

Gull Lake Sewer & Water Authority

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1

MINUTES OF THE JUNE 28, 2012 REGULAR BOARD MEETING

Authority Board Meeting

10:00 A.M.

CALL TO ORDER/ ROLL CALL: Chairman Bither called the meeting to order at 10:00 A.M. Commissioners present were Jeff Bither, Jackie Light, Jimmy Stoneburner and Wes Kahler. None absent. Also present were Director Rich Pierson, Administrative Assistant Anne Richmond, Engineer Tom Wheat, and Richland Township Supervisor, Alan Bussema.

REVIEW AND SET THE AGENDA: Stoneburner made the motion to accept the Agenda as amended, adding the request to purchase a new lateral sewer camera. Motion was seconded by Kahler. **Motion carried; all ayes.**

MINUTES OF THE MAY 24, 2012 REGULAR MEETING: A motion was made by Kahler and seconded by Light to accept the regular meeting minutes of May 24, 2012 as presented. **Motion carried; all ayes.**

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

CORRESPONDENCE: Pierson reviewed the following correspondence:

To: Ron Major, Dan Wood Company Letter of Determination
Pierson informed Mr. Major that at the May 24th Board Meeting, the Board approved payment-in-full to Dan Wood Company of \$5,331.55 for the work done to find Mr. Lawicki's sewer lead.

To: Ron Major, Dan Wood Company Legal Counsel Response
Legal Counsel for Dan Wood Company responded that they will accept \$7,331.15 in full and final satisfaction of the balance owed.

To: Ron Major, Dan Wood Company Authority Response
Pierson acknowledged receipt of the proposed settlement of \$7,331.15 and will recommend acceptance at the June 28th Board meeting. After discussing the proposed settlement for the sewer lead excavation work at 7821 N. 37th Street, a motion was made by Light and seconded by Stoneburner to approve payment to the Dan Wood Company of \$7,331.15. **Motion carried; all ayes.**

UTILITY SERVICE REPORT

We intend to implement a routine monthly maintenance report for the Board using our Antero Work Order system. This has not yet been initiated.

NEW BUSINESS:

Rural Water Membership - \$575

Invoice for Annual Dues

Michigan Rural Water Association dues are \$575. We spend \$300 for memberships to the national organizations of the American Water Works Association and the Water Environment Federation nor do we have a water system. Motion was made by Stoneburner and seconded by Light to not continue membership with the Michigan Rural Water Association. **Motion carried; all ayes.**

Review of Rate Recommendation

Review Presentation to Municipalities

Pierson reviewed the presentation he will be giving the municipalities. He began with a discussion on Goals & Objectives, the 2012 + 2013 Budget + Rates Review and a Level of Service Discussion then presented the Rate Increase Proposal and the Ordinance Update Recommendation.

Review of Financial Forecast

Rate Recommendation

Pierson reviewed the financial forecast model and the impact of various rate increases on the budget projections. The recommendation is to increase the sewer rate from \$65/qtr to \$70/qtr on 10/1/2012, then to \$74/qtr on 10/1/2013, then to \$78/qtr on 10/1/2014. Thereafter, a 3% rate increase each year has been plugged into the model to maintain pace with inflation.

Draft Letter to Customers

Rate Increase Discussion

Pierson assumes the Board will want a letter to go to each customer class (single-family home, commercial and grinder) prior to the municipalities actions to increase the rate. He presented a draft letter for discussion. *Pierson to modify the rate increase letter based on the Board's input and resubmit prior to the July 19th meeting.*

Ordinance + Rate Adjustment Time Schedule

October 1st Effective Date

GLSWA is proposing changes to the ordinance and the implementation of a rate increase to be effective October 1, 2012. Pierson reviewed the schedule of implementation with the Board. Pierson will present the rate increase and ordinance change recommendation at the Township and Village meetings per the proposed schedule for their approval prior to the proposed October 1, 2012 effective date.

Staffing Schedule + Updates

Review New Hire Process

Pierson informed the Board that Aaron Grogg has accepted our offer of employment for the Maintenance Assistant position and will start on July 9, 2012.

