.

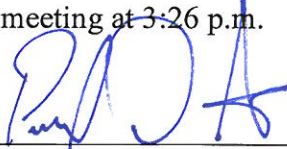
## **FINANCIAL REPORT**

Financial Report / Bills Paid + Payable / Prein&Newhof Billing  
 A motion was made by Kahler and seconded by Harma to file the financial reports as presented, approve the standard bills paid through September 30, 2016, and pay the Prein & Newhof bill. **Motion carried; all ayes.**

## **CLOSING COMMENTS:**

ADJOURN. NEXT MEETING WEDNESDAY, NOVEMBER 30, 2016, at 1:00 p.m.  
 Chairman Stoneburner adjourned the meeting at 3:26 p.m.

Submitted for approval

  
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 Paul Dykstra – Secretary

Attch: Old Business / Inactive list

No.	Item	Status
1	DEQ Purge Well discharge RP corresponded with MDEQ to initiate this.	: Wells to be shut down Spring 2016; New Agreement to be drafted; Lease payment invoiced. : Overall revenues for Authority FYE 2017 will be reduced 8% (\$100,000 +/-)
2	Rob Thall - Property Acquisition/Easements Survey work initiated.	: 2-Properties: Consumers / Gull Lake Condos + Consumers at Auth offices : Intent to acquire easement and to purchase property in front of Authority:
3	Gull Lake Authority Property Development Still awaiting redesign documents to submit to Ross	: Pierson to meet with Harma + Dykstra to make recommendation to Board on future Pole Barn / Office area expansion needs
4	Gull Lake Ministries	: RP to do review of their "non-single family" accounts (re-rate large multi-room homes) : Parcels need to be combined under common parcel number or they owe Conn Fees
5	Gilmore Car Museum - Sanitary Sewer Remove from Old Business list for Nov 2016 mtg	: GCM is "technically" within the SW BC Sewer / Water Authority jurisdiction, although GLSWA can provide gravity sewer at equal to or less than the cost for SWBCSWA to serve them
6	Galesburg - Comstock Interceptor SAW eligible - Need to get started on this	: Within main agenda
7	PICA See Snake Investigation Completed - results are in, need dig verifications + assumptions Input into SAW	: Within main agenda
8	Charleston Township Sewer Met with Charleston Twpn Board to discuss options	: Pierson is preparing documents and costs analytics to present to GLSWA + Charleston for Charleston to have GLSWA operate, maintain and administer the sewer system in Charleston.
9	1980-1990 Easement Releases SAW eligible - Anne, Cheri, Rich + Andrew on-going	: On-going filing / FileBound project, accumulating all easements under 1 file, then having the County "acknowledge" and "release" them to us (as they are in the name of the County currently).
10	Village of Richland Contract Met with D Greve, Village President to discuss delay in getting	: Contract drafted. To be reviewed and forwarded to Village for their January meeting : Contract drafted - email sent to Village President to meet and discuss utility issues
11	Sewer Connection Fee financing option	: Pierson to propose short-term Connection Fee Financing Plan for Conn Fees > \$ _____
12	Sherman Lake Easement 'clean-up / verify' SAW eligible - Anne, Cheri, Rich + Andrew on-going	: Pierson to review easements and check for accuracy - file in GIS system
13	E DE Ave sewer - Botyrius - Gleason Done - remove from Old Business list for Nov 2016 mtg	: Proposed easements + project to provide sewer to 4 properties along E. DE Avenue where Gull Creek flows under. Received DEQ + Soils permit; Amend budget + begin soon
14	Malpass, Sherman Lake Grinder Customer	: Had backflow while grinder shut off for winter : Liability / procedural decisions to be made as to what needs to be done for Sh Lk snow-birds
15	Kalamazoo Regional W / WW Commission RP obtained direction from Auth Bd on overall issues	: GLSWA is party to a lawsuit (now withdrawn) regarding rates and charges : New water and wastewater agreements are being worked on the the Commission
16	Air Release Valve Rebuilding.	: An SSO incident in July 2013 was caused by a failed galvanized nipple on an air release valve : We have rebuilt 8 of these - 2 additional to go
17	37th Street Grinder lines tapped into D Iron	: Corrosion issue with copper corrosion. : We have rebuilt 6 of these - 4 additional in Charleston Township to be rebuilt
18	30th Street Gravity Sewer - Future	: If Allen Edwin completes Phases III + IV of Gilmore Farms, new pipeline to be constructed : This will require 7 easements prior to starting the project
19	Water Connection Fees (Village / Township)	: Short-side / Long-side tap averaging should be in place for water main taps : As well as new Increased Connection Fees for water hook-ups as \$\$ will be needed
20	Mr. / Mrs. Cooper - 15968 Woodlawn Remove from Old Business list - no reply	: Portion of private sewer on someone else's property (after the property was split) : Pierson proposed an easement for the seller to sign to remedy the private pipe - no response
21	Commercial Review / Apartment/ Metered Data received - to be tabulated and sent to Rate Consultant	: Pierson is proposing to move from 200 gal/day per unit to 150 gal/day per unit, simultaneously while having metered customers have a ready-to-serve charge + a commodity charge.
22	Miscellaneous Customer Fees	: Sump pump violations : Pierson to pursue with certified mail and Misc Customer fee procedure
23	Emergency Fuel Acquisition	: Authorized last year but never purchased due to space concerns / reconfiguration : Pierson to follow up in 2015 -- now 2016
24	Manhole raising Project	Info: 160+ inaccessible; 83 + in yards, 73+ in road; Work continues: 90 in yards + 11 in road done: Preparing quotes for 2016 seasonal repairs
25	4 Repair sites: to be bid Down to 3 sites - still planned for this fall	Info: 1 drop manholes under asphalt, 1 wye under asphalt, 1 Air release Possibly be in-situ (inside pipe) repairs : \$6000 each instead of \$8000 - \$10,000 each
26	Articles of Incorporation - to be reworked Done: Awaiting spring 2017 ordinance / contracts to be proposed	: Requires ratification by each municipal board.
27	Rosenberg : on Connection Fee + Eng Inv. Discussed by phone twice w/Mr. Rosenberger	: Said he would meet with Director Pierson in the near future (this was early January)