

**REGULAR MEETING OF THE SOUTHEAST MACOMB SANITARY DISTRICT  
HELD ON WEDNESDAY, FEBRUARY 23, 2022**

Meeting called to order by Chairman Taylor at 4:25 p.m.

Board Member Present

Board Members Roll Call: Robert Taylor, Sarah Lucido, and John Caron

Also, Present:

Kip Walby, Marie Tighe, Pete Trombley, Michael Way, Grosse Pointe Farms, Steve Wietecha, Roseville, Tim Tomlinson, Attorney, Kyle Seidel, AEW.

**APPROVAL OF AGENDA**

MOTION by Caron, supported by Lucido to approve the agenda.

AYES: All

MOTION CARRIED

**REVIEW AND APPROVAL OF PROPOSED MINUTES**

Minutes of the Southeast Macomb Sanitary District Regular Meeting held on Wednesday, February 9, 2022, was reviewed.

MOTION by Caron, supported by Lucido to approve the Minutes of the Southeast Macomb Sanitary District Regular Meeting held on Wednesday, February 9, 2022, as presented.

AYES: All

MOTION CARRIED

**APPROVAL OF PAYROLL AND BILLS**

The payroll and bills were presented to the Board as follows:

**PAYROLL: (2/16/22)**

Matt Adams	\$ 2,242.35
Brent Avery	\$ 3,702.27
Paul Everett	\$ 3,275.62
Brendan Fick	\$ 1,919.56
Dave Jenken	\$ 2,511.28
Frank Pelione	\$ 2,017.12
Joe Rayner	\$ 2,235.89

**Southeast Macomb Sanitary District Meeting Minutes**  
**February 23, 2022**  
**Page 2 of 6**

Thomas Riley	\$ 1,831.80
Luke Smith	\$ 1,913.44
Marie Tighe	\$ 1,521.60
Pete Trombley	\$ 6,032.22
Kip Walby	\$ 6,115.95
Chris Zielinski	\$ 2,212.20
<b><u>General Fund</u></b>	\$ 15,062.34
Hoffman Pump Station	\$ 980.59
Kerby Road Pump Station	\$ 6,594.12
Rio Vista Pump Station	\$ 10,883.93
Marter Road Pump Station	\$ 1,800.00
Milk River Pump Station	\$ 3,649.25
	<b>\$ 38,070.23</b>

MOTION by Caron, supported by Lucido to approve the Payroll, General Fund, Martin Drain Pump Station, Hoffman Pump Station, Marter Road Pump Station, Kerby Road Pump Station and Wayne County invoices as presented.

AYES: All

MOTION CARRIED

**RECEIVE AND FILE FINANCIAL REPORT**

The Financial Report was presented.

MOTION by Lucido, supported by Caron to receive and file the financial report.

AYES: All

MOTION CARRIED

**Director of Operations**

The Director of Operations update was provided by Kip Walby.

**NEW BUSINESS**

**2021 Pension/OPEB Valuation**

Mr. Walby presented the retiree retirement plan actuarial valuation. The funded status shows 102.2%. The normal costs for July 1, 2022 shows \$116,888 and for fiscal year beginning July 1, 2023 shows \$120,979. Under the funding policy Actuarially Determined Employer Contribution (ADEC) would be \$124,328 and \$128,679 for fiscal year beginning July 1, 2023. The ADEC payment would take care of the expected future benefit obligation. No change for two years for the actuarial assumptions.

**Southeast Macomb Sanitary District Meeting Minutes**  
**February 23, 2022**  
**Page 3 of 6**

MOTION by Caron, supported by Lucido to go with the unfunded higher accrued liability to add to the budget for retirement fund for \$124,328.

AYES: All

MOTION CARRIED

Mr. Walby presented to Other Postemployment Benefits Plan (OPEB) actuarial valuation. Two retirees are deceased. No change in the assumptions. The normal costs \$21,996 for July 1, 2022 and \$23,209 for fiscal year beginning July 1, 2023. Under the funding policy ADEC would be \$34,665 and \$35,878 for fiscal year beginning July 1, 2023. The funding status is 106.42%.

