

SOUTH COUNTY SEWER & WATER AUTHORITY

(Townships of Brady, Pavilion and Schoolcraft, and the Villages of Schoolcraft and Vicksburg)
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DRAFT: submitted for approval on Nov 27, 2018

Authority Regular Meeting Minutes Tues. October 30th, 2018 9:30 am Pavilion Twp. Hall

Regular Meeting was called to order at 9:30 a.m. by Board Chairman John Speeter (Pavilion Township Supervisor). Present were Vice Chairman Tracy Locey (Brady Township Supervisor); Secretary/Treasurer Don Ulsh (Supervisor, Schoolcraft Township); Trustee Keith Gunnett (Village of Schoolcraft Council President) and Trustee Bill Adams (Village of Vicksburg Council President). Also present were Director Rich Pierson (by phone); Administrator Cindy Chapman; Engineer Alan Smaka (WAI); Frank LaPierre & Andrew Rudd (WAI.); and Guests, John Stodola (Village of Schoolcraft-Trustee), Kevin Decker (Decker Agency), Tim Hudson (Kalamazoo Regional Wastewater) and John Gisler (Kalamazoo County Commissioner).

Review and Set Agenda -

The agenda was presented for review. Motioned by Adams, seconded by Gunnett to accept the agenda as presented. **Motion carried; All Ayes.**

Review of Minutes-

The draft minutes of 9-25-18 were presented for review. Motioned by Ulsh, seconded by Locey to approve the minutes as presented. **Motion carried; All Ayes.**

Hear those present- Gisler noted the 2019 Kalamazoo County budget had been approved for 91.3 million.

General Correspondence-

From: Michigan Department of Treasury- the Authority received a letter with Request for Improvement of Deficiencies - Correction Action Plan with regard to our 2018 Audit report.

To: Michigan Department of Treasury- a draft letter in response to the Correction Action Plan request above was presented to the Board for approval. Motioned by Adams, seconded by Locey to approve the response letter and forward to MI Dept of Treasury. **Motion carried; All Ayes.** *Chapman to forward letter to the MI Dept of Treasury.*

Project Status:

- WAI US-131 Feasibility Study/USDA-RD- Smaka/Rudd updated the Board members on next steps related to USDA-RD funding and project implementation/engagement plans.
- Sprinkle Rd. Gravity Extension- Pierson, Smaka, Speeter and Chapman met with Jim Mallery, Prein & Newhof Engineers and Vicksburg DPW to discuss options available in achieving the Village of Vicksburg goal to obtain increased flow capacity for anticipated growth (Mill project) on Sprinkle Rd as it enters the City of Portage. The group will meet again to further discuss on November 7th. Pierson presented a sketch drawing that explained the complexity of the piping and the options available.

New Business-

- R. Pierson Contract exp 12/31/18- Pierson had prepared, for Board review, a letter regarding his

current status as “Interim Director: and the inability for renewal upon its expiration 12/31/18. Speeter noted on behalf of the Board that the Authority will miss the direction, insight and historical knowledge Pierson has shared with Authority over the last 20+ years. Pierson recommended the Board form a search committee to fill his position beginning January 2019. Motion by Adams, seconded by Locey, to create a Search Committee. **Motion carried, all ayes.** Speeter, with Board consensus, appointed himself, Locey, and Chapman.

- Office internet/equip issues- Speeter noted Chapman's position as Administrator has taken on a new level of duties as the SAW, US 131 project, Sprinkle Rd Ext and Clean Water Infiltration Elimination Programs are now underway. He suggests the position/wage be re-evaluated at this time. Pierson suggested the same committee working on filling the Director position also cover the Administrator evaluation and including the office space evaluation. Speeter, with Board consensus, suggested the Search Committee also review these issues as well.

