

## **Gull Lake Sewer & Water Authority**

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### **MINUTES OF THE SEPTEMBER 30, 2009 REGULAR BOARD MEETING**

Authority Board Meeting

2:00 P.M.

**CALL TO ORDER/ ROLL CALL:** Chairman Bither called the meeting to order at 2:00 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. Kim Gildea was present to make a request to the Board. Auditor Robert Loftus arrived later in the meeting to discuss the 2009 FYE GLSWA Audit.

**REVIEW AND SET THE AGENDA:** Pierson added three items to the agenda under New Business: request to attend a Rate Conference, on-call pay, and the audit. Stoneburner made the motion to accept the agenda as amended. Motion was seconded by Light. **Motion carried; all ayes.**

**MINUTES OF THE AUGUST 27, 2009 REGULAR BOARD MEETING:** A motion was made by Kahler and seconded by Light to accept the regular meeting minutes as presented. **Motion carried; all ayes.**

**HEAR THOSE PRESENT (Non-Agenda Items):** Kim Gildea, representing Crossroads Building Corporation, was present to discuss his request to release the lien for the Sewer Construction Contract payment on Unit 12 of Bay Arbor and apply the amount to another unit.

After much discussion and agreement by Mr. Gildea, a motion was made by Light and seconded by Stoneburner to authorize the release of the lien on Lot 12 subject to the following conditions:

1. The lien of \$13,069.23 would remain on Lot 4.
2. The lien on Lot 8 would increase from \$4,356.41 to \$13,069.23.
3. The lien on Lot 11 would decrease from \$13,069.23 to \$4,356.41.
4. The lien on Lot 14 would increase from \$4,356.41 to \$17,425.64.
5. The liens will be adjusted in the future to reflect any invoice payments made by Mr. Gildea.

**Motion carried; all ayes.** Prior to the motion Mr. Gildea stated that increasing the liens on the above Lots is acceptable as he has title to these properties.

### CORRESPONDENCE:

Kelly Kievit                      30<sup>th</sup> Street Storm tube issues

Ms. Kievit contacted GLSWA for help with water-ponding issues at her residence on 30<sup>th</sup> Street. Pierson informed Ms. Kievit that GLSWA is not responsible for “monitoring” or “policing” storm drains and referred her to the Kalamazoo County Road Commission for assistance with the culverts and the Kalamazoo County Drain Commission for assistance with the Engelwood plat pond and any associated piping in hopes they can better respond to her questions on monitoring and protection from tampering.

Eric Kausrud                      Sewer Hookup at 8221 Engelwood

Mr. Kausrud was advised that the contractor he retained to connect the sewer at 8221 Engelwood did not call GLSWA for inspection and did not use the proper pipe. A resolution was offered in lieu of redoing the work. If the resolution is not satisfactory, GLSWA will require the contractor, Mr. Taplin, to redo the work and provide GLSWA the opportunity to witness it.

Terri Mellinger                      New Server and Web Service

Terri Mellinger, the current web service provider for GLSWA, was asked for assistance in using the web host site for our smtp server since our in-house notification to our on call personnel was disabled when our internet provider, TDS, switched to Google g-mail. Ms. Mellinger had not yet responded.

Rosemary Woodward      Engelwood Water Invoice

Rosemary Woodward, Richland Village Clerk, agreed with GLSWA's proposal to deduct the \$300 GLSWA paid to the City of Kalamazoo for water inspection at Spruce Lane from future annual water indirect fee payments to the Village.

Terry Vlieg Generator Service Questions-Answers

A list of questions regarding the proposed service to our Onan generators was sent to Terry Vliek and Cummins Bridgeway. After discussing the responses, a motion was made by Kahler and seconded by Stoneburner to authorize GLSWA to sign a 5-year generator service agreement with Cummins Bridgeway as quoted. **Motion carried;**  
**all ayes.**

Howard Overbeek      New Office Specifications and Design

GLSWA advised Mr. Overbeek of our decision to proceed with another designer/contractor and thanked him for his time and advice.

Jeff Heppler Request Consideration on Interest Charged GLSWA

GLSWA recently had to pay an additional \$9,492 in penalties and interest when delinquent amounts received had to be paid back to Kalamazoo County. GLSWA enlisted Commissioner Heppler's assistance to have the Kalamazoo County Board of Commissioners review situations where penalties and interest have to be paid to the

County by another public entity and consider making an adjustment for some relief to GLSWA and other public entities in these situations.

B-Dry Systems of SW MI      Request Customer List-Sump Pump Search  
GLSWA requested and received a customer list from B-Dry Systems. *Pierson to develop procedure to contact these homes and determine if ground or storm water is incorrectly connected to the public sewer.*

Drain Commissioner      30<sup>th</sup> Street Water Level Issues  
Drain Commissioner Patricia Crowley responded to 30<sup>th</sup> Street resident Mark Lester's concerns stating that dewatering associated with the sewer installation cannot be associated with the continued high water he is currently experiencing and that his situation is a common one in the region as this year we are experiencing a 30 year high water table.

ITC      Permission to Construct Asphalt Drive  
Notification was received from ITC that the asphalt driveway proposed by GLSWA has been approved. GLSWA is still waiting on the easement from Consumers Energy.

## PROJECT UPDATE:

Office Remodel + Improvements      On-going by Mason / Swanson  
Pierson reviewed the proposed exterior concept of the office remodel.

30<sup>th</sup> Street South      Forcemain or Gravity from Engelwood-Water Tower  
No updates.

