

Higgins Lake Utility Authority  
Regular Meeting Minutes  
May 1, 2018

The meeting was called to order by Chairperson Hartman at 10:00 a.m.

Roll call: Present: Cook, Hartman, Wood, English, Riley Absent: None

Public Comments: None

Motion by Hartman, second by English, **CARRIED** to approve the agenda. Yeas: All Nays: None

Motion by Wood, second by English, **CARRIED** to approve the minutes from the April 3, 2017 meeting.  
Yeas: All Nays: None

**WADE-TRIM REPORT:** Therron reported there was one service call and no Miss Digs for the month. Aerators to be installed today and the Asset Management Plan is just about complete. Therron also reported that he is having issues with disposable wipes messing with the grinder pumps. Per the board request Paul will be putting out another notice and Brian will be putting something on the Web page.

Motion by Cook, second by Hartman, **CARRIED** to approve the treasurer's reports for April 2018. Yeas All Nays: None

Motion by Hartman, second by English, **CARRIED** to approve the accounts payable. Yeas: All Nays: None

**REPORT FROM STAFF:**

**OLD BUSINESS:** Motion by Hartman to request the board attorney to withdrawal his resignation. No second motion fails.

**NEW BUSINESSSS:** None

**MEMBER COMMENTS:**

**ADJOURNMENT:** Meeting adjourned 10:48 p.m.

Respectfully submitted

Paul Tatro  
Business Manager

Ron Wood  
Secretary



OPERATIONS SERVICES, INC.  
AGREEMENT FOR SERVICES

THIS AGREEMENT, is made on this 1<sup>st</sup> day of April, 2018, between Higgins Lake Utilities Authority, located at PO Box 437, Higgins Lake, MI. 48627, (*hereinafter "OWNER"*) and WADE TRIM OPERATIONS SERVICES, Inc., a Michigan Corporation, located at 25251 Northline, P.O. Box 10, Taylor, Michigan 48180 (*hereinafter "WADE TRIM"*).

SCOPE OF SERVICE:

- 1. WADE TRIM shall:
  - a. Provide those services for the facility as described in its letter proposal dated February 1, 2018, which is attached to this document and made a part of this AGREEMENT.

COMPENSATION:

- 1. WADE TRIM's compensation under this AGREEMENT shall be as follows:
  - a. All compensation to WADE TRIM is due upon receipt of WADE TRIM's invoice and payable within 15 days. OWNER shall pay interest at a rate of 1.5 percent per month (or the maximum legal rate) from date due until the date paid for late payments.
  - b. WADE TRIM's Requests for Payment, and any statements of account that WADE TRIM deems necessary to submit may be sent to OWNER either by United States Mail, Courier Delivery Service, or electronic transmission (including but not limited to facsimile transmission or electronic mail). The form of submittal shall be at WADE TRIM's discretion and shall be considered a valid submittal unless OWNER specifically directs WADE TRIM otherwise.

Both parties indicate their approval of this AGREEMENT, including all general provisions, by their signatures below.

WADE TRIM OPERATIONS SERVICES, INC.

OWNER

By: [Signature]  
Its: Senior Project Mgr.

By: [Signature]  
Its: Chair of H.L.U.A.

Attest: [Signature]

Attest: [Signature]

