
**REGULAR MEETING OF THE SOUTHEAST MACOMB SANITARY DISTRICT
HELD ON WEDNESDAY, FEBRUARY 8, 2023**

Meeting called to order by Taylor at 4:38 p.m.

Board Member Present

Board Members Roll Call: Robert Taylor, Monique Owens, and John Caron.

Also Present:

Kip Walby, Marie Tighe, Pete Trombley, Kyle Seidel, Mike Way, Tim Tomlinson.

APPROVAL OF AGENDA

MOTION by Caron, supported by Owens 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, January 25, 2023, was reviewed.

MOTION by Caron, supported by Owens to approve the Minutes of the Southeast Macomb Sanitary District Regular Meeting held on Wednesday, January 25, 2023, as presented.

AYES: All

MOTION CARRIED

APPROVAL OF PAYROLL AND BILLS

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

PAYROLL: (2/1/23)

Matt Adams	\$ 2,544.80
Brent Avery	\$ 577.76
Paul Everett	\$ 3,185.41
Brendan Fick	\$ 2,686.76
Frank Pelione	\$ 2,745.93
Joe Rayner	\$ 2,185.55
Thomas Riley	\$ 2,038.84
Dianne Schelosky	\$ 2,282.40
Luke Smith	\$ 3,186.95
Marie Tighe	\$ 1,524.51
Pete Trombley	\$ 7,203.78
Kip Walby	\$ 6,108.28

Southeast Macomb Sanitary District Meeting Minutes
February 8, 2023
Page 2 of 5

Chris Zielinski	\$ 2,234.82
<u>General Fund</u>	\$ 25,352.29
Hoffman Pump Station	\$ 94.29
Kerby Road Pump Station	\$ 0
Rio Vista Pump Station	\$ 57.20
Marter Road Pump Station	\$ 0
Milk River Pump Station	\$ 1,842.39
	\$ 27,346.17

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

AYES: All

MOTION CARRIED

Director of Operations

The Operations and Administrator update was provided by Kip Walby and Pete Trombley.

NEW BUSINESS

a. Titan Wealth Update

Kevin VandenHaute and Mark Mueller from Titan Wealth Advisors presented the SEMSD 4th Quarter 2022 Update. The general account target was laddered CDs at 90% and liquidity at 10% in money markets. The target yield was .60-.80%. As of 12/31/22, deployed 11% to U.S. Treasuries at an estimated yield at 4.25%. Interest payments from CDs of \$67,252 in money markets and 27 CD's totaling \$6.7 million are at estimated annual yield of 2.43%. Estimated annual interest at \$157,119. In late January, we received an additional \$3.5 million. One million was invested in a 6-month treasury at 3.65%. By June 30th we will have roughly \$5.5 million to invest. Mr. VandenHaute will keep a close eye in the next 6 months and is recommending a motion from the board to invest in 6 months up to 2 years and leave \$500,000 liquid in 90 day rolling CDs.

MOTION by Caron, supported by Owens to approve Titan Wealth Advisors to invest in 6 months up to 2 years maturities.

Southeast Macomb Sanitary District Meeting Minutes
February 8, 2023
Page 3 of 5

AYES: All

MOTION CARRIED

The Pension and Retiree Healthcare performance shows during the quarter we made \$252,172 at 6.84% against our benchmark at 6.99%. Mr. VandenHaute explains we were up big in some asset classes and off big in others. The asset manager either outperformed or under performed. Changing the funds is not necessary. Mr. VandenHaute reported our target at this point is at 75% stocks and 25% bonds and recommends a shift to 70% stock and 30% bonds.

MOTION by Caron, supported by Owens to approve the recommended allocation of 70% stocks and 30% bonds for both Pension and Healthcare.

AYES: All

MOTION CARRIED

MOTION by Caron, supported by Owens to receive and file the SEMSD 4th Quarter 2022 update presented by Titan Wealth Advisors.

AYES: All

MOTION CARRIED

b. Grosse Pointe Shores Sewer Capacity Charge

Mr. Walby presented Notice of Sewer Capacity Use Charge Change. As a part of the Memorandum of Understanding (MOU) dated June 19, 2018, between the SEMSD and the City of Grosse Pointe Shores (GPS), a Sewer Capacity Use Charge shall be assessed for flow exceeding the city's contractual capacity. Starting July 1, 2019, a three-year rolling average of GPS exceedance volume share percentage will be used. In 2021, the SEMSD installed flow meters at Cook Road and provided the data. Mr. Walby noted GPS has been doing a great job keeping the volume down. Last year sewer capacity charge was \$48,000. Starting July 1, 2023, the charge will be \$38,000 per year.

MOTION by Caron, supported by Owens to approve the new annual fee for the Grosse Pointe Shores Capacity Use Charge at \$38,000, starting July 1, 2023.

AYES: All

MOTION CARRIED

c. Level Sensor Replacement Project

Mr. Walby and Mr. Trombley presented the Level Sensor Replacement Project. It is recommended that Motor City to replace 8 level sensors in the SEMSD collection system. The project will include removal of old equipment and install new radar level sensors. The current equipment is 20 years old and needs replacement to update the technology for the SEMSD to perform its functions. The equipment is used in dry weather and wet weather situations and allows the operators to efficiently run the collection system. It provides wastewater levels in our large trunk sewers. This is the first of

Southeast Macomb Sanitary District Meeting Minutes
February 8, 2023
Page 4 of 5

two legs of level sensor improvements that will come to the Board as a current equipment has reached the end of its life cycle. This project is budgeted in the current fiscal year for \$62,000. The Motor City quote is \$58,718.

MOTION by Caron, supported by Owens to approve the quote for Motor City Electric to replace 8 level sensors for \$58,718.

AYES: All

MOTION CARRIED

Mr. Walby reported the Kerby Road pumps replacement project is getting close. The pumps have been placed on BidNet and no bids to date. The SEMSD FY24 Budget will be presented at the March 22, 2023 meeting.

Attorney Update

a. Update on GLWA Contract

Mr. Tomlinson reported a meeting with Great Lakes Water Authority (GLWA) to discuss the Wastewater Disposal Services Contract. We are currently out of contract. We are operating out of the old contract. About two years ago, started work on the model contract with a very large group of wastewater providers and GLWA found it to be a difficult proposition, everyone has certain needs. GLWA has now sent us a new proposed contract and we will go through it thoroughly. Hopefully, we will not have to make any changes to our current contracts with our customers. Mr. Tomlinson noted Wayne County has ownership of the Fox Creek Enclosure and GLWA will take over the maintenance of that facility.

Public Participation

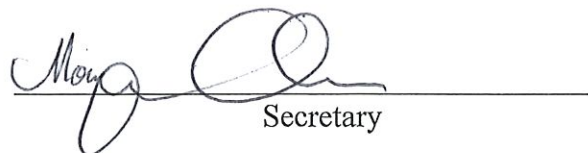
There being no public participation, Chairman Taylor called for a motion to adjourn.

MOTION by Caron, supported by Owens to adjourn the meeting at 5:17 p.m.

AYES: All

MOTION CARRIED


Chairman


Secretary

FINANCIAL REPORT

General Fund – Cash on Hand (2/8/23)	\$3,770,383.11
Titan Wealth Advisors (2/8/23)	
Unrestricted Fund-Emergency Fund	\$4,052,535.07
General Fund – Accounts Payable	(\$ 27,346.17)
TOTAL	\$7,795,572.01