

Minutes of Porter Township Sewer Board

August 7, 2018

The Sewer Board Meeting was called to order by Carl Klappauf, Chairman, at 7:00pm, followed by the Pledge of Allegiance. Because of an election being held at the Township Hall, this meeting was held at the Sewer Plant

Roll Call

Board members present: Carl Klappauf, Dave Nagy, John Penkala, Roery MacLean, Leard Wylie (Township representative) & Jeff Moore. Board member absent: Ross Molho (alternate). Others present: Ray Galovich (IA representative). Quorum is established. Meeting will proceed.

Approval of Minutes

Motion made by Carl Klappauf, seconded by Jeff Moore, to accept the minutes of July 3, 2018. Motion passed unanimously.

Public Comments

There were not any public comments.

Financial Review-John Penkala

John Penkala reviewed First Quarter financial results for the Sewer Operations. He stated that there is enough cash to cover all debt payments in 2018 & 2019. An update on the status of any remaining SAW Grant reimbursements was presented.

Township Review-Carl Klappauf

Carl Klappauf summarized the Sewer Board and sewer plant's activities for the Township Board at the July 10, 2018 Township Board meeting.

IA's Monthly Report-Ray Galovich

- Ray Galovich stated the plant continued to run exceptionally well during the month of July 2018.
- There was an air valve failure at the plant that was repaired.
- A decanter failed due to rusted bolt heads and was repaired.

Septage Receiving Activity-Dave Nagy

Dave Nagy summarized, with charts, the septage receiving activity for July 2018. 191,100 gallons were received generating \$7,060 in sales. A total of 235 customers would have to be added to the system to generate this amount of income.

Periodic Review of Ordinances-Carl Klappauf

Motion1: The Sewer Board recommends to the Township Board that Section 708 of the Sewer Ordinance be changed **FROM-- Unpaid Sewer Rates and Charges; Time Price Differential**. If Sewer Rates and Charges are not paid on or before the due date, then a penalty in the amount of 10% shall be added to the balance due and thereafter a time-price differential of 1% per month or fraction of a month shall be charged on the outstanding balance, exclusive of penalty, until paid.

TO—If Sewer Rates and Charges are not paid on or before the due date, then a penalty in the amount of 10% of the past due balance shall be added to the balance due each month.

Motion made by Dave Nagy, seconded by John Penkala, passed unanimously.

10 Year Budget-John Penkala

Carl Klappauf will setup up a meeting which will include the Township Board, Sewer Board, and SAW Grant representatives so results of the SAW Grant can be presented.

Past Due Payments-John Penkala

John Penkala stated that as of 7/31/18 payments totaling \$122,295 was pass due. A motion made combining the motion made in **Periodic Review of Ordinances** and the one below were originally combined in one motion, that motion was rescinded, and made into 2 separate motions.

Motion2: The Sewer Board recommends to the Township Board that Section 709(a) of the Sewer Ordinance be enforced as soon as possible.

Section 709. Unpaid Sewer Rates and Charges; Remedies. If Sewer Rates and Charges are not paid on or before the due date, the Township, pursuant to Act 178 of the Public Acts of Michigan of 1939, as amended, may:

- (a) Discontinue the services provided by the System by disconnecting the Building Sewer from the Service Connection, and the service so discontinued shall not be reinstated until all sums then due and owing, including time price differential, penalties, interest and all expenses incurred by the Township for shutting off and turning on the service, shall be paid to the Township.

Motion made by John Penkala, seconded by Carl Klappauf, passed unanimously.

Septage Rate Increase

Dave Nagy will continue to investigate.

Lexus International Corp

John Penkala investigated and the Sewer Ordinance was followed. This item can be removed.

New Business

Mike Kelly Billing Rebuttal

Mr. And Mrs. Kelly presented their rebuttal to the billing of \$6,919.10 for recovery of expenses.

Motion: The Sewer Board recommends to the Township Board that the recommendation made at the June 12, 2018 Township Board meeting to bill Michael Kelly of Birch Lake \$ 6,919.10 for recovery of expenses is affirmed and that a payment plan option of equal payments over 12 months without interest be considered.

Motion: Motion made by Dave Nagy, seconded by John Penkala, passed unanimously.

Septage Hauler's Invoice Procedure

Dave Nagy will continue to implement.

Indiana Lake Activity

Carl Klappauf will continue to monitor.

Calderwood billing

John Penkala supplied Carl Klappauf information on parcel #14-120-080-033-00

Motion made by Dave Nagy, seconded by Jeff Moore, to adjourn the meeting at 9:15pm. Motion passed unanimously. The next meeting will be at the Township Hall on September 4, 2018 at 7:00pm.

Respectfully submitted,

John Penkala, Sewer Board Secretary