

Lake Mitchell Sewer Authority

3161 S. Lake Mitchel Drive
Cadillac, MI 49601
231-775-0155

Meeting Minutes for October 19, 2021 at 5:00 p.m.

- A. **Call To Order: Hilty 5:00 P.M.**
- B. **Roll Call: Keith, Pullen, Boyd, and Hilty**
- C. **Absent: Kitler**
- D. **Agenda was accepted as presented by Boyd and supported by Keith. All in Favor unanimously.**
- E. **Public Comment: Jackie Erway** questioned late fees, last meeting harassment not in minutes, board does not care, no proof Hilty pays the same as other users, is Wade Trim being held responsible for lift station not working, kickbacks, she was treated bad, no users on the board, lack of consideration.
Dave stinger will comment at the end p.c. time.
- F. **Minutes from August 17, 2021: Boyd made a motion to approve the minutes from August 17, 2021 as presented. Pullen supported. All in Favor Unanimously.**
- G. **Agenda**
 - 1. **Payment of Invoices:**
 - a. **Invoices thru August 17, 2021 – September 17, 2021 in the amount of 113,673.74. Boyd made a motion to approve bills as presented thru August 17, 2021. Keith supported. Upon Roll Call Vote motion carried unanimously.**
 - b. **September 18, 2021 thru October 15, 2021 in the amount of \$63,798.78. Pullen made a motion to approve bills as presented thru October 15, 2021. Keith supported. Upon Roll Call Vote motion carried unanimously.**
 - 2. **2021 Budget activity informational: supplied**
 - 3. **FOIA: No Requests.**
 - 4. **Top Line invoice: Keith made a motion to pay Top Line invoice as presented in the amount of \$2,412.00. Pullen supported. Upon Roll Call Vote motion carried unanimously.**
 - 5. **Sewer Penalties: Hilty** asked Hill to give an update on the written opinion received from LMSA's attorney, Richard Wilson. **Hill** stated, at the previous board meeting Jackie Erway and Dave Stinger, asked the board for a written legal opinion from their attorney confirming the legality of LMSA's penalties. Hilty requested an opinion on the appropriateness of the ten percent (10%) penalty that is imposed for late payments. The opinion confirmed the penalties that the Authority charges are well within the legal limits.
 - 6. **EGLE Violation VN-011933: Hill** reported on the August violation and LMSA's response to EGLE. She stated the Technicians recently completed another 150 inspections. A user suggested using an affidavit versus an in-person inspection and accused her and/or Operations Services for the reason behind the inspections. **Don Brady**, with the **Michigan Department of Environment, Great Lakes, and Energy (EGLE)** stated the home inspections are required by the State of Michigan. He further stated this is not just a one-time inspection, but will need to be done periodically moving forward. He stated the in-person inspection is the industry standard. He stated the Sanitary Sewer Overflows (SSO's) that LMSA has experienced, are not due to an issue with the operators or management, but rather a result of the aged system. He stated due to the most recent SSO's it has been referred to the Enforcement Division in Lansing for their review.
 - 7. **Delinquent sewer resolution 2021-03: Hill** stated customers have until the end of the month to make payments on their account to avoid delinquent charges going on their tax bill. An updated delinquent report will be submitted to the townships and Joe Porterfield. **Pullen** inquired if there was compensation for this effort for the Cherry Grove township Treasurer. Hill stated she does not know how each township handles the data or if this is entered directly by Joe Porterfield. She will inquire with Joe Porterfield to see who enters this into BS&A software and if there are any additional charges for his effort. **Pullen made**

a motion to approve resolution 2021-03 as presented. Boyd supported. Upon Roll Call Vote motion carried unanimously.

8. **Resolution 2021-04 Approve and Authorize Execution of Sewage Disposal System Contract:** Pullen made a motion to approve Resolution 2021-04 as presented. Boyd supported. Upon Roll Vote motion carried unanimously.

9. **2020/2021 Audit Conclusion:** Hill stated overall the audit went well and that Mike Cool from Baird, Cotter, & Bishop was unavailable for tonight's meeting, but if the board had any questions, he would attend the next regular meeting. She noted the auditors pointed out the Segregation of Duties, which is a common statement in audits for municipalities this small. The other mention was the issue with reconciling the monthly statements. The Authority was aware the Account Clerk had difficulties reconciling the monthly statements and required the assistance of Baird, Cotter, & Bishop, and the Project Manager. This was noted in the audit because it was not corrected in a timely basis. Changes have been made in the Cash Receipting, to make it easier for Nixon to reconcile the statements moving forward.

10. **Water Well Quotes:** Quotes were received from Flint, Pearson, Sheplers. Keith suggested obtaining a quote from Rogers Well drilling.

11. **O & M update:**

a. **Rural Development Update:** Hill stated part of the USDA requirements for the RD Loan, requires LMSA to do an Accessibility Evaluation for the building and parking. This effort is to identify areas where LMSA does not meet their requirements for accessibility for persons with disabilities. LMSA has 2 – 3 years to make these changes. **Pullen made a motion to approve the forms as presented to be submitted and submit to the USDA. Boyd supported. All in Favor Unanimously.**

b. **Smoke Testing:** Hill stated smoke testing will occur between October 20th and November 5th. This effort was previously approved through the budget process. This effort requires additional Technicians to assist in the process. Letters were sent to the customers that will be affected by the smoke test. Staff has also contacted the local fire departments, 911, and the newspaper to provide notice as well.

c. **2021 sump pump effort:** Hill stated staff recently completed approximately 150 sump pump inspections. She updated the board on the results of the inspections. Because staff started the inspections in the fall versus mid-summer, the Technicians were able to do the majority of the inspections, that saved the Authority thousands of dollars.

d. **General O & M Update:** Hill updated the board on the efforts for August and September. She received a correspondence from Craig Laurent that said the board is incompetent to run an 8-million-dollar project and is being run around by the engineers.

H. **Public Comment:** Dave Stinger asked Pullen why he's against having users on the board. Pullen responded and said he wasn't. Stinger asked Hilty if he signed the warranty deed that stated the system was in good working order with no problems. Stinger addressed Boyd and stated that he had brought solution to the board about having generators at the lift stations.

Jackie Erway asked what day the pump station went down from the power outage. How old are the systems that went down and why not pass the cost on to the engineers. Why is the rural development dictating what you have to do with the building and grounds? Does anyone on the board care? Why do you need a new well?

Dave Kuyers stated he was the one that spoke to Hill and suggested that inspections are not high priority and why aren't they done by affidavit versus home inspections? Why is this taking 4 years to complete. Why not do this in the summer?

Jay Puvogal questioned how many meetings have the Association members attended this year. He stated they have only attended one or two meetings and he was glad to see folks participate at the meeting.

Don Brady with EGLE, stated the in-person sump pump inspections are not optional, they are imposed by the state of Michigan.

I. **Pullen made a motion to adjourn at 6:06 P.M. and Boyd supported. All in Favor Unanimously.**