MOTION by Caron, supported by Lucido to approve the unfunded accrued liability for the OPEB for \$34,665.

AYES: All

MOTION CARRIED

MOTION by Caron, supported by Lucido to receive and file the pension and OPEB actuarial valuation reports as presented.

AYES: All

MOTION CARRIED

Kennedy Pump Repair

Mr. Walby presented the quote from Kennedy Industries to repair pump #1 is \$39,995.00. It was explained at the last meeting the mechanical seal failed and ruined the stator and the motor.

MOTION by Lucido, supported by Caron to approve the quote from Kennedy Industries for \$39,995.00 to repair pump #1 at Kerby Road Pump Station.

AYES: All

MOTION CARRIED

Kerby Pump Award

At the Kerby Road Pump Station the SEMSD owns seven KSB pumps. Five are dated 1992 and two additional pumps purchased in 2013 and 2014. The SEMSD originally budgeted \$700,000.00 to purchase and install two pumps, based on a quote received in 2020 from KSB. In January 2022, we received a firm quote from KSB totaling \$268,800 for two new pumps (\$139,400 each). This quote included the purchase of three additional pumps in subsequent years. Also, KSB quoted a significant reduction in cost if we purchase all five of the pumps in 2022 total cost of \$696,850. KSB agreed to

## **Southeast Macomb Sanitary District Meeting Minutes**

**February 23, 2022**

**Page 4 of 6**

store the pumps as we install the pumps. As a result of the lower costs, AEW recommends that all five of the pumps be purchased at this time. Mr. Trombley stated the cable guides also need replacing, they are 30 years old that is included in the quote.

MOTION by Lucido, supported Caron to purchase five pumps from KSB in the amount of \$696,850 for the Kerby Road Pump Station.

AYES: All

MOTION CARRIED

### General Updates

Mr. Walby reported the replacement of the manhole covers is complete. Total of 80 done this year. This is a four-year plan.

Mr. Walby and Mr. Trombley attended the GLWA Public Hearing today. The audio was not good. The sewer rates are based off 1.3% of operations and 1.2% of capitol and the 2.0 Highland Park bad debt a total of 4.5% increase. GLWA will send out a letter to all the communities.

The SEMSD office building was tested for lead and asbestos. The results show very little for both lead and asbestos. Mr. Walby will bring the report it will be ready within 30 days.

Mr. Walby hopes to get the flap gates installation soon to the board. Mr. Trombley reported we had a little issue at the Marter Road Booster Station. We removed the rubber check valve from a test pump to see if we could get more flow. This was during a rain event. This pump failed and when it's not running and the other pumps are, water backs into it. The pump failed and we went to gravity. The electricians came out. We are trying to get an idea from the manufacturer when the flap gates will arrive.

### Martin In-System Storage Update

Mr. Walby provided an update on the Martin in-system storage project with Macomb County Public Works (MCPW). MCPC wants to remove the Basque steel gates and make the regulator chamber bigger. Mr. Trombley recently discovered that MCPW wants to remove our weir also. Mr. Seidel explained this weir helps prevent the water with solids get to our pumps at Rio Vista Pump Station. There will be increase maintenance and odor without this weir. The SEMSD will reach out to MCPW explaining we will not be removing the weir at this time.

### Attorney Update

Mr. Tomlinson stated the union contract negotiations will begin soon. He will have a preliminary

**Southeast Macomb Sanitary District Meeting Minutes**  
**February 23, 2022**  
**Page 5 of 6**

meeting with Mr. Walby to go over some of the language.

**PUBLIC PARTICIPATION**

There being no more public participation, Chairman Taylor called for a motion to adjourn.

MOTION by Lucido, supported by Caron to adjourn the meeting at 5:13 p.m.

AYES: All

MOTION CARRIED

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**CHAIRMAN**

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**SECRETARY**

**FINANCIAL REPORT**

General Fund – Cash on Hand	\$9,564,294.29
Titan Wealth Advisors	
Unrestricted Fund-Emergency Fund	\$7,519,407.05
General Fund – Accounts Payable	(\$38,070.23)
<b>TOTAL</b>	<b>\$17,045,631.11</b>