

**REGULAR MEETING OF THE SOUTH MACOMB DISPOSAL AUTHORITY
HELD ON WEDNESDAY, JULY 27, 2022**

Meeting called to order by Chairman Taylor at 4:00 p.m.

Board Member Present

Board Members Roll Call: Robert Taylor, Robert Baker, John Caron, Gus Ghanam & Richard Moeller.

Also Present:

Kip Walby, Marie Tighe, Kyle Seidel, AEW, Tim Tomlinson, York, Dolan, Michael Way, Grosse Pointe Shores, Brent Avery.

APPROVAL OF AGENDA

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

AYES: All

MOTION CARRIED

REVIEW AND APPROVAL OF PROPOSED MINUTES

Minutes of the South Macomb Disposal Authority Regular Meeting held on Wednesday, July 13, 2022, were reviewed.

MOTION by Ghanam, supported by Caron, to approve the Minutes of the South Macomb Disposal Authority Regular Meeting held on Wednesday, July 13, 2022, as presented.

AYES: All

MOTION CARRIED

APPROVAL OF PAYROLL AND BILLS

Payroll: (7/20/22)

John Baumgart	\$ 3,751.36
Darin Coleman	\$ 3,224.80
DeMall Goosby	\$ 3,080.47
Robert Shipley	\$ 2,816.15
Ray Williams	\$ 2,825.03

Bills:

General Fund	\$ 2,619.20
Site 11	\$ 5,939.00
Freedom Hill/Fostoria Landfills	\$ 0
15 & Hayes	\$ 0
Transfer Station	\$212,465.81
Site 9/9a Buy Back Fund	\$ 18,158.42
TOTAL	\$239,182.43

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MOTION by Caron, supported by Ghanam to approve the Payroll, General Fund, Site 11, Transfer Station, Freedom Hill/Fostoria, and Site 9/9a Buy Back Fund bills as presented.

AYES: All

MOTION CARRIED

FINANCIAL REPORT

MOTION by Caron, supported by Taylor to receive and file the Financial Report.

AYES: All

MOTION CARRIED.

NEW BUSINESS

Director of Operations

The Director of Operations and Administrator was provided by Kip Walby.

Transfer Station Financials

Mr. Walby provided an update on the Transfer Station Financials. The net profit summary through June 30, 2022 shows \$367,383.48. He pointed out some of the high costs repairs that needed to be done like the cement, the ram issues and compactor repair. The funds from the transfer station offset the landfill costs. A little down with compost and up MSW by 4,326. Mr. Walby presented the outstanding customer payment summary and explained he has phoned each vendor who have an aged account 57 days or less. We have had number of discussions with Campo Disposal and should expect a check week of August 9th. We are bidding for sanitary sewer and cement work at the compost side. Mr. Ghanam stated the wait time at the transfer station has improved.

MOTION by Ghanam, supported Caron to receive and file the Transfer Station Financial Report.

AYES: All

MOTION CARRIED

Site 9/9a Fee and Penalties Summary

Mr. Walby and Kyle Seidel presented on summary of Site 9/9a Stipulated Fees and Penalties. He provided a timeline for the Board starting from November 2002 through February 2022. **November 19, 2002**, EGLE recognized the startup of groundwater/leachate collection system at the site. **November 19, 2006**, SMDA to achieve capture at 9/9a, as defined in the Consent Decree. **November 21, 2006**, EGLE sent out letter to Petro & SMDA that capture wasn't met. November 29, 2006, Petro submitted a corrective action plan (CAP) along with four areas of dispute. **January 12, 2007**, EGLE issued its informal statement of position and proposed resolution of the dispute to Petro and SMDA and requested a response by February 2, 2007. No response was submitted; therefore, the dispute was considered resolved and that capture wasn't met. **May 29, 2007**, EGLE notified Petro and SMDA that the CAP was determined to be deficient and requested a revised

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CAP be submitted by November 29, 2007. **July 12, 2007**, EGLE provided notice to Petro and SMDA that the violation is ongoing and that the site continues to be out of compliance. **November 29, 2007**, EGLE provided notice to Petro and SMDA that the violation is ongoing and that the site continues to be out of compliance. **May 28, 2008**, EGLE provided notice to Petro and SMDA that the violation is ongoing and that the site is continues to be out of compliance. **October 1, 2009**, EGLE provided a letter indicating that the stipulated fees and penalties in the amount of \$3,045,000 have occurred during the period of November 19, 2006, to February 20, 2009, for not achieving capture.

Additionally, the SMDA was late by seven months in paying EGLE the oversight costs of \$60,953.68, which accrued fees and penalties of \$224,384.69. With a total demand of \$3,269,384.69 as of February 20, 2009. EGLE indicated that if the SMDA paid \$1,522,500.00, which is half of the fees and penalties for not obtaining capture, along with \$8,533.38 for the non-payment penalty for oversight costs, that they would not consider the site in violation of Paragraph 18.5 and will not invoke the interest provision of that paragraph. No payment or letter was sent. Exhibit A, was shown to the board showing the total fees and penalties due on October 15, 2009, were \$4,020,000. **January 27, 2022**, the SMDA requests in writing that EGLE freeze the accrual of stipulated penalties and interest which SMDA works toward achieving compliance. **February 23, 2022**, EGLE provided a letter demanding payment of 0.1% of \$24,742,367.21 or \$24,742.37. EGLE also agrees to stopping the accrual of stipulated penalties and holding the remainder of \$24,717,624.80 in abeyance. SMDA issued a \$24,742.37 check. The Board had a discussion of the documentation provided.

MOTION by Baker, supported by Caron to receive and file the summary of Site 9/9a Stipulated Fees and Penalties.

AYES: All

MOTION CARRIED

Red Run Update

Mr. Walby and Kyle Seidel showed pictures of the Red Run Drain and the progress of the path. The is a project performed by the Macomb County Public Works. AEW continues to keep a close eye on the project to make sure no damage to the SMDA equipment along the path. The path runs from Schoenherr to Metro Parkway. The path will remain gravel.

General Updates

Stearns Drilling has begun work at Site 9/9a with installing four wells and cleaning other wells.

Attorney Update

None

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Public Participation

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

MOTION by Caron, supported by Ghanam to adjourn the meeting at 4:40 p.m.

AYES: All

MOTION CARRIED.



Chairman

Secretary

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FINANCIAL REPORT

General Fund - cash on hand 7/27/22 (Includes Site 11 Leachate, Closure expenses, Transfer Station and misc.)	\$ 192,726.55
Titan Wealth Advisors-7/27/22	
Unrestricted Fund	\$4,891,257.15
Site 9/9a	\$ 988,464.71
AIG Freedom Hill/Fostoria (as of 8/1/21)	\$2,562,949.71
General Fund - accounts payable	(\$239,182.43)
TOTAL	\$8,396,215.95

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