## General Provisions

### MISCELLANEOUS

1. It is understood that the relationship of WADE TRIM to OWNER is that of an independent contractor.
2. This AGREEMENT shall be governed by and interpreted in accordance with the laws of the State of Michigan.
3. This AGREEMENT shall be binding upon the respective successors and assignees of each of the parties hereto. Neither party will assign this AGREEMENT without the prior written consent of the other party.
4. This AGREEMENT states the entire agreement between OWNER and WADE TRIM, supersedes all previous or contemporaneous representations and agreements (whether written or oral), and may be modified only in writing and signed by the parties. OWNER agrees that its remedies against WADE TRIM and its affiliates shall be limited to those expressly provided in this AGREEMENT. All releases, indemnities, and limitations on liability and remedies stated herein shall apply, regardless of whether the liability or remedies arise in contract, warranty, negligence, strict liability, or otherwise.
- b. Hereby waives and releases all subrogation rights as if or its insurers may now or in the future have against the other and its affiliates and their respective directors, officers, employees, and agents for any loss or damage resulting from any and all risks and losses, however and whenever arising, including, but not limited to, the losses and risks of fire or other extended coverage or extended perils, business interruption, transit damages or losses, vandalism, and malicious mischief and other risks.
5. In no event shall the cumulative liability of WADE TRIM or its affiliates relating in any way to this AGREEMENT exceed \$50,000 in the aggregate.

### FORCE MAJEURE

Neither party shall be liable for its failure to perform nor for delay in performance of its obligations hereunder (other than payment) when due to force majeure including but not limited to any event beyond its reasonable control including fire, flood, explosion, or other casualty loss, strikes, and labor disputes, accident, epidemic, acts, or omissions of government, or wrecks or delays in transportation of supplies, materials, and equipment.

### TERM

1. The initial term of this AGREEMENT shall be five years commencing on the date shown on page one, unless modified by the parties under the scope of work.
2. This AGREEMENT shall automatically renew for a subsequent like term unless canceled by either party by providing a minimum of 120 days notice to the other of the intent to cancel.

### LIABILITY AND INSURANCE

1. WADE TRIM agrees to defend, indemnify, and hold OWNER harmless from liability for bodily injury, including death, and damage to tangible property claimed by third parties to the extent arising from WADE TRIM's negligence or willful misconduct in the conduct of activities assumed under this AGREEMENT.
2. OWNER agrees to defend, indemnify, and hold WADE TRIM harmless from any liability to the extent arising other than from WADE TRIM's negligence or willful misconduct; and regardless of whether caused in whole or in part by such willful misconduct or negligence.
3. **WADE TRIM SHALL MAINTAIN:**
  - a. Statutory worker's compensation for all of WADE TRIM's employees at the FACILITY as required by law.
  - b. Comprehensive general liability insurance for bodily injury and/or property damage with \$1,000,000 combined single limits, per occurrence and in the aggregate.
4. **EACH PARTY:**
  - a. Shall maintain adequate property insurance for its equipment and real and personal property including, but not limited to, extended coverage, and as to OWNER, to the full insurable value of property in which OWNER has an interest.

### ARBITRATION

1. All claims, counterclaims, disputes and other matters in question between the parties hereto arising out of or in any way relating this AGREEMENT or the breach thereof shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining, subject to the conditions and restrictions stated in paragraphs 2 and 3 below. This agreement so to arbitrate and any other consent or agreement to arbitrate entered into in accordance herewith as provided in this paragraph 1 shall be specifically enforceable under the prevailing arbitration law of any court having jurisdiction.
2. Notice of demand for arbitration must be filed with the other parties to this AGREEMENT and with the American Arbitration Association. The demand must be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event may the demand for arbitration be made after the expiration of one year from the date the cause of action accrued. The cause of action shall be deemed to have accrued at the time the party asserting the claim knew, or by reasonable exercise of due diligence, should have known of the existence of such claim. After the expiration of said one year, any claim between the parties hereto shall be barred.
3. No arbitration arising out of, or related to this AGREEMENT may include, by consolidation, joinder or any other manner, any other person or entity who is not a party to this agreement.
4. The award rendered by the arbitrators will be final, not subject to appeal and judgment may be entered on it on any court having jurisdiction thereof.

