

As corrected 4/20/06

**MINUTES OF THE MARCH 16, 2006 REGULAR BOARD MEETING**

Authority Board Meeting

11:00 a.m.

Lunch Break 12-12:30

**CALL TO ORDER/ ROLL CALL:** The meeting was called to order by Chairman Blanchard at 11:05 a.m. Commissioners present were Richard Barnum, Jeff Bither, Mike Herzog, and Dean Blanchard. None absent. Also present were Richard Pierson , Tom Wheat and Nancy Smith.

**REVIEW AND SET THE AGENDA:** Barnum made a motion that was seconded by Herzog, to set the agenda as presented. **Motion carried, all ayes.**

**MINUTES OF THE FEBRUARY 16, 2006 REGULAR BOARD MEETING:** Bither made a motion to accept the minutes as mailed. Barnum seconded the motion. **Motion carried, all ayes.**

**HEAR THOSE PRESENT:** There were none present to be heard.

**CORRESPONDENCE:**

Bill Goodrich

Tamarron Sewer

Letter to Mr. Goodrich regarding proposed Tamarron Public Sewer. Letter stated the reason for not charging AVB the full cost per lot for his development and outlined a proposal for AVB. There is a possibility that Cotter's Ridge could also be included in this project.

Al Forero

31<sup>st</sup> Street Water

Update on Township cost relative to City installations of water services. Thanks for discount of group installation and have made a few corrections, but need actual length of copper installed. We are hoping for spring restoring of the properties.

**PROJECT UPDATE**

Sherman Lake

Update SRF Funding

Financing Package-mtg. w/JKWhite scheduled

Grinder pump questionnaire to be done this month

The Board had suggested that perhaps a government grant would be a way to fund Sherman Lake project. Pierson has checked into that and finds that there are a multitude of hoops that would need to be accomplished and could take up to several years. Tom Wheat confirmed that it is a very complicated process. The Y-Camp needs sewer sooner than that.

DeDoes

Alternatives: request funding for \$32,500

In 1982 the DeDoes and Mulholland properties were not connected to the public sewer and should have been, if not by gravity, with a grinder system. Both residents had pump systems installed at a later date but they have not proved to be very reliable. Pierson presented three options for sewerage DeDoes and Mulholland with gravity being the most expensive but the most desirable. Bither had requested that Pierson ask the homeowners to participate in the cost, but Pierson has not done that because of the original circumstances when Gull Lake Project was being built.

A motion was made by Barnum and seconded by Herzog to proceed with gravity Option C and have Balkema open cut the area and get the job done right. **Motion carried, all ayes.**

Vineyard

Great progress Balkema: Pay estimate #1 for approval

Wheat reported that concrete is in for the station and all pipe is in the ground. Consumers has to run the power to the station. Project will be quiet for the next month or until station is delivered.

A motion was made by Bither and seconded by Herzog to approve Pay Estimate #1 to Balkema Excavating, Inc. in the amount of \$95,687.80. **Motion carried, all ayes.**

Cooper Township

Update: two proposed projects) 125-600 homes

Pierson met with Jeff Sorensen and looked at two proposed projects in Cooper Township that may be starting within the next year. Both will need sewer so how to best sewer them will be the question.

Tamarron Public Sewer

Update: awaiting their request for petition

We are awaiting request from the people to move ahead after they meet with AVB Builders.

31<sup>st</sup> St. Water Connection

Update: we need to “push” our contractors to complete. The City is through with their connections but have done little to no restoration of yards to date. We need our contractor to get the rest of our work done and get this project behind us. So far it is “on” budget.

Hillcrest

Update: they’ve committed” sewer 100% + water Phase II

Monies have been received to proceed with work on water as well as sewer for Hillcrest property. Pierson to meet with Village of Augusta again. Well specs are out for bid the and the award to a well driller is expected to be made at the April Authority Meeting.

Cranes pond Update: gravity sewer is in, pump station on order Beautiful area. The first house is up and Jon Scott plans to have that in the Parade of Homes. We promised him that we would pump and haul if lift station is not in.

## NEW BUSINESS

Jhancock+Bflower Cont amendments Request approval of contract charges Pierson, Bowman and Smith to meet with Burnham and Flower representative. Barnum made the motion for Pierson to sign necessary papers at that time. Herzog seconded the motion. **Motion carried, all ayes.**

Springbrook billing upgrade Request approval of proposal We have not upgraded as we should have and now are behind six upgrades. Springbrook is having a hard time servicing because we are so far behind. They have said they will upgrade package free of charge if we will pay the expense of having one of their people come to install. We hope this will suffice for 2 years. Barnum made the motion that we move ahead with Springbrook Upgrade. The motion was seconded by Bither. **Motion carried, all ayes.**

Blanchard suggested that we might want to look into the BS & A computer software packages for the future and the ability to the accounting and billing together in the same program. The Townships all use that package and are happy with it.