## NEW BUSINESS

England Septic Repair      Request Confirmation of \$1,500 repair for Sh. Lk home  
Pierson had authorized an investigation and repair of Ms. England's septic system as a temporary measure to provide relief from constant sewage-in-the-home issues. The cost was \$1,500. The Health Department is requiring that Ms. England connect to the public sewer no later than May 1, 2010, however, she may be requesting additional time as her septic tank is now functioning. Pierson is proposing that a "special assessment district of 1 property" is an option for her to repay our costs and pay for connecting to the public sewer as is likely necessary. The Board noted that the amount to be repaid should also include the legal/publication costs associated with this process. Ross Township would levy the special assessment against her property and she would have 10-15 years to make the payments. A motion was made by Stoneburner and seconded by Kahler to confirm the \$1,500 spent to repair Ms. England's septic system and direct Rich Pierson to prepare the special assessment for Ms. England. **Motion carried; all ayes.** Chairman Bither suggested this process

might be a good marketing tool for other Sherman Lake residents that want to connect to the sewer but are unable to pay the costs upfront. *Pierson will investigate this.*

New Server+Network PC's & Peripherals Request Confirmation of \$10,500 expense  
Pierson reviewed a quote from IT Right for a New Network, 4 PC's, Web site set up and annual service. As stated in his September 22, 2009 memorandum, it was necessary to order the server (items a & b) prior to the Board meeting to solve an alarm system problem. Pierson noted items a-h were included in the long-term capital budget approved last September. A motion was made by Light and seconded by Stoneburner to confirm spending for items a & b and authorize spending for items c-h as reviewed on the IT Right Quote. **Motion carried; all ayes.**

Personnel - Maint. Asst. #2 Request Confirmation of Elimination of Position  
A motion was made by Kahler and seconded by Light to authorize the elimination of the Maintenance Assistant #2 position and authorize the Director to have the remaining field staff incorporate this work into their daily routines, effective October 1, 2009. **Motion carried; all ayes.**

Generator Contract Request approval of Bridgeway Power 5-yr Renewal  
See discussion under Correspondence, Terry Vliek.

Commercial Review Summary Sheet for Approval + Letters to be Sent  
Pierson reviewed a summary sheet of changes resulting from the commercial review and letters that will be sent out as a result. The commercial review resulted in a gain of 8.81 units, however, 63 units will be lost when Brooklodge closes on December 31, 2009. A motion was made by Stoneburner and seconded by Light to send the letters and make the changes as indicated on the Commercial Review Summary Sheet. **Motion carried; all ayes.**

Rate Methodology Conference Request Approval  
A motion was made by Light and seconded by Kahler to authorize Rich Pierson to attend a Rate Methodology Conference with GLSWA funding approximately \$909 of the trip expense contingent upon receiving the rest of the funding from Regional Commission and South County. **Motion carried; all ayes.**

On-Call Pay Discussion  
Pierson reviewed compensation options for on-call personnel as GLSWA will again be moving to a 3-man rotation, which impacts the annual compensation for the two employees who have shared on-call duties since 2004 (when we reverted to two-man from three-man rotation). This will be reviewed at the next meeting.

Audit Request Approval to File  
Robert Loftus from Seber Tans, PLC reviewed the audited financial information for the FYE March 31, 2009. GLSWA is in a strong financial position in terms of capital assets relative to debt and is generating cash flow from operations. Absent depreciation, the Authority had a (deficit) of operating revenues over expenses of

(\$21,578) in 2009. This compares to a surplus of \$84,600 in 2008. Operating costs increased primarily due to a “true up” (look-back) treatment charge billing for \$107,039. The audited financial information includes a \$170,000 write-down of assessments receivable (contract receivable) as a result of a foreclosure. A motion was made by Light and seconded by Stoneburner to file the audit as indicated.

**Motion carried; all ayes.** The Board thanked Robert for his presentation. Robert commented on the excellent work and constant improvements that Anne Richmond continues to do with our financials.

## OLD BUSINESS

Discussion on Connection Fees      Rosenberger-Received letter from Attorney Attorney Jeffrey Swenarton provided in a letter to Attorney Sparks Mr. Rosenberger’s position on connection fees as expressed in a recent meeting. Attorney Sparks met with Pierson and Richmond to evaluate the response and suggested meeting with Attorney Jim White for further insight. This meeting is scheduled for October 7. Pierson expressed his belief that the connection fee issue needs to be resolved prior to going forward with a proposal for a Charleston Township connection fee district. *Pierson to update the Board at the October 29 meeting.*

Charleston Township      Special Connection Fee District Update  
This item has been put on hold pending the resolution of the connection fee issue.

Inflow / Infiltration      Ongoing Project-received list from B-Dry Systems

Charleston Township Sewer      Ongoing Project-reviewing existing list of customers

Water Connection Fee      Ongoing Project-no contract yet w/ City of Kalamazoo

Pfizer Farms      New Building-connection fee under review

Driveway Maintenance Request      Lift Station #18-no new information

Easement Releases-Kzoo + Barry      Ongoing Project

Augusta Flow Issues      Brooklodge not providing data - meter out of service

## FINANCIAL REVIEW/ PAY BILLS

A motion was made by Stoneburner 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 OCTOBER 29, 2009 at 1:00 p.m. unless otherwise notified. Future meetings scheduled for Tuesday, November 17, 2009 and Thursday, December 17, 2009 (with the Christmas luncheon). Chairman Bither adjourned the meeting at 3:42 p.m.

Submitted for approval

  
Jacqueline Light – Secretary