

Northport/Leelanau Township Utilities Authority
116 W. Nagonaba, PO Box 158 Northport, MI 49670

Draft Minutes

August 15, 2023

Regular Meeting

I. CALL TO ORDER The meeting was called to order at 9:30 a.m.

A. Mike McMillan Moved, Supported by Chris Holton to elect William Harper as temporary Vice Chair. Motion Carried.

II. ROLL CALL Board Members Present: Chris Holton, Mike McMillan, William Harper and Rick Cross.
Absent: Chris McCann **Staff Present:** Joni Scott

III. ADDITIONS OR AMENDMENTS TO THE AGENDA

The Board agreed to add to the agenda a discussion about the need for a Liaison Job description.

Mike McMillan Moved, Supported by Chris Holton to accept the agenda as presented. Motion Carried.

IV. APPROVAL OF BOARD MEETING MINUTES

Chris Holton Moved, Supported by Mike McMillan to approve the July 18, 2023 Regular meeting minutes as submitted. Motion Carried.

Chris Holton Moved, Supported by Mike McMillan to approve the July 25, 2023 Special meeting minutes as submitted. Motion Carried.

V. PUBLIC COMMENT:

Betsy Mallek- agrees with Campbell McLeod on the potential need for plant expansion. She emphasized that the cost should typically be borne by the developer, not the NLTUA. Mallek supported the proposal of 48-unit development and believes it will benefit the community.

Campbell McLeod- raised concerns about the sewer system nearing its 132,000-gallon capacity and the detection of PFAS in biosolids. Actions are needed to address both. Additionally, he welcomed new board members and their contributions.

VI. PAYMENTS OF BILLS

Chris Holton **Moved, Supported by** Mike McMillan to approve the bills to be paid for the months of July-August in the amount of \$37,919.98

Roll Call Vote Yeas (3) Nays (1) Rick Cross Absent (0) Motion Approved

VII. STAFF REPORTS

A. Treasurer/Clerk Report:

Clerk Scott noted that it was the last day for the sewer bill collection that were sent out in July. The cash transaction report, trial balance, and revenue expenditure reports were included in the packet.

Liaison Report: None.

B. Superintendent Report:

The Superintendent reported that three new pumps have been acquired for the Seventh street lift station and one backup for the mainline stations was delivered last Friday. The Northport Point Lift Station is currently pumping calcium nitrate at an elevated rate and currently has four barrels in place with more ordered. The team assisted Jacobs with bed flooding and infiltration testing two weeks ago. Additionally, they handled several routine residential call outs addressing issues like start capacitors and clogged pumps.

B. Treatment Plant Operator Report:

Treatment Plant Operator Justin Straub reported that the pumps for 7th street have arrived as planned. The Kaiser blowers, specifically the aeration blowers, have one unit in and installation is set for next Tuesday. The monthly report detailing the Treatment plant and collection system activities will be available later this week.

VIII. COMMITTEE REPORTS

None

IX. CORRESPONDENCE:

None

X. DISCUSSION/ACTION ITEMS

- **Update Connection Fee Determination, Ross Hammersley/Thomas Grier**

The Board reviewed a draft opinion from the Village of Northport attorney, Ross Hammersley, which was forwarded to NLTUA attorney, Thomas Grier, for assessment. The core point of the discussion was the need for the NLTUA attorney's viewpoint. The primary conclusion from the Village of Northport attorney's document was that the Village of Northport holds the authority to set a sewer connection fee.

- **Update on Intergovernmental Agreement:**

The Board is still awaiting the intergovernmental agreement from the Village of Northport's attorney, as he was prioritizing the connection fee opinion.

- **Woolsey Lake Road Sewer Main Extension:**

Superintendent Chris Holton reported no updates, as he is awaiting feedback from contractors. Clerk Scott informed the NLTUA that they received a \$9,925.00 bill from Kal Excavating for the Northport Point Rd. Sewer main extension. The Board acknowledged Leelanau Township's previous agreement to cover the payment for the township's main extension.

- **Cleaning of Pressurized Main**

The Board had a discussion regarding the confusion about the type of pipe used in the pressurized sewer main. Initial reports suggested it was made of ductile iron and was overdue for maintenance. However, there seems to be a lack of documentation to confirm this. Despite the uncertainty of the pipe material, it is advised to check its condition every five years. Accessing the pipe for inspection may be challenging due to its design, but it is still recommended. Monitoring the pump report could give clues about the pipe's condition. A written report with specific recommendations from the Treatment plant operator is requested for clarity before any further decisions are made.