Old Business

- Asset Management (SAW Grant)- WAI update
 - Lift Station Condition Assessments- These were completed under the Asset Management Grant and a list of needed repairs was prepared. Lift Station repairs on all stations will be addressed as a new O&M Agreement is formed. Rudd noted the LS repairs are not crucial to the operation of the Lift Stations.
 - Meter Modeling Plan- Andrew Rudd (WAI) noted the Meter Modeling schedule from JP Motors will be updated at the November Board meeting.
 - SAW Distribution/Expense DR #3- Included in the packet was SAW Distribution Packet #3 in the amount of \$39,387.55, covering WAI engineering fees and LS assessment fee submitted. Motioned by Locey, seconded by Adams to approve DR#3 and the expenses submitted for payment. **Motion carried; All Ayes.**
- Clean Water Infiltration Elimination Program (CWIEP)-
 - Resolutions reallocating Repair/Replacement funds were approved by Brady & Pavilion Township Boards in October. The resolutions covered on-going increasing O&M costs including funding of the Clean Water Inflow/Infiltration Elimination Program and implementing a \$300/connection/year Misc. fee (due Oct 2019) to those property owners who have not completed and passed an interior inspection of their home/facility/structure by Authority personnel. Chapman noted the CWIEP information letters had been mailed to property owners and appointments were now being scheduled to begin Nov 1st.
 - Included in the packet was a draft article to be published by South County News in the November issue.
- Vicksburg O&M (operations & maintenance) Agreement- Speeter noted we were waiting for the letter of notification from the Village of Vicksburg regarding their decision to terminate the O&M agreement. Chapman noted, as we anticipated the dissolution of the Agreement, that we have three (3) proposals on the table from IAI, Perceptive, and Gull Lake Sewer & Water Authority ready for review. Pierson suggested he, Speeter, Locey, Chapman, and Smaka meet as a committee to compare, review and propose a new O&M contractor to the Board once the letter of notification from Vicksburg is received.
- New Construction- Chapman updated the Board on new connections:
 - (i) Crowne Pointe Shores Lot #6 (Brady Twp)- complete.
 - (ii) 10397 S. 29th St. (Pavilion Twp) -connection/payment pending November.

Old Business-Inactive

- Sprinkle Rd Finance Contract- Speeter tabled discussion regarding Pavilion Township interest due on SR Contract until time of expiration in 2020.

- Sewer Backup insurance- Kevin Decker (Decker Agency) noted his research of optional/additional sewer backup coverage brought quotes of \$2000+/year premium increases to the annual coverage (currently \$3324/year). Current coverage includes \$100,000 coverage/year for sewer backup issues. Decker believes the current coverage to be adequate for the size of our Authority. Motioned by Ulsh, seconded by Gunnett to maintain the insurance coverage as is for the coming year. **Motioned carried; All Ayes.**
- Articles of Incorporation- An amendment to the Articles regarding "voting structure" language is tabled until November 2018. *Chapman to supply "language" provided previously by legal counsel Thall, at the November meeting for discussion*

Financial Review-

- General Operating Expenses - Chapman noted a minor change to the General Operating Expenses presented, a revised amount of \$40,373.41 were presented for payment. Speeter commented on the recent City of Portage's quarterly maintenance bill in the amount of \$18,475. The Authority/Portage Wastewater Agreement requires the Authority pay 25% of Portages maintenance costs. Smaka/Pierson commented the costs to repair the Well Street Station did not seem excessive given the age of the Portage system and that future costs to repair aging infrastructure should be a consideration for the Authority as we discuss future expansion options. Motioned by Locey, seconded by Ulsh to pay the expenses and file month end financials as presented. **Motion carried; All Ayes.**
- Financial Reports- Financial reports as of September 20, 2018 were presented for approval. Motioned by Adams, seconded by Locey to accept the financials as presented. **Motion carried; All Ayes.**

Other Business- No other Business. Closing Comments- Ulsh noted needed changes in the Ordinance as US 131 project proceeds. Pierson noted an update appears to be needed to the Ordinance to include Sprinkle Rd and US 131 and these could all be accomplished in the future as needed.

Meeting was adjourned- Meeting adjourned at 10:45 a.m. The next meeting is tentatively scheduled for **Tues., November 27, 2018** at 9:30 a.m.

Submitted for approval on 11 - 27, 2018.

Approved by 
Don Ulsh, Secretary / Treasurer