Personnel Policy & Job Descriptions Prior mtg. pkt. Info.+ current Emp Rev data Pierson stated that Ken Sparks has reviewed and agreed that the Code of Ethics could be attached or not. There was some discussion among the Board Members on various aspects of the policy. It was suggested that a physical exam be required prior to hire and that it might be wise to spell out the physical requirements of the job on each job description. A motion was made by Barnum to accept the revised Personnel Policy, Job Description and Code of Ethics. Bither seconded the motion. **Motion carried, all ayes.**

Employee Review Separate packet: contains proposed job descriptions also The Board did Piersons evaluation first and rated everything on a 5 to 5+. Pierson is to work on Project Management and statistical skills. According to Pierson's contract, he is to receive a 2% pay increase each year if the review is satisfactory. That increase will be put in place at the beginning of the new fiscal year.

Nancy Smiths review was next and she had prepared a rebuttal to the review and options Pierson had presented for the Board's consideration. The Board allowed her to present her views and then asked that both she and Pierson leave the room. Upon return to the room, Smith was told she would be meeting with Dean Blanchard to discuss severance package and timing of retirement.

Barry Bowman will need to get his water license and upgrade his management skills. Dorothy Hoover-Faul, in her job as office assistant, will need to improve her Excel and computer skills/billing program. Jake Khatchikian, our once a week draftsman will likely be cut back as we move to GIS computerized drafting. Duane Chambers would like more time off during the winter and Mike Byington is willing to do more of the station checks so this should work out well.

Following job reviews, Pierson presented the possible wage adjustments to be made for the next fiscal year. Cost of living this year is 3.3% or \$.54 per hour across the board. A motion was made by Barnum and supported by Herzog to grant wage increases of \$.54/hr. to all hourly employees. **Motion carried, all ayes.**

2006-2007 Budget

Separate packet

Pierson reviewed the Expense & Revenue Budget. The Capital Improvement, Repair & Replacement and Cooper Repair & Replacement budgets were reviewed as well as the account balances and project receipts. It was noted that Bay Arbor needed to be added to the contracts receivable.

Pierson that he felt we would need the same level of personnel coverage for the coming year and that over the next 5 years we hope to continue with staffing levels at or near existing, even though we will have many add'l customers and projects.

The proposed budget this year is \$912,000.00 and contains room for any of the additional expenditures to be proposed.

Hospitalization premium reimbursement was discussed for Chambers, Byington and Hoover-Faul up to the amount of \$2,000.00 each. The out of pocket expenditure of \$450.00 would still be in place for all employees. Smith and Bowman have life insurance coverage and Bowman has disability coverage. The retirement program also covers Pierson, Bowman and Smith.

The proposed budget is attached.  
(See Attached)

**OLD BUSINESS**

Augusta settlement Request approval up to 5 yrs.-to be negotiated <\$7000  
Following a discussion on infiltration, how long it had been going on, whose data we were using, it was decided to ask for more information and Wheat suggested a graph showing correlation between line 6 and line 11. Pierson is to sit with Village again on Hillcrest and we need to come to agreement.

Credit Card payment is now working up to \$500.00  
Customers can pay by credit card now if willing to pay \$4.95 per transaction.  
Visa, Discovery, American Express & Master Card will be accepted.

Easement Affidavits (3) completed Kreager, Waite and Lightwood  
Affidavits at county now for recording.

Galesburg Village Franchise Not yet completed

Boelman trees-Johnson pay estimate Not yet completed-to be done by Gildea-  
home is for sale. Pay estimate will not be completed until project is completed.

Resolutions on Connection Fees Not yet completed-to be done next month

Mika Meyers Becket & Jones Mtg scheduled: 201 issues & 2010 issues  
(Wastewater)

## **FINANCIAL REVIEW/PAY BILLS**

### Financial reports

Financial Reports  
Approve standard bills paid  
Prein & Newhof

Pierson reviewed the reports stating that Barry's budget had been more than anticipated because of age of system. Pfizer is giving us more water than originally expected, therefore treatment costs are up. Revenues should cover the expenses. Bither, seconded by Barnum, made a motion, to file the Financial Reports as presented, approve the bills paid and to approve and pay the Prein & Newhof bills. **Motion carried, all ayes.**

## **CLOSING COMMENTS**

### **ADJOURN MEETING TO April 20, 2006**

Chairman Blanchard adjourned the meeting at 3:30.

Submitted for Approval

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Michael Herzog – Secretary