Purchase Lateral Sewer Camera

Replace Existing

Bowman has requested replacing our existing lateral sewer camera that we use to verify building sewer connections and locate homeowner pipes, etc. The newer versions have better recording and camera capabilities. The existing one was scheduled to be replaced in 2017. Pierson indicated that we had a buyer for the existing one for \$1500, the new one was \$8900 and we have \$5360 set aside. Motion by Kahler, seconded by Stoneburner to approve up to \$2000 from capital / replacement funds to purchase. **Motion carried; all ayes.**

PROJECT UPDATE:

Lawicki-Mumy restoration costs

Estimate Updated

Subject to settlement with the Road Commission, the estimate of the total cost for the lead search and installation for 7821 N. 37th St. is now \$15,817.

Grinder Lines (37th 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). A total of 11 grinder connections will be investigated and repaired at a total cost estimate of \$5,000-\$7,000. There are 4 in Charleston yet to do and 1 in Ross with approximately \$3,000 of costs incurred for contracted services to date.

Lift Station Guide Rail Replacement Project

We have done 13 out of 25 and still have 12 to go. We are averaging 3-4 per year at an average cost of \$2,200 each. This year we plan on replacing the guide rails at Lift Station 5 and 16 as a minimum. Others will be done as time + staffing allow.

Groundwater – Clean Water Elimination

Update

GLSWA will study Cooper Township rainfall and pump data + 3 areas on Gull Lake. We hope to use this study to justify spending money in other areas. All weather stations have been installed. Lift Station recording elapsed time meters have also been installed.

Manhole Inspection/Inflow/Infiltration Project

Update

Postpone manhole inspections + repair of piping until 9/1/2012 or beyond due to staffing issues and our inability to complete the work discovered during inspections.

D. Avenue West Project

MDOT Funding Opportunity – No Action

There was an opportunity for Richland Village to obtain MDOT funds for the D. Avenue West Sewer Project. The design is completed and shovel ready, but the Village has not gone through the informational meeting/assessment process. Pierson suggested for Village Council consideration that it might be appropriate for GLSWA to mail out information based on a “target special assessment” of \$7,000 and hold an

informational meeting for the D. Avenue residents providing the Council feedback from the affected property owners so that the Village could commit to a project should funds become available again. Pierson and Lewis (P/N) presented the road and sewer issues at the June 2012 Richland Village Council Meeting. The informational meeting will probably not be until October – November.

Office Remodel & Improvements

Update

Front entrance sign/flagpole yet to be acquired – the design is in process; front entrance landscaping; three additional chairs. Pierson indicated that the sprinkler system (iron sequestering) appears to finally be working consistently.

OLD BUSINESS: ACTIVE

Software – GIS – M-Power – Scanning Review

Update on 2012 IT Plans

We will likely purchase the Microsoft Search Server and “on-ramp” software, and the board has approved replacing our copier 3 years ahead of schedule for our document management needs to be able to scan all of our paper files into electronic copies and be able to access them. We will be trying out the Minolta copier next month.

OLD BUSINESS: STATUS UNCHANGED

Charleston Township Sewer

Update on Rates: Begin Cost-Benefit Analysis

Pierson to continue with cost-benefit analysis. Their sewer contract expires 2016.

Comstock Township Sewer + Water

Update on Rates: Begin Cost-Benefit Analysis

This item is on hold.

Grease Ordinance + Enforcement

Update

Pierson to review ordinances and initiate program for grease enforcement.

CMOM-Collection System Requirements Pending / Self Assessment: On-Going.

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. Self Assessment is on-going.

Kalamazoo Regional Water + Wastewater Comm. Update

The FOIA lawsuit is awaiting a court date. The discovery process is ongoing to obtain rate model. Pierson indicated the Commissions rate consultant is now turning his attention to the sewer rate model and there appears to be inconsistencies within the sewer model as well.

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

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

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.

30th Street South Gravity Design Easement Pursuit
Easement pursuit to be accomplished by Pierson.

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).
Also, need to establish adequate connection fees to provide for the replacement of
watermain in the future, as the Township owns the watermain.

Sherman Lake Easement-Clean-up and Check Review
Pierson to review easements and check for accuracy – file in GIS system.

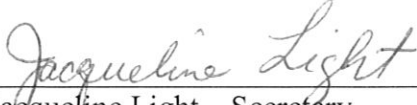
FINANCIAL REVIEW/ PAY BILLS

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 bill. **Motion
carried; all ayes.**

CLOSING COMMENTS

ADJOURN. NEXT MEETING THURSDAY JULY 19, 2012 at 1:00 p.m. Chairman Bither
adjourned the meeting at 11:20 a.m.

Submitted for approval


Jacqueline Light – Secretary