

GOGEBIC RANGE WATER AUTHORITY
REGULAR MEETING – APRIL 12, 2007
MINUTES

The Gogebic Range Water Authority Board met in regular session on Thursday, April 12, 2007 at 6:30 p.m. at the Bessemer Township Hall in Ramsay, MI 49959.

CALL TO ORDER: The meeting was called to order by Chairman Rickard, followed by the pledge of allegiance to the flag.

ROLL CALL: Present: Anderson, Bertetto, Ozzello, Olsen, Pavlovich, Rickard, Pikka, Smith, Grenfell, and Estola

Absent: Salmi

Also present: Randy Scott and Chuck Lawson, GRWA project engineers and Jim Bucknell, GRWA attorney

PRESENTATION OF MINUTES: Moved by Bertetto and supported by Ozzello to accept as presented and place on file the minutes of the regular meeting held March 8, 2007. Motion carried.

OPERATING ACCOUNT CLAIMS: Moved by Smith and supported by Estola to approve payment of the claims against the operating account in the amount of \$15,786.79.

Motion was unanimously carried upon a roll call vote.

COMMUNICATIONS: Administrator presented the letter from the City of Wakefield regarding the annual water rate increase for all water purchased by GRWA from the city. The increase effective with the September 2007 water purchase will be \$0.30 per 1000 gallons which will bring the water purchase rate to \$1.37 per 1000 gallons.

Moved by Ozzello and supported by Smith to place the communications on file. Motion carried.

OLD BUSINESS:

A. Moved by Anderson and supported by Bertetto to approve signature on the City on the "Second Addendum to the City of Wakefield Water Purchase Agreement" extending the contract to the year 2048 to facilitate the bonding for the Anvil / Indianhead Water System Improvements Project.

Motion was unanimously carried upon a roll call vote.

B. Administrator reviewed the progress of obtaining a water system franchise agreement with Wakefield Township. The township attorney had reviewed the document and suggested some changes. GRWA executive committee will meet with the Wakefield Township supervisor to discuss the agreement and clarify the changes.

NEW BUSINESS

A. Administrator reported that GRWA is continuing to experience water losses beyond acceptable limits in the Blackjack water system. The master meter was suspect in the loss formula and has been replaced. This has not solved the problem. The Blackjack system was constructed in the early 1980s and the water meters have not been replaced since. Administrator is requesting authorization to begin replacing all the water meters on the Blackjack system, since old, inefficient meters can also be the cause of water loss. The anticipated cost of this program will be three to four thousand dollars plus labor. Most meters are either 1" or full 5/8" and the main chalet has a 2" meter. Moved by Anderson and supported by Grenfell to authorize the administrator to begin replacing all the water meters on the Blackjack water system. Motion was unanimously carried upon a roll call vote.

B. Chuck Lawson, GRWA engineer, introduced change order #36 to the Phase II project. This change order is to construct the water main extension to the proposed new super Wal-mart site in Ironwood Township, in the amount of \$199,112.50. Mr. Lawson stated that the contractor must order the pipe for the project by April 13, 2007 close of business or face a 25% cost increase. GRWA board members voiced concerns over having to pay for the pipe if Wal-mart backs out of the project since the GRWA has not received a signed copy of the Wal-mart Development Agreement, which was due by April 9, 2007, or the funding of \$200,000 needed to construct the water main, as promised by Wal-Mart.

Discussion ensued regarding purchasing the pipe from GRWA funds and using the pipe on a future project if the Wal-mart project fails.

Moved by Bertetto and supported by Ozzello to approve and authorize signatures on Phase II project change order # 36 in the amount of \$199,112.50 and authorize the contractor to order the pipe for the project.

Motion was unanimously carried upon a roll call vote.

C. At this time Randy Scott, Engineer, addressed the board on several issues relating to the Ironwood Township project. His contacts on the federal level are anticipating another farm bill funding package to be enacted late this fall and he feels GRWA should be prepared to submit the Ironwood Township project if it occurs. The environmental section of the original project will need to be updated at a cost \$3500.00 for the application to be eligible for submittal.

Moved by Grenfell and supported by Pikka to authorize Wilcox Professional Services to make the necessary updates to the Ironwood Township application at a cost not to exceed \$3500.00.

Motion was unanimously carried upon a roll call vote.

Discussion was held regarding the location for source water for Ironwood Township. It was the consensus of the GRWA board to attempt to bring water from the eastern sources first and use City of Ironwood water as an emergency back-up only. It was also mentioned that it appears Grand View Hospital is moving forward with its expansion plan as phased projects. The first project will be infrastructure upgrades and a

new water tank on the hill behind the hospital. GRWA members discussed starting a dialog with GVH regarding working with them to construct the water reservoir, which will be beneficial to all the GRWA members.

FINANCIAL REPORTS: Moved by Bertetto and supported by Ozzello to place the financial reports on file. Motion carried.

PUBLIC COMMENT AND OTHER BUSINESS: None

ADJOURNMENT: Moved by Bertetto and supported by Estola to adjourn at 7:20 p.m. Motion carried.

Walter Rickard, Chairman

G. Jean Verbos, Administrator