

Northport/Leelanau Township Utilities Authority

116 W. Nagonaba, PO Box 158

Northport, MI 49670

Draft Minutes

January 18, 2021

Regular Meeting

**I. CALL TO ORDER**

Chairman Tom Gremel called the meeting to order at 9:30 am.

**II. ROLL CALL**

**Board Members Present:** Tom Gremel, Chris Holton, Bob Featherly and Tim Overdier

**Absent:** John Sanders

**Staff Present:** Joni Scott, Cindy Edmondson

**III. APPROVAL OF BOARD MEETING MINUTES**

Chris Holton **Moved, Supported by** Bob Featherly to approve the December 14, 2021 meeting minutes as presented.

**Roll Call Vote** Yeas (4) Nays (0) Absent (1) John Sanders

**Motion Approved.**

**IV. PUBLIC COMMENT**

**None**

**V. PAYMENTS OF BILLS**

Bob Featherly **Moved, Supported by** Chris Holton to approve the bills to be paid for the month of December-January in the amount of \$81,501.36

**Roll Call Vote** Yeas (4) Nays (0) Absent (1) John Sanders **Motion Approved.**

## **VII. STAFF REPORTS**

### **A. Treasurer/Clerk and Liaison Report**

Clerk Scott provided an expenditure list for the Main Lift Station pump failure detailing the \$76,926.33 in expenses. reviewed the Capital Improvement Projects for 2022 and 2021-22 Financial reports with the Board. Scott noted the staggering increasing Operations and Maintenance expenses and the projected maintenance expenses the Board is facing for 2022. Details of the CIP and AMP projects are outlined in reports from Jacobs and prior Fleis and Vandenbrink SAW grant work and were provided to the Board.

Scott reviewed some of the most recent equipment failures and maintenance costs. Scott had a lengthy discussion with the Board, while reviewing the Capital projects and a financial spreadsheet outlining the NLTUA's annual operating expenses, a 6% increase due to inflation, projected capital project costs, and user operation and maintenance fees. The Board will be considering a \$23-25 per REU, per quarter increase in user fees for the upcoming 2022-23 fiscal year.

The Board asked Clerk Scott and Commissioner Featherly to draft a letter to explaining the need to increase the user fees for next months meeting.

### **B. Superintendent Report:**

Superintendent Chris Holton reported on his 240 hours of time manning the Main Lift Station, and the 146 gallons of Diesel provided during the breakdown. Holton also reported on the grinder pump failure at 1125 North Shore Drive stating that the discharge line on the pump had disintegrated.

### **C. Treatment Plant Operator Report:**

Treatment Plant Operator Mark Huggard submitted a report for the month of December.

## **VIII. COMMITTEE REPORTS**

None

## **IX. CORRESPONDENCE**

Tom Oehmke- Update on Court dates regarding Timber Shores and the 1998 and 2006 Sewer agreements.

## X. DISCUSSION & ACTION ITEMS

### Approve Operations and Maintenance Fee Increase:

Scott had a lengthy discussion with the Board, while reviewing the Capital projects and a financial spreadsheet outlining the NLTUA's annual operating expenses, projected capital project costs, and user operation and maintenance fees. Scott noted that a \$23 per REU, per quarter increase may not be sufficient according to projections in the AMP Schedule for 2022 if all projected projects require completion this fiscal year "Capital Projects and AMP Schedule total projected cost of \$185,811".

Chris Holton **Moved, Supported by** Bob Featherly to increase the Operations and Maintenance fees by \$23 per REU per quarter. **Discussion:** The Board agreed that a letter/learning piece need to be sent out. Bob Featherly and Clerk Scott will work together to draft a letter and send it out to all residents on the municipal sewer. **Roll Call Vote: Yeas (4) Nays (0) Motion Carried.**

### Kaeser Blower Letter:

Chairman Thomas Gremel reported that he spoke to Mr, Dagovitz who informed him that he had taken a different position with the company and that Brent Schultz was taking over for him. Gremel will reach out to the company again to try and complete the purchase of the blower motor.

### Main Lift Station pump failure:

Clerk Scott explained that she is gathering all the costs and invoices associated with the pump failure and reporting it to insurance. Scott noted that the NLTUA has an Equipment Breakdown protection coverage.

## VIII. PUBLIC COMMENT

None

## IX. MEMBER COMMENTS

Bob Featherly thanked the DPW and Jacobs Staff for all their hard work manning the Main Lift Station during the breakdown.

## X. ADJOURNMENT

**The meeting was adjourned at 10:29 am**

The next Authority meeting will be held on Tuesday February 15, 2021, at 9:30 am.

Joni L. Scott, Treasurer