

Gull Lake Sewer & Water Authority

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MINUTES OF THE NOVEMBER 18, 2010 REGULAR BOARD MEETING

This year GLSWA successfully renovated and added on to our facilities. A building dedication celebration and annual "CHRISTMAS LUNCHEON" was held for the Authority Board, guests and staff at noon.

Authority Board Meeting

1:30 P.M.

CALL TO ORDER/ ROLL CALL: Chairman Bither called the meeting to order at 1:35 p.m. Commissioners present were Jeff Bither, Jackie Light, Jim Stoneburner and Wes Kahler. None absent. Also present were Director Rich Pierson, Administrative Assistant Anne Richmond, Engineer Tom Wheat, Engineer Dan Frizzo, Attorney Ken Sparks, and Attorney Rob Thall. Mr. Chad Drobny was present to request that the Authority Board approve the filing of a release of lien on the Escandon property.

REVIEW AND SET THE AGENDA: Kahler made the motion to accept the agenda as presented. Motion was seconded by Stoneburner. **Motion carried; all ayes.** Pierson noted we were taking bids on our annual property, casualty and liability insurance and they would be ready for the December 16th meeting.

MINUTES OF THE OCTOBER 28, 2010 REGULAR BOARD MEETING: A motion was made by Light and seconded by Kahler to accept the regular meeting minutes as presented. **Motion carried; all ayes.**

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

CORRESPONDENCE:

Jeannie Youngs-5273 Wayne Street Suspected Sump Pump Inquiry Letter
During manhole inspections in Cooper Township, a continuous clean water flow from Ms. Young's connection into the public sewer was noted, indicating either a fairly sizable leak in her plumbing or possibly a sump pump discharging ground water into the public sewer. Ms. Youngs was informed that discharge of unpolluted drainage into the system is unlawful and she was requested to contact GLSWA to discuss whether she has a leak or sump pump so that we could provide assistance to minimize the costs of correcting any situation that may exist.

Cynthia Farmer-Sherman Lake New Connection-Reimb. of Overpayment
Ms. Farmer paid \$4,228 in advance for her grinder pump installation based on the estimated cost. The actual cost came in at \$3,341.75 and she was refunded \$886.25.

Patricia Duffy Request Easement for New Home Connection-Allendale Park
 Mrs. Duffy owns a home at 214 East Gull Lake Drive and the small "hillside" vacant lot across the street. Recently, the parcel of vacant land across the street and on top of the hill sold and the new owner would like to build a home and connect to the public sewer in East Gull Lake Drive. Ms. Duffy was asked for an easement to enable the new owner to connect to the public sewer. GLSWA made a good faith offer for the easement of \$650 since Mrs. Duffy was charged \$650 for the public sewer across the front of this lot.

Ed McCarty-9446 Fraulin Circle Inquiry About Vacant Gull Lake Lot
 Mr. McCarty inquired as to how to obtain public sewer service to parcel 391, currently vacant at the end of Fraulin Drive. A connection fee of \$3,250 is due since this property was charged front footage for public sewer service in 1980, but was not charged a "benefit fee". In addition, the sewer lead would need to be extended to the property at GLSWA's expense as this was not done with the initial project. Mr. McCarty was provided 4 possible options for service.

Veronica Crowell-Realtor Escandon Property-Release of Lien Request
 Ms. Crowell's client, Mr. Drobny, has requested that GLSWA file a release of lien for the Escandon property. Ms. Crowell was informed that GLSWA would consider doing so only upon receipt of written concurrence by our attorney, subject to Mr. Drobny paying up to \$200 for the letter, assuming our attorney again concurs that our position is not altered by filing a release.

Spalding-Bunbury Lane-Gull Lake 1 gal/min Purge Well Operation
 Mr. Spalding has set up a purging system to pump approximately 1 gallon/minute into the public sewer rather than construct, operate, and maintain a treatment/removal system for low level contaminants in his groundwater. GLSWA contacted Mr. Spalding to advise him that his quarterly cost for this service is \$455.07 and sent him the first bill for this usage which began on August 16th.

NEW BUSINESS

Review Statutory Issues on Foreclosures-Bankruptcy Thall/Sparks
 Attorney Rob Thall presented and discussed a flowchart of what happens in bankruptcy and foreclosure situations and the ramifications for GLSWA construction contracts, connection contracts, and sewer use liens. Based on the discussion, GLSWA may want to discontinue the practice of accelerating contract balances due, as our right to continue with annual payments may extend, by contract, beyond the foreclosure or bankruptcy proceedings.

Release of Lien Request on Escandon Property Update

Attorney Thall had written a letter stating that GLSWA's filing of a release of lien against this parcel does not alter GLSWA's position with regard to this matter. The bank's foreclosure of their prime mortgage on this parcel extinguished, as a matter of law, our subrogated lien on this parcel, so Attorney Thall saw no problem releasing the lien which can no longer be enforced. Attorney Thall had prepared a release of lien for Authority Board consideration that preserved our right to collect from Mr. Escandon, and preserved our right to collect Connection Fees for any future connections that may occur from the property. A motion was made by Light and seconded by Stoneburner to sign the release of lien form. **Motion carried; all ayes.** Mr. Drobny paid \$200 for legal expenses GLSWA incurred and was provided the signed release of lien to file.

