

LAKWOOD WASTEWATER AUTHORITY
PAGE MEMORIAL BUILDING
839 FOURTH AVE
LAKE ODESSA, MI 48849
(616) 374-3264
BOARD MEETING MINUTES
May 17, 2017

Meeting called to order by Bender @ 5:01 p.m.

PRESENT: Bender, Engle, Hummel, S. Pepper, Rudisill
ABSENT: J. Pepper-out of town
STAFF: Hess, Suntken

APPROVAL OF AGENDA: Motion made by Engle and supported by Hummel to approve the agenda. All ayes. Motion carried.

MEETING MINUTES: Motion made by S. Pepper and supported by Engle to approve the March 15, 2017 Meeting Minutes. All ayes. Motion carried.

SEWER FUND BILLS:

- A) Motion made by Engle and supported by Hummel to approve sewer fund bills equal to or less than \$1,500 from 4/1/17 thru 4/30/17 in the amount of \$154,397.23. All ayes. Motion carried.
- B) Motion made by Hummel and supported by Rudisill to approve sewer fund bills in excess of \$1,500 as follows:
1. RS Technical Services - \$1,600.95 – Install submersible level transmitter at L/S 15 (*paid*)
 2. Aquionics - \$2,953.08 – Sensor (*paid*)
 3. Smith & Welding & Repair - \$2,344.93 – Repair box, box lights & bumper and replace fuel pump & pressure sensor on service truck (*paid*)
 4. Prein & Newhof - \$10,750.00 – Outside lab analysis (*paid*)
 5. Alexander Chemical - \$6,900.00 – Aluminum sulfite (*paid*)
 6. RS Technical Services - \$1,655.85 – Repair L/S 17 Gorman Rupp pump control panel (*paid*)
 7. Fishbeck - \$3,937.50 – IPP – Will be reimbursed in full by SIUs (*paid*)
 8. Dickinson Wright - \$7,381.80 – DEQ enforcement action (*paid*)
 9. Rural Development - \$112,198.12 – Principal and interest on USDA loans (*paid*)
 10. Fishbeck - \$4,506.00 – General engineering assistance (*paid*)
 11. Fishbeck - \$5,152.50 – Asset management plan (*paid*)
 12. Fishbeck - \$11,280.65 – Pump station improvements (*paid*)

13. Fishbeck - \$6,228.00 – 2016 capital improvement project – paid with USDA loan disbursement (*paid*)
14. Consumers Energy - \$1,877.86 – Gas & electric for 2465 Huddle Rd (*paid*)
15. Consumers Energy - \$13,542.07 – Electric for 13751 Harwood Rd (*paid*)
16. Hastings City Bank - \$23,728.75 – Interest on 2015 bond anticipation note – maturity date extended from 4/1/17 to 4/1/18, per board approval (*paid*)
17. Sorenson Gross - \$70,303.34 – Final pay request for phase I contract 1B – approved by USDA but paid out of general funds because USDA funds for this project have been depleted (*paid*)
18. RWL Water - \$14,424.50 – 25% down payment on 4 surface aspirating aerators / mixers & accessories for the EQ basin – paid out of SIUs REU fund (*paid*)
19. Cathey Co - \$1,738.03 – Air / water hoses (*paid*)
20. Blue Cross Blue Shield - \$5,813.67 – Employee health insurance premiums (*paid*)
21. Consumers Energy - \$3,094.03 – Gas & electric for 2465 Huddle Rd (*paid*)

C) Motion made by Rudisill and supported by Hummel to approve bills equal to or less than \$1,500.00 each from April 1, 2017 thru April 30, 2017 in the amount of \$185,424.35

D) Motion made by S. Pepper and supported by Bender to approve bills in excess of \$1,500.00 each, including:

22. Chemco - \$3,897.47 - Polymer (*paid*)
23. Langerak Roof Systems (LRS) - \$24,650.00 – Replace roof at old pump station (approved at the March 15, 2017 board meeting) (*paid*)
24. RWL Water - \$43,273.50 – Remaining balance on 4 surface aspirating aerators / mixers & accessories for the EQ basin – paid out of SIUs REU fund (*paid*)
25. Alexander Chemical - \$7,175.00 – Aluminum sulfate (*paid*)
26. Consumer's Energy - \$13,096.38 – Electric service at 13751 Harwood Rd (*paid*)
27. Alexander Chemical - \$6,882.00 – Aluminum sulfate (*paid*)
28. Fishbeck - \$4,764.73 - 2016 capital improvement project – to be paid with USDA loan disbursement (*paid*)
29. Blue Cross Blue Shield - \$5,813.67 – Employee health insurance premiums (*paid*)

30. Consumer's Energy - \$2,042.92 – Electric & gas for 2465 Huddle Rd (*paid*)
31. Dickinson Wright - \$7,410.00 – DEQ enforcement action (*not paid*)
32. Dickinson Wright - \$1,955.00 – Consent order amendment – to be reimbursed by Fishbeck (*not paid*)
33. Prein & Newhof - \$10,875.00 – Outside lab analysis (*not paid*)
34. Fishbeck - \$13,460.05 – Asset management plan, manhole assessment (to be reimbursed by SAW grant) (*not paid*)
35. Fishbeck - \$4,405.30 – General engineering services for NPDES permit renewal, lagoon aeration upgrades, & meetings with owner (*not paid*)
36. Fishbeck - \$2,044.00 – IPP (*not paid*)

CITIZEN COMMENT: Mark Doane and Jay Patel-Cargill were present at the meeting.

