



KAREGNONDI WATER AUTHORITY
Public Board Meeting
Worth Township
6903 Lakeshore Drive
Lexington, MI 48450
(810) 732-7870

MINUTES OF MEETING
August 30, 2017

Meeting Convened 2:02 p.m.
The Pledge of Allegiance was recited.
Invocation was given by Micki Hoffman.

Roll Call –

Board Members Present: Ted Henry; Larry Green; Jamie Curtis; Micki Hoffman; Eric Mays; Joseph Suma; Martin Cousineau; Paula Zelenko; Greg Alexander

Board Members Absent: Dale Kerbyson; Sheldon Neeley; Laura Sullivan; Thomas Svrcek; Marsha Binelli; Karen Weaver

Also Present:

Jeff Wright, CEO
Kevin Kilby, Corporation Counsel

Minutes:

- ❖ Motion for Approval of July 26, 2017 Minutes by *Ted Henry*; Supported by *Larry Green*; Voice Vote – Motion Passed Unanimously

Reports:

- ❖ Motion to Accept Treasurer's Report by *Ted Henry*; Supported by *Micki Hoffman*; Discussion Ensued; Voice Vote – Motion Passed

Communication: None

Consent Agenda: None.

Public Comment:

- ❖ Cyndi Duckert, 6512 Clear Lake Road, Goodland Township - When they put the pipe through her property, between the property and the road, they left a big ditch which is overgrown and unable for her to maintain. She asks that it be filled so she is able to mow it again. She believes it presents a dangerous condition the way it is now. She indicated she has only contacted the Road Commission by phone and correspondence up to this point.

Public Hearing on the Proposed 2018 Budget:

- ❖ Motion to Open Public Hearing on the Budget by *Micki Hoffman*; Supported by *Joseph Suma*; Voice Vote – Motion Passed Unanimously

Chairman Alexander requested comments. Deputy Treasurer Karl Kramer gave a brief overview of the proposed budget. No Public comments on the proposed budget. No Board comments on the proposed budget.

- ❖ Motion to Close Public Hearing on the Budget by *Ted Henry*; Supported by *Joseph Suma*; Voice Vote – Motion Passed Unanimously

Old Business: None

New Business:

- **Resolution 2017-07 Resolution to Establish a General Appropriates Act for the Karegnondi Water Authority; to Define the Powers and Duties of the Karegnondi Water Authority Officers in Relation to the Administration of the Budget; and to Provide Remedies for Refusal or Neglect to Comply with the Requirements to this Resolution**

- ❖ Motion to Remove Resolution 2017-07 from the Table by *Eric Mays*; Supported by *Ted Henry*; Voice Vote – Motion Passed Unanimously

- ❖ Motion to Approve Resolution 2017-07 by *Eric Mays*; Supported by *Joseph Suma*; Discussion Ensued; Voice Vote – Motion Passed Unanimously

- **Resolution 2017-09 Resolution Authorizing the KWA CEO to Execute the Baseline and All Receipts & Trust Agreement**

- ❖ Motion to Approve Resolution 2017-09 *Ted Henry*; Supported by *Larry Green*; Discussion Ensued;

- ❖ Motion to Table Resolution 2017-09 by *Eric Mays*; Supported by *Joseph Suma*; Roll Call Vote – Motion Failed

Roll Call Vote:

Yes

Eric Mays
Joseph Suma

No

Ted Henry
Larry Green
Jamie Curtis
Micki Hoffman
Martin Cousineau
Paula Zelenko
Greg Alexander

Motion Failed 2-7

- ❖ Motion to Call a Question on the Vote by *Jamie Curtis*; Supported by *Ted Henry*; Roll Call Vote – Motion Passes

Roll Call Vote:

Yes

Ted Henry
Larry Green
Jamie Curtis
Micki Hoffman
Martin Cousineau
Paula Zelenko
Greg Alexander

No

Eric Mays
Joseph Suma

Motion Passed 7-2

- ❖ Motion to Approve Resolution 2017-09 *Ted Henry*; Supported by *Larry Green*; Roll Call Vote – Motion Passes

Roll Call Vote:

Yes

Ted Henry
Larry Green
Jamie Curtis
Micki Hoffman
Martin Cousineau
Paula Zelenko
Greg Alexander

No

Eric Mays
Joseph Suma

Motion Passed 7-2

- **Resolution 2017-10 Resolution Authorizing the KWA CEO to Execute the Second Addendum to Raw Water Supply Contract Between the Karegnondi Water Authority and the City of Flint Effective on October 1, 2013, as Amended by the First Addendum Effective March 6, 2014**

- ❖ Motion to Approve Resolution 2017-10 by *Jamie Curtis*; Supported by *Ted Henry*; Discussion Ensued; Roll Voice Vote – Motion Passed

Roll Call Vote:

Yes

Ted Henry
Larry Green
Jamie Curtis
Micki Hoffman
Joseph Suma
Martin Cousineau
Paula Zelenko
Greg Alexander