9:42 AM

04/30/18

**Higgins Lake Utilities Authority**  
**All Payments Issued for The Bank of New York Mellon, N.A.**  
**All Transactions**

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Amount</u>
Bill Pmt -Check	2387	03/09/2018	18,281.25
Bill Pmt -Check	1030	09/11/2017	204,784.38
Bill Pmt -Check	1028	03/10/2017	19,784.38
Bill Pmt -Check	1027	09/06/2016	201,246.88
Bill Pmt -Check	1025	03/09/2016	21,246.88
Bill Pmt -Check	1022	09/24/2015	202,709.38
Bill Pmt -Check	1021	03/13/2015	22,709.38
Bill Pmt -Check	1019	09/02/2014	199,131.25
Bill Pmt -Check		03/04/2014	24,131.25
Bill Pmt -Check		09/10/2013	200,553.13
Bill Pmt -Check	1013	03/01/2013	25,553.13
Bill Pmt -Check		09/11/2012	196,934.38
Bill Pmt -Check	1008	03/13/2012	26,934.38
Bill Pmt -Check	1006	09/13/2011	198,315.63
Bill Pmt -Check	1001	03/09/2011	28,315.63
Bill Pmt -Check	wire x...	09/28/2010	194,656.25
Bill Pmt -Check	wire x...	03/24/2010	29,656.25
Bill Pmt -Check	1143	09/08/2009	195,092.69
Bill Pmt -Check	1124	03/22/2009	27,418.63
Bill Pmt -Check	1086	09/23/2008	15,630.44
Check	Wire	03/28/2008	3,158.94
<b>Total</b>			<b><u><u>2,056,244.51</u></u></b>

9:17 AM  
05/01/18  
Accrual Basis

Higgins Lake Utilities Authority  
All Payments Issued for First Bank  
All Transactions

Type	Date	Name	Amount
Bill	03/17/2015	First Bank-payments	-12,450.00
Bill	09/02/2014	First Bank-payments	-53,300.00
Bill	03/04/2014	First Bank-payments	-13,300.00
Bill	09/27/2013	First Bank-payments	-850.00
Bill	09/10/2013	First Bank-payments	-53,300.00
Bill	03/13/2012	First Bank-payments	-14,950.00
Bill	09/13/2011	First Bank-payments	-55,750.00
Bill	03/09/2011	First Bank-payments	-16,550.00
Bill	09/28/2010	First Bank-payments	-56,550.00
Bill	03/24/2010	First Bank-payments	-16,550.00
Bill	09/15/2009	First Bank-payments	-57,350.00
Bill	04/21/2009	First Bank-payments	-17,350.00
Bill	10/17/2008	First Bank-payments	-58,150.00
Bill	08/21/2008	First Bank-payments	-8,369.16
<b>Total</b>			<b>-434,769.16</b>

9:41 AM

04/30/18

Higgins Lake Utilities Authority  
All Payments Issued for Mercantile Bank  
All Transactions

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Amount</u>
Bill Pmt -Check	2386	03/09/2018	9,850.00
Bill Pmt -Check	2316	09/11/2017	50,750.00
Bill Pmt -Check	1029	03/10/2017	10,750.00
Bill Pmt -Check	1026	09/21/2016	51,600.00
Bill Pmt -Check	1024	03/09/2016	11,600.00
Bill Pmt -Check	1023	10/01/2015	52,450.00
Total			<u>187,000.00</u>

