

## Gull Lake Sewer & Water Authority

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### MINUTES OF THE DECEMBER 19, 2013 REGULAR BOARD MEETING

The 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 1:30 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, Engineers Tom Wheat and Dan Frizzo from Prein & Newhof, Insurance Representative Geoff Lansky from the Hartleb Agency, and Insurance Representative Jason Orton from the David Chapman Agency.

**REVIEW AND SET THE AGENDA:** Kahler made the motion to accept the Agenda as presented with a revision to the topic order, discussing the SAW Grant first and then the Insurance Presentations. Motion was seconded by Bussema. **Motion carried; all ayes.**

**MINUTES OF THE NOVEMBER 21, 2013 REGULAR MEETING:** A motion was made by Kahler and seconded by Stoneburner to accept the regular meeting minutes of November 21, 2013 as presented. **Motion carried; all ayes.**

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

#### NEW BUSINESS (two-items)

**Asset Management - SAW Update – CMOM** Awaiting DEQ Approval  
 The State has offered a grant program to do an assessment of utility assets. The purpose for an asset management plan is to identify our assets, their strengths, weaknesses, risk, their replacement timing, replacement costs, etc. The application has been submitted for GLSWA. Engineer Wheat reported that grants totaling \$541 million were submitted and \$450 million is available over 3 years, so there is an 83% chance of receiving the grant. Pierson noted we would be budgeting to set up and begin the Asset Management program for April 1<sup>st</sup> new fiscal year -- regardless of the grant status, as has been discussed previously.

**Insurance Renewal** 1/1/2014 – 12/31/2014  
 The Authority's coverage is with Trident (Pinnacle Agency) and expires 12/31/2013. Pinnacle did not submit a renewal quote due to a Trident price increase for municipal. GLSWA received quotes from the Chapman Agency (Michigan Township

Participating Plan) = \$8,239, the Hartleb Agency (EMC Insurance Company) = \$13,783, and the Worgess Agency (Cincinnati Insurance Company) = \$16,647. Jason Orton from the Chapman Agency and Geoff Lansky from the Hartleb Agency were present to discuss their respective insurance proposals and answer questions. Bussema made the motion to choose the Hartleb Agency insurance proposal for 1 year. **Motion died due to lack of support.** Kahler made the motion to choose the Chapman agency proposal. Motion was seconded by Stoneburner. **Role Call Vote: Kahler-Yes, Stoneburner-Yes, Bussema-No, Bither-No; Motion Failed.** The Board agreed to choose between the Chapman Agency proposal and the Hartleb Agency proposal for 1 year by random selection. Based on the random selection, motion by Kahler, seconded by Stoneburner, to proceed with The Hartleb Agency proposal for a one year period. **Motion carried, all ayes.**

## CORRESPONDENCE:

**Zoetis – Sewer Meter Inaccuracy** Additional Correspondence with New Graph Zoetis provided an updated graph with data through October. The last three months are trending similarly, but there is still a differential between the sewer meters and the water in + rain runoff of around 1.5 million gallons per month. The decision was made to cancel the December meeting, gather more data and meet in February. Pierson noted that Zoetis had offered to perform an engineering study of the run-off area at Zoetis expense, which amount could then be added to the incoming water meter readings for a final bill, rather than use the Zoetis's sewer meters (2) which are not 'trending' consistently (except for the past 3 months). Pierson believes the in-line sewer meters should track consistently and accurately and would continue working with Zoetis to have the sewer meters record accurately.

**Bohl – Richland Machine & Pump** Clarify Televising Sewer Lateral GLSWA televised the sewer line when it needed to be located at Richland Machine & Pump and charged \$85 for this service. When Mr. Bohl questioned the invoice, Pierson wrote a letter explaining the benefit to our customers. We draw detailed maps and electronically store them plus we will stake all the way to the front door at no charge in the future as needed. In addition, we found a problem with this pipe that needed to be repaired.