Employee Mid-Year Review-Incentive Pay Request Discussion/Authorization

Pierson outlined a proposed distribution of the employee incentive pay that was set aside last year for Authority approval. Kahler made the motion to approve the proposed distribution. Motion was seconded by Stoneburner. **Motion carried; all ayes.** Pierson indicated the mid-year reviews had been completed and were both positive and informative, and our move to incorporate a new billing module with GIS interface and work order system interface would move forward during the next six months as planned.

PROJECT UPDATE:

Office Remodel & Improvements

There have been no significant expenses since the October 28th meeting. Items remaining to be purchased: (2-4) guest chairs, (2) task chairs, projector, screen, flagpole, desk and table glass, front entrance sign, commemorative plaques. Pierson is confident the project will be completed on budget.

There will be a final change order and final payment to FCC when all of the remaining issues have been resolved.

D Avenue West Project

Spring 2011-Village reimb. if no grant

If there is no grant or if the grant is rejected for this project, Richland Village will reimburse GLSWA \$6,000 in the Spring of 2011.

30th Street South Gravity Design

Easement Pursuit this Winter

OLD BUSINESS: ACTIVE

Authority Retirement Plan-MERS Option Discussion of Questions & Concerns
 This item was deferred to the next Board meeting. *Pierson to investigate potential alternatives to improve the retirement package for employees, including requirements for withdrawal restrictions and matching contributions.*

Manhole Inspection/Inflow/Infiltration 170 manholes / 1224 = 13.8%
 170 manholes / 1224 (1130 GL + 94); not including 96 cleanouts + 34 air release.
 Inspections to begin again in the spring.

MDNRE – PPP Groundwater Pumping Response from Mark Ducharme
 A possible adjustment of 10% less may be required based on empirical flow testing.
 Pierson had contacted Mark Ducharme and requested a meeting to discuss this and get a better understanding of state funding for PPP. Via a phone conversation, Mr. Ducharme indicated that budget constraints are state-wide on projects and the Richland project may be limited to an additional 1-2 years +/-.

Manholes on Pattiwood + Macywood Proposal to do Pattiwood Street
 Tustin's lowered the manholes on Pattiwood at a cost of \$1,800. In addition, Tustin's repaired two manholes in the Village bike path along M-43: South of McDonald's (at a cost of \$675) and North of McDonald's (at a cost of \$735). The Village had agreed to pay for ½ of the total cost. *Invoice for \$1,605 to be sent to Richland Village. Pierson to contact Dave Woodhouse for reimbursement of the Pattiwood manhole repair cost.*

Dunigan Brothers No response as of yet; Island guest cottage hook-up costs
 An invoice was sent to Dunigan Brothers requesting reimbursement to the Authority in the amount of \$666.50 for pipe and labor to complete a sewer connection of the guest cottage at 123 Gull Island. Pierson had asked Dunigan Brothers to make the connection since it was not done correctly (and they had been paid for allegedly doing the work) but they indicated it was not their responsibility to do the work. GLSWA corrected the problem by hiring another company and invoiced Dunigan Brothers for the work. There has been no response from Dunigan Brothers. This item will be removed from the agenda.

GIS Improvements Update: On-going project – Coordinate with Billing System Improvements
 Focus will shift to these projects since the building project is nearly complete.

Roof replacement LS #1 Update
 The roof at Lift Station #1 was leaking. Sherriff-Goslin completed the repair at a cost of \$5,000.

City of Cadillac Contract Issues

Attorney Sparks provided an update to the Board on the status of a court case regarding the City of Cadillac sewer treatment contract where the Court of Appeals (unpublished) determined the City could terminate the contract and terminate service to the Township of Haring. This case could have implications for the regional issues of the Kalamazoo Regional Water & Wastewater Commission (Ross Township, Richland Township and the Village of Richland are members of the KRWWC).

Insurance Quotes Quotes Requested for Review at Next Board Meeting

Quotes have been received from Pinnacle Insurance and Western Insurance. A quote has been requested from our current provider, the Ted Hartleb Agency. These will be reviewed at the next Board meeting as our property/casualty/liability insurance is up for renewal January 1, 2011.

OLD BUSINESS: STATUS UNCHANGED

Tammy England Update

Ms. England has stated she intends to pay her debt to GLSWA as soon as she is able.

Water Connection Fee Issues Ongoing Project

On-going project to review and establish appropriate fees in Township/Village. 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). Also, need to establish adequate connection fees to provide for the replacement of watermain in the future.

Charleston Township Sewer Ongoing Project-reviewing existing list of customers

Comstock Township Sewer + Water Ongoing Project-review w/ Tim Hudson

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

Personnel Policy Update Tentative Changes for 2010

Pierson to review retirement plan / vacation policy / hours of operation and determine if changes are needed.

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.

FINANCIAL REVIEW/ PAY BILLS

Bither noted that while the Building Renovation is displayed as a non-operating expense in the Financial Statements, it is really a capital item. A motion was made by Kahler and seconded by Light to file the financial reports as presented, approve the standard bills paid, and pay the Prein & Newhof bill. **Motion carried; all ayes.**

CLOSING COMMENTS

Pierson requested and the Board approved the following holiday schedule for GLSWA hours of operation:

GLSWA Office closed on November 25th and 26th for Thanksgiving

GLSWA Office closing at 12:00 p.m. on December 23rd through December 24th for Christmas

GLSWA Office closing at 12:00 p.m. on December 30th through December 31st for New Year's

ADJOURN. NEXT MEETING THURSDAY DECEMBER 16, 2010 at 1:00 p.m.

Chairman Bither adjourned the meeting at 2:35 p.m.

Submitted for approval


Jacqueline Light – Secretary