- **Fairway View Project Sewer Permit:**

The Board discussed the sewer capacity study related to the Fairway View Project. Robert Verschaeve, a professional engineer from Gosling Czubak Engineering, detailed the methods used in the study, drawing from data of similar projects in other counties to project the expected flow from the Fairway View Project's proposed buildings. The estimated total flow for all three buildings in the project is 4,300 gallons per day. This estimate is well within the plant's average daily flow permit of 132,000 gallons. However, the Board expressed concerns about nearing the plant's capacity, especially considering potential future projects.

The importance of using real data and a safety margin in these projections was stressed. The provided data will be beneficial for future discussions on the connection fee determination for the Fairway View Project. The board recognizes the value of this data and plans to utilize it comprehensively. The final decision on the connection fee will be deferred until they obtain further input from the NLTUA attorney.

- **Establish Term Limits for Board members Cross, Harper and Holton:**

Rick Cross **Moved, Supported by** Mike McMillan that the terms of office for Board members Will Harper and Rick Cross be established for the period of May 31, 2023, to May 21, 2025. Additionally, the authority formally requests the village of Northport to set a term for member Chris Holton. It is further resolved that both the township and the village of Northport shall, for all future board appointments, specify and establish a term of office alongside the approval of said appointment.

Motion Carried.

- **Update from Grant writer, Jennifer Graham with Gordie Fraser Engineering:**

Jennifer Graham from Gordie Fraser Engineering, discussed with the Board grant and loan options, with a focus on opportunities from the USDA and Eagle Clean Water State Revolving Fund. Important deadlines were noted, including a Notice of Intent due in November and Capital Improvement Plan and grant detail reports by June 1, 2024. Clerk Scott is gathering financial data for a rate study, which Jennifer will use in her loan and grant search.

The Board also discussed the economic dichotomy within their Michigan community of Leelanau County. Although the community boasts the state's highest average family income, it also suffers from significant poverty levels. The latest median household income is \$62,000, according to 2020 census data. The Board considered conducting a survey to qualify for the USDA's lowest interest rate, which would necessitate showing a median income of \$35,000. However, Jennifer Graham indicated that achieving such a significant drop in reported median income through a survey is unlikely.

- **Option for Improving Internal Controls:**

The Board decided to postpone the discussion on improving internal controls until Chair McCann could be present.

- **Discuss date and Time of Annual Meeting:**

Rick Cross **Moved, Supported by** Mike McMillan that the Northport/Leelanau Township Utility Authority request that the Clerk Scott amend the resolution that was previously adopted by the Utility Authority on May 12, 2023 and the Village of Northport Council on June 4, 2020. Cross indicated that the amendment should clarify that the annual meeting of the Utility Authority will take place on the third Tuesday of each April at 9:30 a.m. and specify that it will be held at the Village Office. In addition, Rick Cross proposed that the Utility Authority should establish a one-time meeting on the third Tuesday of October at 9:30 a.m., also at the Village Office. This one-time meeting would serve the purpose of accomplishing the annual meeting for the 2023-2024 fiscal year. **Motion Carried.**

- **Job Description for Liaison:**

The Board discussed the need to create a job description for a Liaison position. The Board agreed that it is important for the current liaison and the clerk to be involved in creating any job description, citing that they have job descriptions for the Clerk and Superintendent and this would just clear up any questions and potentially help with the material weakness cited in the audit.

VIII. PUBLIC COMMENT

Campbell McLeod- question the design drawings of the sewer collection system and if there was any other areas that were built with ductile iron.

Betsy Mallek- Commented on how in the past the NLTUA evaluated the REU schedule and determined the sewer connection fees for properties in the SAD Sewer, Assessment District.

John Lesperance- commented on how a discounted sewer connection fee for the Fairway View Project could set a precedence for future developers in the Village.

IX. MEMBER COMMENTS

None

X. ADJOURNMENT

Rick Cross Moved, Supported by Mike McMillan to adjourn the meeting. Motion Carried. The meeting was adjourned at 11:17 am.

Respectfully Submitted by:

Joni L. Scott, NLTUA Clerk