OLD BUSINESS: None

NEW BUSINESS:

- A) Manager's Report for March & April, 2017 – Suntken
- B) Motion made by Engle and supported by Hummel to adopt resolution #2017-3 to establish spending limits for plant superintendent (increase from \$1500 to \$3000). Yeas: Bender, Engle, Hummel, S. Pepper, Rudisill. Nays: None. Abstain: None. Absent: J. Pepper. The resolution is as follows:

WHEREAS, it is the responsibility of the Plant Superintendent to exercise supervisory responsibility over the accounting, budgeting, personnel, purchasing and related management functions of the utility clerk / administrative assistant; and

WHEREAS, it is the responsibility of the Plant Superintendent to be the purchasing agent of the Authority; and

WHEREAS, it is the responsibility of the Board of Commissioners, in accordance with Michigan statute, to establish financial policies for the Authority; and

WHEREAS, the Board of Commissioners deems it a matter of sound fiscal policy to establish a limit upon the purchasing authority of the Plant Superintendent.

NOW, THEREFORE, BE IT RESOLVED that the Plant Superintendent shall have authority to purchase any product or service, the cost of which does not exceed \$3,000.00, provided that funds have been appropriated, and the cost of the product or service does not exceed the unencumbered balance of the appropriation for that account.

BE IT FURTHER RESOLVED that the Plant Superintendent shall not purchase any product or service, the cost of which exceeds \$3,000.00, without prior approval of the Board of Commissioners.

RESOLUTION DECLARED ADOPTED

- C) Motion made by Hummel and supported by Rudisill to adopt resolution #2017-4 to authorize and provide for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending its sewer facility to serve an area lawfully within its jurisdiction to serve. Yeas: Bender, Engle, Hummel, S. Pepper, Rudisill. Nays: None. Abstain: None. Absent: J. Pepper. The resolution is as follows:

WHEREAS, it is necessary for the Lakewood Wastewater Authority (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of three million one hundred sixty-four thousand & 00/100 (\$3,164,000.00) pursuant to the provisions of Revenue Bond PA 94 of 1933, as amended; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association.

RESOLUTION DECLARED ADOPTED

- D) Motion made by S. Pepper and supported by Rudisill to adopt resolution #2017-5 to authorize issuance of an additional 2017 series of sanitary sewer system revenue bonds. Yeas: Bender, Engle, Hummel, S. Pepper, Rudisill. Nays: None. Abstain: None. Absent: J. Pepper. The resolution is as follows:

WHEREAS, pursuant to Act 94, Public Acts of Michigan, 1933, as amended ("Act 94") and Act 233, Public Acts of Michigan, 1955, as amended ("Act 233"), the Lakewood Wastewater Authority (the "Authority") has issued its 2013 Sanitary Sewer System Revenue Bonds, Series A and its 2013 Sanitary Sewer System Revenue Bonds, Series B, its 2014 Sanitary Sewer System Revenue Bonds and its Sanitary Sewer System Revenue Bond, Series 2016 in order to finance the cost of designing, acquiring, and constructing improvements to the sanitary sewer system of the Authority (the "System"); and

WHEREAS, pursuant to Act 94 and Act 233, the Authority has determined to make improvements (the "Improvements") to the System; and

WHEREAS, the Improvements will enable the Authority to provide more efficient and better quality public services to the users of the System; and

WHEREAS, the Authority has issued its 2015 Bond Anticipation Note in the principal amount of \$750,000 to pay interim costs of the Improvements; and

WHEREAS, it is necessary to issue a new series of bonds in a sum not to exceed \$3,500,000 pursuant to Act 94 and Act 233 to finance the cost of the Improvements.

RESOLUTION DECLARED ADOPTED

- E) Discussion on DEQ discharge violation notice – 4/7/17
- F) Status of extension request on ACO to fix lift stations 1, 2, 3, 8, & 10
- G) Status of EDA grant
- H) Motion made by Rudisill and supported by Hummel to proceed with the draft point of sale rules
- I) Motion made by S. Pepper and supported by Rudisill to consider easement from Jordan Lake Trail Committee
- J) American Funds contacted Engle about switching LWA's retirement plan from a Simple IRA to a 401k plan due to employer contributions exceeding the 2% allowed by a Simple IRA plan. The change will result in a service fee not to exceed \$3,000
- K) Motion made by Rudisill and supported by Hummel to go into executive session at 5:47 p.m. to discuss the status of pending litigation/mediation

ADJOURNMENT: Motion made by Hummel and supported by Rudisill to adjourn the meeting. All ayes. Motion carried. Meeting adjourned at 5:55 p.m.

The next scheduled meeting will be held on Wednesday, June 21, 2017 at 5:00 p.m., at the Page Memorial Building, Lake Odessa.

Submitted by,

Jennifer Hess
Utility Clerk / Admin. Asst.