**Bonwell – 600 E Gull Lake Drive** Sump Pump Policy Barry Bowman of GLSWA had a conversation with Mr. Bonwell regarding Bonwell's sump pump pumping groundwater into the sewer system. He received a quote of \$350 to correct it and asked if GLSWA still has a policy in place to reimburse half of the cost. Stoneburner made the motion, seconded by Bussema, to approve paying half of the cost to fix Mr. Bonwell's sump pump and reaffirm GLSWA's policy to pay 50% of the costs of alterations up to \$1,000--provided the disconnect is completed timely--including final inspection by our office and the right for occasional re-inspection in the future. **Motion carried; all ayes.**

#### Village of Richland – Ordinance Amendment

#### Misc. Customer Fee

The Village of Richland did not approve the Ordinance Amendment. They asked for better clarification on the Miscellaneous Customer Fee and more information on the appeal process should a customer wish to contest this fee. Pierson plans to attend their January 13<sup>th</sup> meeting in this regard.

### NEW BUSINESS:

#### Ordinance Update

#### Approved Except for Village of Richland

The Ordinance changes were adopted everywhere except the Village of Richland. Pierson will be attending the January 13, 2014 Village of Richland Meeting to address their concerns. A second publication will be needed if they approve it.

#### Insurance: Health Care

#### Reviewing Aflac

GLSWA is reviewing AFLAC supplemental insurance for all employees. This may require approval of an additional Section 125 plan and payroll deduction for employees. Stoneburner made the motion to approve offering Aflac Insurance to the employees with no contribution from the Authority. Motion was seconded by Bussema. **Motion carried; all ayes.**

#### Metered Billing for Non-Metered Customers

#### Update

Pierson obtained history data from the City of Kalamazoo and met with the City of Parchment. Pierson requested approval to attend the MRWA “Hands on Rate Study Workshop” in preparation for moving to metered billing. Bussema made the motion to authorize Pierson to attend the MRWA Hands on Rate Study Workshop for approximately \$1,000. Motion was seconded by Stoneburner. **Motion carried; all ayes.**

#### Cooper-Parchment Wastewater Agreement

#### Update

Pierson informed the Board that an agreement is being finalized to allow Parchment to flow into Cooper that has a minor obligation for the Authority as Cooper’s sewer utility administrator/operator. He will bring this to the Board for their acknowledgement when it is finalized.

#### Permits Issued

#### Comparative Listing

This will be reviewed at the next meeting.

### PROJECT UPDATE:

#### Augusta-Forcemain Redirect

#### Researching

Pierson is researching possibly redirecting the Augusta Forcemain near Galesburg High School into our gravity main to alleviate a low-flow buildup condition. Prein &

Newhof is soliciting preliminary design and contractor pricing for review. *Pierson awaiting response from Village engineers on design before soliciting pricing.*

## OLD BUSINESS: ACTIVE

Emergency Fuel Acquisition                      Letter Received; Further Investigation Required  
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 the previous meeting, Pierson presented a quote for \$2,270 for 2 new 550 tanks, pumps, gages, and E vents and indicated that he needs to negotiate a priority service agreement with Crystal Flash or an equivalent vendor. *Pierson received a letter from Crystal Flash regarding their emergency generator fueling and needs to check into this further before proceeding.*

CMOM-Collection System Requirements Pending / Self Assessment:  
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. Some of these initiatives may be covered under the Michigan SAW grant that GLSWA applied for.

- Manhole Inspection/Inflow/Infiltration Project                      Update  
Postpone manhole inspections + repair of piping until 2014- staffing issues/\$\$
- Gravity Sewer Pipe Videotaping    Update  
Determine level of repair, replacement.
- Forcemain Electronic Testing for Integrity                              Update  
Prevent accidental discharge of wastewater.
- Clean Water Elimination: Issues, Policy and Procedures              Discussion  
Met with Attorney Sparks.
- Grease Ordinance + Enforcement    Update  
Grease elimination program enforcement. Met with Attorney Sparks.
- Weather Stations Installed    Update  
All weather stations installed (4 purchased); LS date-time stamp devices installed. Data has been sent to Prein & Newhof.
- CMMS-Computerized Maintenance Management System                      Update  
Performance, inventory, pictures, etc.



- **Connection Inspections + 4" Pipe Inspections**      **Home Sale Requirement**  
There are approximately 800 homes around Gull Lake that were connected circa 1982 -- prior to inspections by GLSWA (1993 to present). The state plumbing division inspectors performed, based on our knowledge, only cursory inspections. We have found multiple significant deficiencies in these un-inspected connections both recently and historically. Pierson is contemplating a recommendation that the municipalities 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 noted this item will come off the agenda as CMOM and be included under SAW grant – Asset Management practices item.

