

POWDERHORN AREA UTILITY DISTRICT
REGULAR MEETING – NOVEMBER 15, 2007
MINUTES

The PAUD Board met in regular session at 4:30 p.m. on November 15, 2007 at the Ironwood Township Hall, Ironwood, MI 49938. Notice of meeting was published in the *Daily Globe* newspaper's "Eight Day Calendar of Events".

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

ROLL CALL: Present: Estola, Randall and Salmi

Also present: Randy Scott, project engineer, and two citizens

MINUTES: Moved by Randall and supported by Salmi to accept and place on file the minutes of the October 18, 2007 regular meeting with one correction "motion to adjourn was supported by Salmi". Motion carried.

OPERATING ACCOUNT CLAIMS: Moved by Estola and supported by Salmi to approve payment of the claims against the operating account in the amount of \$4,922.98. Motion was unanimously carried upon a roll call vote.

COMMUNICATIONS:

Communications presented and discussed:

CMI Grant closeout letter; 3Q 2007 delinquent utility billing list; Fax to R. Pearson regarding delinquent sewer bills; Fax to Xcel energy regarding bill consolidation to one account; letter to 1st National Bank requesting pledge of security and the list requested by and sent to the U.P. Health Department in Houghton, MI of properties not connected to the new sewer system as of November 7, 2007.

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

OLD BUSINESS:

A. Moved by Randall and supported by Salmi to approve and authorize signatures on the final pay request of the construction project from loan 92-01 in the amount of \$369,131.74.

Motion was unanimously carried upon a roll call vote.

B. Moved by Estola and supported by Randall to approve using the unexpended funds from loan 92-01 to make an advance principal payment in the amount of \$369,131.74 on loan 92-02 (\$902,000 loan).

Motion was unanimously carried upon a roll call vote.

C. Moved by Salmi and supported by Randall to approve placing liens on the list of properties presented that have sewer bills delinquent for six months.

Motion was unanimously carried upon a roll call vote.

D. Administrator reported that she is questioning the scope of service of the firm selected by the board to perform a sewer rate study. The firm states that the areas to be

analyzed for the study mainly include "sewer flows". PAUD pays a flat rate for treatment and since there is no municipal water system the flows are not measured. Administrator requested permission to contact the second choice firm to discuss the type of study PAUD requires if the first choice firm does not amend the scope of services. Board Authorized such.

NEW BUSINESS: None

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

PUBLIC COMMENT AND OTHER BUSINESS:

The Board received comment from the citizens present regarding the placing of meters on the system and other issues.

ADJOURNMENT: Moved by Salmi and supported by Randall to adjourn at 5:05 p.m. Motion carried.

Richard Estola, Chairman

G. Jean Verbos, Administrator