

Gull Lake Sewer & Water Authority

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MINUTES OF THE MARCH 25, 2010 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, Jackie Light, Jim Stoneburner and Wes Kahler. All present. Also present were Director Rich Pierson, Office Manager Anne Richmond and Engineer Tom Wheat. Geoff Lansky and David Bellingar from the Ted Hartleb Agency were in attendance to discuss insurance.

REVIEW AND SET THE AGENDA: Chairman Bither suggested that the discussion regarding insurance proposals from competing firms be discussed first. Pierson requested 4 minor items be added under Old Business. Light made the motion to accept the agenda as revised. Motion was seconded by Stoneburner. **Motion carried; all ayes.**

MINUTES OF THE MARCH 2, 2010 SPECIAL BOARD MEETING: A motion was made by Stoneburner and seconded by Light to accept the regular meeting minutes as presented. **Motion carried; all ayes.**

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

CORRESPONDENCE:

Dave Flook

Sequence of Project Coordination

Mr. Flook was advised that in order to have him covered under our insurance policy, it is necessary to have the building project's chain of command go through the GLSWA office rather than direct contact between Mr. Flook and the general contractor. Mr. Flook's participation was also requested at the pre-con meeting, progress meetings, weekly checks, and as needed for questions.

Two Moms and a Mop

Cleaning Schedule Interruption During Construction

Two Moms and a Mop was advised that we will be discontinuing cleaning services while the new building is under construction. As the project nears completion, we plan to solicit quotes from several companies, including Two Moms and a Mop, to provide cleaning services for the expanded facilities.

Vaccaro Lawn Service

Mowing Schedule for Office During Construction

Mr. Bob Vaccaro, GLSWA's current lawn service provider, was advised that we will not require his services for the office area at least through June +/- as the yard and site will be disrupted. When we are ready to resume lawn service, we would like to meet with him to review the new mowed areas and get a price quote.

D Avenue Letter Draft Letter for Village Consideration Regarding Project
Pierson prepared a draft letter to D. Avenue residents regarding the D. Avenue project for consideration by the Village.

D Avenue Letter Letter Sent by Village Regarding Project
Pierson presented the actual letter sent to D. Avenue residents by the Village of Richland and noted that it appears as if the Village intends to implement the road/sewer project if the federal stimulus grant monies are approved.

Sherman - Pfizer GLSWA Passing On City Flow Credit to Pfizer
Pfizer was advised that GLSWA received a flow credit from the City of Kalamazoo and was applying the ensuing credit to Pfizer against future Pfizer sewer use charges for the fiscal year ending 3/31/10.

NEW BUSINESS

Employee Review Review and establish wage budget + set aside funds
Pierson reviewed the proposed wage budget and requested approval for the wage budget number without authorization of any changes to employee compensation at this point, as he has not had time to do the annual "March" employee review. *Pierson will complete employee reviews and present them to the Board next month for consideration and approval of any changes to employee compensation.*

The unaudited estimated 2010 FYE surplus is \$114,549. This would result in \$13,608 to be set aside for the employee incentive fund based on the approved formula. Since the Board approved \$6,270 to be set aside in 2009 FYE even though there was a deficit due to the City lookback charge, Pierson recommended accrual of \$7,338 (\$13,608 - \$6,270) into a wage sub-account liability for October 2010 consideration. When accompanied by the unused amount currently in the account, this would allow for consideration of employee incentive this coming October similar to the October 2009 amount, subject to review of goals and objectives/achievements and recommendation by Pierson.

Budget Review 2010-2011 Budget for Review and Approval
Pierson reviewed the 2010-2011 budget packet. Pierson explained the Master Flow calculator he developed to compute the estimated treatment cost (almost 50% of GLSWA's budget) based on historical flows, estimated industrial and purge well flows, and the rate charged by the City. Based on this worksheet, the estimated treatment cost for 2010-2011 is \$503,000. The total expense budget for 2010-2011 is \$1,077,883. The total revenue budget is \$1,143,488, with a tentative surplus/contingency of \$65,605. Kahler made the motion, seconded by Light, to set the 2010-2011 Revenue and Expense Budget as reviewed and authorize accrual of \$7,338 into a wage sub-account liability for the FYE 2010 employee incentive fund for 2010 consideration. **Motion carried; all ayes.**

IT Right Remote Backup Agreement Revised Contract for Review & Approval
 A revised contract was sent to Mr. Dan Eggelston for his approval on March 10, 2010. He indicated he would sign and return the contract after reviewing it with his insurance agent, but we have not yet received it. He did provide a backup report for the last 30 days and said that things are running nicely.

Auditor Contract-3 Year Proposal Recommend Renewal as Proposed
 Stoneburner made the motion, seconded by Kahler, to approve Seber Tans, PLC as auditor for GLSWA per the terms of the proposal they submitted for fees expected not to exceed \$6,200, \$6,400, and \$6,600 for the years ended March 31, 2010, 2011, and 2012, respectively. **Motion carried; all ayes.**

Election of Officers Current:Chair-Bither; Vice-Chair-Stoneburner; Sec-Treas-Light
 A motion was made by Kahler and seconded by Stoneburner to elect Jeffrey Bither as Chairman, Jimmy Stoneburner as Vice Chairman, and Jacqueline Light as Secretary/Treasurer of the Gull Lake Sewer & Water Authority Board. **Motion carried; all ayes.**

PROJECT UPDATE:

Office Remodel & Improvements

Temporary sign approval was received from MDOT.
 GLSWA personnel will be moving into a temporary trailer the week of March 29, 2010 until the office remodel project is complete (early August). An alternate location will be necessary for Board Meetings – Richland Township was discussed as a possible location.

