

POWDERHORN AREA UTILITY DISTRICT  
REGULAR MEETING - DECEMBER 21, 2006  
MINUTES

The PAUD Board met in regular session at 4:30 p.m. on December 21, 2006 at the Ironwood Township Hall, Ironwood MI 49938. Notice of meeting was published in the *Daily Globe* newspaper December 15-21, 2006.

**CALL TO ORDER:** Meeting was called to order by Mr. Randall, due to the absence of Chairman Estola, and was followed by the pledge of allegiance to the flag.

**ROLL CALL:** Present: Mr. Randall, Ms. Salmi and Ms. Olson (alternate)  
Absent: Mr. Estola

Also present: Randy Scott and Chuck Lawson, project engineers

**PRESENTATION OF MINUTES:** Moved by Salmi and supported by Olson to accept as presented and place on file the minutes of the November 22, 2006 regular meeting and construction progress meeting and special meeting of December 7, 2006. Motion carried.

**OPERATING ACCOUNT CLAIMS:** Moved by Olson and supported by Salmi to approve payment of the claims against the operating account in the amount of \$4456.49. Motion was unanimously carried upon a roll call vote.

**COMMUNICATIONS:** Moved by Salmi and supported by Olson to place the communications on file. Motion carried.

**OLD BUSINESS:**

A. New rate ordinance. Administrator Verbos reported that the new PAUD Sanitary Sewer Rate Ordinance discussed at the November 22, 2006 meeting was reviewed and adopted by the PAUD Board of Trustees in a special meeting held on December 7, 2006. The new ordinance was published in its entirety in the *Daily Globe* newspaper on December 13, 2006. The new rates are now in effect and will be applied to the 4<sup>th</sup> quarter 2006 sewer bills. The sewer bills will be sent the first week in January 2007. All dwellings in the Ironwood Township area of the district are now liable for sewer fees as they were to be connected to the system no later than August 30, 2006. Dwellings that are not connected to the sewer system in Ironwood Township are now in violation of the township Sewer Use Ordinance and subject to additional fees and penalties unless they have an approved connection permit on file with PAUD on December 30, 2006. Administrator reported that 89 units in Ironwood Township and 6 units in Bessemer Township are now connected.

**NEW BUSINESS:**

A. Moved by Randall and supported by Salmi to approve and authorize signatures on project change order #17, a balancing change order resulting in a credit of \$73,009.69 and extending the contract completion date to June 20, 2007 and partial pay estimate #25 in the amount of \$389,412.26.

Motion was unanimously carried upon a roll call vote.

B. Proposals from two vendors for the purchase of a 9 ½ HP Ariens snow blower to facilitate snow removal from pump stations and grinder stations were discussed and reviewed. Moved by Salmi and supported by Olson to approve the purchase with funds from the general operating account of an Ariens 9 ½ HP snowblower with a 26 inch cut from Wanink's Sales & Service, Wakefield MI at a cost of not to exceed \$1500.00.

Motion was unanimously carried upon a roll call vote.

C. One proposal was received for the purchase of a work truck for PAUD from Von Holzen Auto & Truck Center of Ashland WI. The truck proposed is a GMC ¾ ton heavy duty four wheel drive extended cab work truck with a snowplow prep package and towing package. Request for a sprayed in bed liner, Western snow plow and truck bed tool box were not quoted. The price for the truck alone is \$24,003.00.

Moved by Salmi and supported by Randall to approve the purchase of the GMC truck from Von Holzen at a cost of \$24,003.00 contingent upon approval by Rural Development, the spray in bed liner, Western snow plow and tool box to be purchased from local vendors.

Motion was unanimously carried upon a roll call vote.

D. Moved by Salmi and supported by Olson to approve and authorize signatures on Engineering Agreement Amendment #8 for and increase of \$20,000 for Resident Project Inspector costs.

Motion was unanimously carried upon a roll call vote.

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

**PUBLIC COMMENT AND OTHER BUSINESS:** None

**ADJOURNMENT:** Moved by Randall and supported by Salmi to adjourn at 5:25 p.m.  
Motion carried.

Richard Estola, Chairman

G. Jean Verbos, Administrator