

POWDERHORN AREA UTILITY DISTRICT  
REGULAR MEETING – DECEMBER 20, 2007  
MINUTES

The PAUD Board met in regular session at 4:30 p.m. on December 20, 2007 at the Ironwood Township Hall in Ironwood, MI 49938. Notice of meeting was published in the Daily Globe newspaper's "Eight Day Calendar of Events".

CALL TO ORDER: Present: Estola, Randall, Salmi and administrator Verbos.  
Absent: None

Also present: Mr. Bruce Noreen, Mr. Gordon Erickson and Mr. Richard Boggs

MINUTES: Moved by Randall and supported by Salmi to accept as presented and place on file the minutes of the November 15, 2007 regular meeting. Motion carried.

OPERATING ACCOUNT CLAIMS: Moved by Estola and supported by Randall to approve payment of the claims against the operating account in the amount of \$4,334.79. Motion was unanimously carried upon a roll call vote.

COMMUNICATIONS:

- 1.) Accident Fund workers compensation insurance notification of an accident free work year and dividend check in the amount of \$39.54.
- 2.) USDA Rural Development: notice of the final draw of \$368,700 on the sanitary sewer construction project loan and approval of using the funds to make a prepayment on the \$902,000 bond principal in the amount of \$369,000.
- 3.) Request from PAUD to apply \$369,000 to Loan 92-02 as a principal prepayment.

Moved by Salmi and supported by Randall to place the communications on file. Motion carried.

OLD BUSINESS:

A. The revised contract from Stauder & Barch, Public Financial Consultants, was reviewed and the methodology outlined for the sanitary sewer rate study was acceptable for the scope of work requested.

Moved by Estola and supported by Salmi to approve and authorize signatures on the agreement. Motion was unanimously carried upon a roll call vote.

NEW BUSINESS: None

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

PUBLIC COMMENT AND OTHER BUSINESS:

Administrator reported that the 4<sup>th</sup> quarter sewer bills will be mailed on January 2, 2008 and that two of the tax liens placed on properties with delinquent sewer bills have been paid and that most of the 3Q2007 late notice bills have now been paid.

Comments were received from Mr. Boggs and Mr. Erickson regarding rates and the possibility of a reduction in the rates in the future. Board responded that everything possible is being done to keep the operation of the system as economical as possible and that the largest amount of the rate is the retirement of the debt to construct the system.

ADJOURNMENT: Moved by Estola and supported by Randall to adjourn at 4:50 p.m.  
Motion carried.

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Richard Estola, Chairman

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G. Jean Verbos, Administrator