## Higgins Lake Utilities Authority Profit & Loss Budget vs. Actual July 2017 through March 2018

	Jul '17 - Mar 18	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
537.607 · Sewer Fees	124,214.93	170,100.00	-45,885.07	73.0%
537.609 · Delinquent Sewer Fees	1,984.25	2,000.00	-15.75	99.2%
537.664 · Interest-O&M	89.14	100.00	-10.86	89.1%
537.671 · Misc Income-O&M	878.74	200.00	678.74	439.4%
<b>Total Income</b>	<b>127,167.06</b>	<b>172,400.00</b>	<b>-45,232.94</b>	<b>73.8%</b>
<b>Expense</b>				
537.710 · Per Diem	1,900.00	3,000.00	-1,100.00	63.3%
537.726 · Office Supplies	145.29	250.00	-104.71	58.1%
537.727 · Equipment Purchases-Large	1,931.94	2,000.00	-68.06	96.6%
537.728 · Equipment Purchases-Small	44.88	500.00	-455.12	9.0%
537.729 · Equipment Replacement Reserve	25,000.00	14,700.00	10,300.00	170.1%
537.735 · Operating Supplies	0.00	100.00	-100.00	0.0%
537.801 · Legal & Professional	62.50	2,000.00	-1,937.50	3.1%
537.802 · Contractual Services-Operations	59,919.57	66,400.00	-6,480.43	90.2%
537.803 · Insurance	3,593.00	3,600.00	-7.00	99.8%
537.804 · Contractual-Administrative	20,550.00	27,000.00	-6,450.00	76.1%
537.805 · Contract-Repairs	1,832.12	5,000.00	-3,167.88	36.6%
537.806 · Contract-Audit Fees	2,050.00	2,050.00	0.00	100.0%
537.850 · Telephone & Internet	1,068.70	1,200.00	-131.30	89.1%
537.900 · Printing & Publishing	369.80	500.00	-130.20	74.0%
537.920 · Utilities	39,675.43	32,000.00	7,675.43	124.0%
537.940 · Office Rent	3,150.00	4,200.00	-1,050.00	75.0%
537.955 · Education, Dues & Subscriptions	758.64	900.00	-141.36	84.3%
537.956 · Computer Hardware & Software	1,748.00	2,000.00	-252.00	87.4%
537.957 · Permits & Fees	3,650.00	3,650.00	0.00	100.0%
537.958 · Postage	68.00	1,200.00	-1,132.00	5.7%
537.959 · Miscellaneous Expense-O&M	0.00	150.00	-150.00	0.0%
<b>Total Expense</b>	<b>167,517.87</b>	<b>172,400.00</b>	<b>-4,882.13</b>	<b>97.2%</b>
<b>Net Ordinary Income</b>	<b>-40,350.81</b>	<b>0.00</b>	<b>-40,350.81</b>	<b>100.0%</b>
<b>Net Income</b>	<b>-40,350.81</b>	<b>0.00</b>	<b>-40,350.81</b>	<b>100.0%</b>

# Higgins Lake Utilities Authority

## Profit & Loss Budget Overview (Proposed)

July 2018 through June 2019

	Jul '18 - Jun '19
Ordinary Income/Expense	
Income	
537.607 · Sewer Fees	170,100.00
537.609 · Delinquent Sewer Fees	2,000.00
537.664 · Interest-O&M	100.00
537.671 · Misc Income-O&M	200.00
<b>Total Income</b>	<b>172,400.00</b>
Expense	
537.710 · Per Diem	3,000.00
537.726 · Office Supplies	250.00
537.727 · Equipment Purchases-Large	2,000.00
537.728 · Equipment Purchases-Small	500.00
537.729 · Equipment Replacement Reserve	25,000.00
537.735 · Operating Supplies	100.00
537.760 · Miscellaneous Expense-ER&R	0.00
537.801 · Legal & Professional	2,000.00
537.802 · Contractual Services-Operations	66,400.00
537.803 · Insurance	3,600.00
537.804 · Contractual-Administrative	28,800.00
537.805 · Contract-Repairs	5,000.00
537.806 · Contract-Audit Fees	2,050.00
537.850 · Telephone & Internet	1,200.00
537.900 · Printing & Publishing	500.00
537.920 · Utilities	40,000.00
537.940 · Office Rent	4,200.00
537.955 · Education, Dues & Subscriptions	900.00
537.956 · Computer Hardware & Software	2,000.00
537.957 · Permits & Fees	3,650.00
537.958 · Postage	1,200.00
537.959 · Miscellaneous Expense-O&M	150.00
<b>Total Expense</b>	<b>192,500.00</b>
<b>Net Ordinary Income</b>	<b>-20,100.00</b>
<b>Net Income</b>	<b>-20,100.00</b>