**37<sup>th</sup> Street Force Main Assessment**      **Meeting with Vendors Regarding Forcemain**  
Our 12" five mile forcemain is the highest risk asset GLSWA has and its condition should be thoroughly evaluated, more than the spot-checking we have done over the last 30 years. GLSWA is researching how to do this and meeting with vendors / contractors regarding forcemain testing. Pierson reported that the best approach with current technology is soils evaluation and excavation every 1000-2000 feet, which has been included in the SAW grant application. Pierson noted this item will come off the agenda as CMOM and be included under SAW grant – Asset Management practices item.

**Computerized Maintenance Mgt System**      **Work Continues**  
Pierson and Richmond continue to work on loading and generating work orders and will probably pursue more training with Allmax software. This has also been placed under the SAW Grant for funding. Pierson noted this item will come off the agenda as CMOM and be included under SAW grant – Asset Management practices item.

**Billing Software Upgrades**      **Update**  
Investigating use of meter data to generate sewer use bills for customers with water.

**Televising 4" Building Sewers**      **Summary + Cost Update**  
Preparing summary of findings to date for televising 4" building sewers and an update on the estimated cost.

## **OLD BUSINESS: INACTIVE**

**Metered Billing for Apartment Complex**  
*Pierson to perform an evaluation of our apartment complexes water use records as compared to the equivalent flat rate assumptions/volumes we currently use and forward the information after the first of the year.*

McCarty-Fraulín Circle-Vacant Lot Request for Sewer Lead to Vacant Lot  
 Mr. McCarty has asked GLSWA to provide a 6" sanitary sewer lead to a vacant lot. The Authority will obtain quotes for the potential sewer lead installation and we have asked for proof that the lot is buildable. If the cost is prohibitive, Mr. McCarty may be asked to pay a portion of the cost.

Personnel Policy + Ethics Policy Updates  
 Proposed updates to be reviewed in Feb-Mar 2014.

Gull Lake Ministries Review of Residential Units + New Construction Plans  
 GLSWA met with Gull Lake Ministries (GLM) to review residential units and their new construction plans to see if they have "connection credits" due them for the single-family homes that have been removed. Tammy (GLM) and Bonnie (GLSWA) will prepare a map and address list and we will advise GLM if we have been billing inappropriately. Pierson indicated to the Authority Board that 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 try 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 with no repercussions to GLM or the Township.*

EF Ave Sewer-Old Plug Company Received Permission from City of Kalamazoo  
 This was constructed during the week of 9/3 and inspected by Prein & Newhof and GLSWA staff. Project is not yet finalized.

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 4 yet to be rebuilt.

Grinder Lines (37<sup>th</sup> 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 and 1 in Ross Township yet to do. These are to be done Spring 2014.

Concrete Repair Fix Driveways with Manholes  
 Two driveways with manholes in Cooper Township have settled causing cracked concrete + hazard to the owners. Pierson estimates the concrete repair will cost \$3,000. Awaiting price quote from Contractor. These are to be done Spring 2014.

D. Avenue West Project Invoice to Richland 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 are expected to be paid as part of the Road Project and we should receive the funds next Spring.

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.*

Kalamazoo Regional Water + Wastewater Comm.      Update  
The settlement was finalized on the FOIA case and the models were obtained. The review of the models and files is on-going.

30<sup>th</sup> 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 30<sup>th</sup> 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 expired.

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 &amp; Newhof Billing

A motion was made by Kahler 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

Pierson requested holiday time off for GLSWA employees. A motion was made by Kahler and seconded by Stoneburner to approve December 24<sup>th</sup> and 25<sup>th</sup>, December 31<sup>st</sup> 12:00 – 5:00 and January 1, 2014 as approved time off for GLSWA employees. **Motion carried; all ayes.**

ADJOURN. NEXT MEETING TUESDAY JANUARY 21, 2013 at 1:00 p.m. Chairman Bither adjourned the meeting at 3:00 p.m.

Submitted for approval

  
 Alan Bussema – Secretary