

GRSD SEWER AUTHORITY MEETING MINUTES
February 19, 2020

Meeting called to order at 10:00 a.m. at the Chikaming Township Hall Meeting Room by Chairman David Bunte. Roll call was taken with the following members present: Michelle Heit, Juan Ganum, Dave Richards and John Gast.

Also Present:

Warren Histed, Manager, Amanda Brunke, Recording Secretary and Mark Prein from Prein and Newhof, and Thomas Colis from Miller Canfield.

AGENDA

Amend agenda: Items A and C will be removed from old business.

Motion by John Gast supported by Michelle Heit to approve the February 19, 2020 agenda. All ayes. Motion carried.

MINUTES

Motion by Juan Ganum supported by Dave Richards to approve the minutes from the January 15, 2020 meeting as presented. All ayes. Motion carried.

PAYABLES

Motion by Michelle Heit supported by Dave Richards to approve the January 2020 Payables of the General Fund in the amount of ninety five thousand four hundred and one dollars and eleven cents (\$95,401.11) as presented. All ayes. Motion carried.

MONTHLY REPORTS

Manager's Report

Warren informed the Board of the following:

A.) Invitations for bids will be sent out for sludge haulers for the years 2020 and 2023. The goal is to get at least three separate bids.

B.) Trouble shooting has been in progress for lift station #6 leading up to a VFD replacement. Two more tests will be conducted to confirm issues.

C.) Tom Traciak has recommended that surcharges increase with the rate increase of three percent (3%).

D.) Surcharges are billed by total monthly flows for each entity.

E.) The bond sale is currently on schedule.

F.) The Assets Report was sent into EGLE, no problems occurred.

G.) The LED project is fifty percent (50%) complete at this time.

H.) GRSD Sewer Authority would like to know about every public meeting regarding the Union Pier Project and the Lift Station #6 Force Main Replacement Project.

I.) Klark Keller is a new employee in training, he will be Rich Shoemaker's replacement.

Engineer's Report

Mark Prein from Prein and Newhof informed the board of the following:

A.) Updates on the Manhole and Sewer Lining Projects were given. A balancing change order and payment estimate have been submitted for consideration. The construction on the Sludge Pump Project has been completed. A recommendation letter for issue resolution has been provided to the board regarding FHC's request for correction to the VFD pricing.

B.) Discussion of coordination with Wightman and the Berrien County Road Department continues. BCRD requested the sewer project complete approximately forty thousand dollars (\$40,000.00) of work outside the projects scope, including widening and surplus aggregate installation. The issue is still in negotiation.

C.) A mandatory pre-bid meeting will be held at 11:00am on Tuesday March 3, 2020 for the Union Pier Project.

D.) Lift station #6 Force Main Projects plans and specifications are ninety percent (90%) complete.

E.) Bonding preparation assistance was provided.

FINANCIAL

The Treasury Report for the General Fund, Capital Improvement Fund, Operations and Maintenance Reports, Manager's Report and Monthly Meter Readings were presented.

Motion by Michelle Heit supported by John Gast to accept the Treasury Reports and the Monthly Reports to be placed on file. All ayes. Motion carried.

OLD BUSINESS

A.) Discussed City of New Buffalo's billing agreement. Dave Richards presented invoicing and flow reading settlement terms.

1.) The City will pay \$175,000.00 in two (2) installments due March 31st and May 31st, 2020.

2.) The monthly invoices due from 2019 will be paid by June 30th, 2020.

- 3.) A third party will continue to review the GRSD invoices as confirmed by Prein and Newhof for GRSD and Abonmarch for the City until such time as the City is satisfied the invoices are accurate.
- 4.) GRSD will explain why the city received inaccurate and double billings and how the corrected billings of 2019 were calculated.
- 5.) GRSD will pay all engineering costs incurred by the City in determining the source of the inaccurate readings.
- 6.) New meters shall be installed no later than July 31st, 2020.
- 7.) These terms will be reduced to a settlement agreement signed by both parties.

All bullet points were discussed as follows:

#3. A third party will review the accuracy of the billings until the installation, testing and accuracy of the new meters are proven accurate and functional. A set deadline of thirty days (30) will also be in effect for the billing process by GRSD for the City of New Buffalo.

#4. A written explanation will be provided by GRSD of past billing processes and inaccuracies.

#5. Will be deleted from draft and discussed at a future time.

#6. New meters will be installed no later than August 31st, 2020.

Motion by Michelle Heit supported by Juan Ganum to approve the request of New Buffalo City's letter on invoices and settlement terms with the changes and adjustments discussed in a draft produced by the City of New Buffalo for GRSD and the City to approve. All ayes. Motion carried.

B.) Discussed 2019 Pipe Rehabilitation order payment estimate.

Motion by Michelle Heit supported by Dave Richards to approve Pipe Rehabilitation change order #1. All ayes. Motion carried.

Motion by Juan Ganum supported by Michelle Heit to approve payment application #1 in the amount of eighty four thousand five hundred sixty six dollars and sixteen cents (\$84,566.16). All ayes. Motion carried.

C.) Discussed Pump VFD cost adjustment letter.
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Motion by David Bunte supported by John Gast to approve the change order contract to modify for the additional amount of five thousand nine hundred and five dollars (\$5,905.00) for the Primary Sludge Pumps No. 3 & 4 Replacement. All ayes. Motion carried.

NEW BUSINESS

A.) Discussed Bond Ordinance. Thomas Colis presented a draft of the Bond Ordinance.

Motion by David Richards supported by Michelle Heit to approve the Bond Ordinance 02-2020.

Roll Call taken: Juan Ganum- Yes	David Bunte- Yes
John Gast- Yes	Michelle Heit- Yes
David Richards- Yes	

Motion Carried.

B.) Discussed Notice of Sale Resolution. Thomas Colis informed the Board that this item is not needed at this time.

C.) Discussed fee options for paying agent services.

Motion by David Bunte supported by Dave Richards to approve a onetime payment associated with service fees in the amount of six thousand six hundred dollars (\$6,600.00) for the bond agent. All ayes. Motion carried.

COMMENTS

Mark Robertson thanked the board for accepting the settlement proposed by the City of New Buffalo.

ADJOURNMENT

Motion by Michelle Heit supported by Juan Ganum to adjourn the meeting at 11:09a.m. All ayes. Motion carried.

Attested To:

Chairman – Dave Bunte

Secretary – Juan Ganum

Recording Secretary – Amanda Brunke