No

Eric Mays

Motion Passed 8-1

- **Resolution 2017-11 Resolution Authorizing the First Supplement to the Karegnondi Water Authority Financing Contract**
 - ❖ Motion to Approve Resolution 2017-11 by *Ted Henry*; Supported by *Micki Hoffman*; Voice Vote – Motion Passed Unanimously

- **Resolution 2017-12 Resolution Establishing Regular Meeting Dates of the Karegnondi Water Authority**
 - ❖ Motion to Amend Resolution 2017-12 by *Larry Green*; Supported by *Ted Henry*; Discussion Ensued; Voice Vote – Motion Passed Unanimously

 - ❖ Motion to Approve Resolution 2017-12 as amended by *Ted Henry*; Supported by *Larry Green*; Discussion Ensued; Voice Vote – Motion Passed Unanimously

Public Comment:

- **Ron Cischke, Goodland Township Supervisor** – Indicated he is still receiving complaints on the roads such as blacktop and ditching. Mr. Cischke handed out a list of the roads that are affected and a copy of a map. Mr. Cischke received a copy of a memorandum, which he indicated he will take back to his Board for their review.
- **Ray Hayes, Deerfield Township Supervisor** – Is very concerned about the amount of gravel that is on Norway Lake Road and Skelton Road, which is a mile south of Columbiaville Road that was used repeatedly. The road has been mushroomed out and needs gravel. He would like this to be addressed by the Board as to a plan and what’s going to be done.
- **Mark Monson** – Has two culverts on his property. One is crushed and the other one has been graded so that it is exposed. That will be making his farm inaccessible to machinery that is coming off of Stanley Road. He would ask that that be addressed. He also indicated that near the west side culvert, the road was lowered by he believes at least two feet leaving the culvert exposed at road level with no gravel covering it. It presents a dangerous situation because you are unable to see oncoming traffic when pulling into the driveway. He requests that the road be raised up to where it was and culverts repaired. CEO Wright inquired as to who cut down the hill -- KWA or the LCRC? Mr. Monson indicated it was cut down in a gradual process. Most of the grading is now down in the ditches.
- **Destain Gingell - Lapeer County Road Commission** - Acknowledged that he just received the memorandum authored by John O’Brien to Jeff Wright but hasn’t had time to go over it. However, he wanted to let the Board know he does not concur with everything in the memorandum but will further review it and respond. He further indicated he doesn’t want to go into litigation on all of the projects and would like to set some meetings up to resolve the remaining issues. He indicated the LCRC is still due inspection fees for services performed during the course of the project.

Board Comment:

- **Mr. Mays** acknowledged receiving the handouts, and began to discuss some of the issues that are involved in the litigation. CEO Wright reminded Mr. Mays that we are not allowed to discuss litigation items. He reminded the Board that it was the Lapeer County Road Commission that forced the KWA into the court system, and that each time the KWA has gone before the Court, KWA has prevailed. He does believe that this is the only way certain issues are going to be resolved. CEO Wright indicated that the court system has now assigned a special master to review the Lapeer County Road Commission’s position and the KWA’s position. The special master has spent the last several months reviewing all documents, reports, has conducted interviews of employees and is supposed to come out in the near future with his findings on the disputes. CEO Wright added that the first time he heard that Goodland Township needed \$21,000 was in the Lapeer County Press. He indicated he was not in a position to respond to that at this point, but he could respond to the pressure reduction valves. When the system is fully up and running, each township will be visited to discuss what their individual needs will be. He wanted to advise the Board that the KWA spent several million dollars improving drainage systems for the LCRC. Fire hydrants were also supplied for each of the townships. The KWA spent \$100,000 for hydrants and valves for the fire trucks so they could have fire suppression capabilities for the first time ever in a real sense. He indicated the Board should be proud of the fact that the KWA spent

the extra dollars to make sure that Lapeer County and its residents had fire suppression capabilities where they have never had it before, at no expense to them.

- **Joe Suma** indicated he will be looking forward to receiving the special master's report and working out all of the issues.
- **Ted Henry** inquired as to how much was spent on inspection fees. CEO Wright indicated he did not have the exact figure at the moment, but indicated the KWA paid Lapeer County to hire their own inspectors to inspect properties which was about \$1.1 million. KWA also had its own inspectors on the job sites.
- **Chairman Alexander** indicated he received a letter putting Jamie Curtis back on the Board in the place of Richard Hammel and the Board welcomed him back.

❖ Motion to Adjourn Meeting by *Eric Mays*; Supported by *Jamie Curtis*; Voice Vote – Motion Passed Unanimously

Meeting Adjourned 3:15 p.m.

STATE OF MICHIGAN)
) ss:
COUNTY OF GENESEE)

I, Janis M. Wells, Deputy Secretary of the Karegnondi Water Authority Board, do hereby certify the foregoing is a true and complete copy of the Minutes of Meeting of August 30, 2017, adopted by the Karegnondi Water Authority Board, acting in the County of Genesee, at a meeting held on the 18th day of December, 2017, and that public notice of said meeting was given pursuant to Act 267 of the Michigan Public Acts of 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have affixed my official signature on this 18th day of December, 2017.



JANIS M. WELLS, Deputy Secretary