Brick selection; well horsepower-volume selection are some of many decisions to be made.

The contract was signed with FCC after attorney approval and receipt of Performance and Payment Bonds.

Stoneburner made the motion, seconded by Light, to approve Pay Request #1 from FCC in the amount of \$4,190.40. **Motion carried; all ayes.**

D Avenue West Project Update on Design Status
 Engineer Wheat reported that the project plans are near completion. The government funding bill has not yet been passed. Pierson drafted a letter to Richland Township and the Village of Richland requesting an easement for the Richland Community Hall. Stoneburner made the motion, seconded by Kahler, to authorize *Pierson to prepare language in a separate letter or resolution that allows GLSWA to acquire the easement as a "donation", fully apprises the Board + Council of their rights under the Uniform Condemnation Act, has the Board + Council waive that right, yet provides that we will pay \$6,000 for the easement in lieu of an appraisal and as an advance payment against damages we believe will occur.* **Motion carried; all ayes.**

30th Street South Gravity Design
Ongoing.

Update on Design Status

OLD BUSINESS

Manhole Inspection/Inflow/Infiltration Ongoing Project – 2010-2012 +
Pierson reported that he is targeting April for the beginning of this project. GLSWA is currently reviewing manhole camera options and is planning to tag along on a manhole inspection in the Spring to see how a view camera works and how it could be used as part of our GIS project.

Tammy England \$1,500 Status
Pierson left a message for Ms. England asking about the status of the payment, but has not heard back. *Pierson to check again.*

Insurance Proposals-Competing Firms Update
Geoff Lansky and David Bellingar of the Ted Hartleb Agency were present to explain the benefits of their insurance coverage including the value of “injunctive relief” which is not part of the “Par Plan” proposal submitted by Western Insurance Agency. GLSWA currently has insurance with the Ted Hartleb Agency and does not plan to change until at least January, 2011.

Sewer Connection Fee Issues No response yet
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 \$8,000. Wheat indicated he has not billed GLSWA for some of the work. Pierson directed him to submit the bills to GLSWA for payment.

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.

Augusta Flow Issues

Augusta has agreed to initiate Lift Station #1 protection and pay ½ in the form of a credit to GLSWA who will pay the upfront cost.

Personnel Policy Update

Tentative Changes for 2010

Pierson to review vacation policy / hours of operation and determine if changes are needed. This will be reviewed at the April meeting.

GIS Improvements

On-going project

Jon Scott

Pump Station Electrical Use for Laundromat

Gull Lake View has requested permission from GLSWA to use power from the Consumers side of our electric meter at Pump Station #27 to address power surge problems at the Gull Lake View laundromat. The proposed solution is to allow Gull Lake View at its cost to install a new power feed from our disconnect to the laundromat and change the electrical billing for Pump Station #27 to be in the name of Gull Lake View. GLSWA would then pay Gull Lake View for power use based on past history or consumption or other formula. Pierson reviewed the proposed agreement with the Board. GLSWA is to pay the Gull Lake View \$75 / month per the proposed agreement. Stoneburner made the motion, seconded by Kahler, to approve the agreement with Gull Lake View. **Motion carried; all ayes.**

Scott Borling, City Clerk

Review of Minutes for Kalamazoo City Commission

Pierson reviewed the proposed minutes of the January 11th workshop and the January 19th regular meeting regarding utility rates and wrote a letter on February 1, 2010 to Mr. Scott Borling, Kalamazoo City Commission Clerk, with comments to be included for the record. Pierson reviewed the record and determined it is correct as it stands.

Bruce Dean, Ross Township

Sullivan Sewer Lead + Connection Fee Issues

The township received an application for construction of a residence on Unit #5, Gull Harbor Point. The Township is requiring that the infrastructure must be in place before going forward with any construction. Mr. Sullivan met with Pierson and indicated he would implement the plan to construct service to lots 4, 5 and 6.

Proposed Visit from Gr. Traverse BPW

Informal Meeting

Grand Traverse County Department of Public Works thanked GLSWA for meeting with them to discuss how the Authority was formed and how it works.

FINANCIAL REVIEW/ PAY BILLS

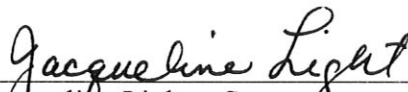
A motion was made by Kahler and seconded by Light to file the financial reports as presented, approve the standard bills paid, and pay the Prein & Newhof bills as presented.

Motion carried; all ayes.

CLOSING COMMENTS

ADJOURN. NEXT MEETING THURSDAY APRIL 22, 2010 at 1:00 p.m. with the location to be determined. Chairman Bither adjourned the meeting at 2:30 p.m.

Submitted for approval


Jacqueline Light – Secretary