Members Present: Brenda L. Stumbo, Michael Bodary (arrived at 4:38 p.m.), Andrew Cameron, Larry J. Doe, and Gregory A. Peoples.

Members Absent: None.

1. CALL TO ORDER: Ms. Stumbo called the meeting to order at 4:00 p.m.

2. MINUTES OF THE PREVIOUS MEETING: Motion by Doe to receive and file the minutes of the December 19, 2012 meeting as presented (open and closed sessions). Support by Cameron. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

   A. Request to Approve - YCUA Resolution No. 13-1 re: DWRF-Required Tentative Award of Contract for Smokler-Textile Subdivision Water Supply Improvements – Scott D. Westover

      Motion by Doe to approve YCUA Resolution No. 13-1 re: DWRF-Required Tentative Award of Contract for Smokler-Textile Subdivision Water Supply Improvements. Support by Cameron.

      Mr. Westover advised the Board that this resolution is a requirement of the Drinking Water Revolving Fund loan program. He indicated that it is similar to the typical contract award wherein it is contingent upon a bond closing and approval by YCUA’s legal counsel.

      Mr. Westover explained that this award is done on a tentative basis just in case something happens to prevent the loan from closing. He pointed out that approval of the tentative award will permit staff to proceed with the water main improvements.

      In favor: All. Opposed: None. (Motion carried)
B. Request to Approve - OHM Engineering Proposal re: Smokler-Textile Subdivision Water Supply Improvements – Scott D. Westover

Motion by Doe to approve the OHM Engineering Proposal re: Smokler-Textile Subdivision Water Supply Improvements. Support by Cameron.

Mr. Westover advised the Board that the 13,600 feet of water main referenced in his memo was a typo and that it should instead read 10,500 feet. He indicated that OHM did the design and construction engineering for the Ecorse / Emerick job and, therefore, staff is recommending approval of this proposal in the not-to-exceed amount of $310,000. Mr. Westover explained that, recognizing that there was a change order a couple of months ago for a similar project, staff has built some check points into this proposal so that this will not take place again and that, if it does, corrective action will take place in a more timely manner.

Ms. Stumbo asked Mr. Westover to expand on those safe-guards. Mr. Westover responded with more detailed information.

Mr. Doe inquired as to what happened to the decision to not approve these proposals until the construction bids were in. Mr. Westover reminded the Board that YCUA must obtain engineering costs up front in order to apply for Drinking Water Revolving Fund monies. Ms. Stumbo interjected that perhaps calling it a tentative engineering proposal would suffice. Mr. Westover responded that he would have to present that suggestion to MDEQ but countered that they have already made an exception for YCUA by waiving a final Award of Contract before submitting an application for the revolving fund program. YCUA attorney Tom Daniels interjected that the contract can be revised later based on the actual numbers. Mr. Peoples commented that it doesn’t seem right to him that the Board should be asked to approve this kind of money without having the full picture. Mr. Westover responded that this has been standard operating procedure for over nine years.

Mr. Doe also inquired as to whether the typo impacts the overall proposal amount. Mr. Westover responded that it does not and was simply a typo carried over from previous documents before the scope of services was finalized. Patrick Doze from OHM addressed the Board and explained further how the scope of work is defined.

Mr. Doe commented that $310,000 sounds very high to him for just engineering observation. Mr. Westover responded that there are a great number of tasks involved that are understood but not necessarily listed one by one. He indicated that these tasks will be outlined more specifically going forward.

Mr. Peoples made a motion to call the question because the Board had made its concerns very well known and that Mr. Westover is aware that he
will be “held to the fire”. By roll call vote: Ayes: Larry J. Doe, Gregory A. Peoples, and Andrew Cameron. Nayes: None. (Motion carried)

Ms. Stumbo amended the original motion to reflect an approval of the OHM Engineering Proposal re: Smokler-Textile Subdivision Water Supply Improvements with an understanding that it will be brought back to the Board for reconsideration if the numbers change.

In favor: All. Opposed: None. (Motion carried)

C. Request to Approve - WCRC-YCUA Construction Agreement re: 2013 Water Main and Paving Improvements – Scott D. Westover

Motion by Cameron to approve the WCRC-YCUA Construction Agreement re: 2013 Water Main and Paving Improvements. Support by Doe.

Mr. Westover advised the Board that this is the reverse of an agreement that YCUA has executed on several occasions over the years. He indicated that, in previous instances, the road commission has taken the Authority’s design and specifications and incorporated them into their road bid but that this time, YCUA is taking the road commission’s specifications and designs and putting them into its water main bid.

Mr. Westover explained that the agreement has already been approved by the road commission’s Board and has been also been reviewed and approved by YCUA attorney Thomas E. Daniels.

Mt. Stumbo inquired as to the reason for the reversal. Mr. Westover responded that this became an option because YCUA was farther ahead in its design and contract preparation than the road commission was and because this involves all local money from Ypsilanti Township, unlike other instances where the road commission was tied to the rules, regulations, and procedures of MDOT’s funding sources.

In favor: All. Opposed: None. (Motion carried)

D. Request to Approve - Authorization to Seek Bids re: 2013 Water Main and Paving Improvements– Scott D. Westover

Motion by Doe to approve the request for Authorization to Seek Bids re: 2013 Water Main and Paving Improvements. Support by Peoples.

Mr. Westover advised the Board that this is related to the previous item and applies to the neighborhoods south of I-94, west of Rawsonville Road, and north of Grove Road and Emerson, Outer Lane, and Pasadena, south of Holmes Road and east of Spencer and Willow Run High School.

Ms. Stumbo inquired as to when the Spencer Road and Grove Road areas might be scheduled for improvements. Mr. Westover responded that Spencer Road will be done as soon as the road commission schedules its off-pavement work on Grove Road but that the road commission did
extensive work in that area within the last three or four years that was not part of the local road bond monies.

In favor: All. Opposed: None. (Motion carried)

E. **Request to Approve - Authorization to Seek Engineering Proposal re: 2013 Water Main and Paving Improvements** – Scott D. Westover

Motion by Doe to approve the request for Authorization to Seek Engineering Proposal re: 2013 Water Main and Paving Improvements. Support by Cameron.

Mr. Westover advised the Board that this is also related to item 3.C. He indicated that, pursuant to previous conversation, he would be more than happy to prepare a bid and award-based proposal and then a subsequent observation proposal if that is the Board’s desire otherwise, he would recommend proceeding in the established procedure.

Mr. Westover explained that another way to move forward would be to obtain a proposal for the contract award up to the preconstruction meeting and then, at that point, take a look at the contractor’s schedule and then, based on that information, get another proposal for the actual observation. He pointed out that this would be a good project to initiate this with because it is an open bond and there is a little more leeway in getting all the costs defined to the penny like the revolving fund projects.

Mr. Peoples commented that Mr. Westover should not allow the Board to talk him out of something if he is convinced that a certain procedure is the best way to go. Mr. Westover responded that, if he feels strongly about something, he will not hesitate to share that.

In favor: All. Opposed: None. (Motion carried)

F. **Request to Approve - Change Order No.1 re: Pearl Relief Sanitary Sewer Repair** – Scott D. Westover

Motion by Doe to approve Change Order No.1 re: Pearl Relief Sanitary Sewer Repair in the deduct amount of $1,820. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

G. **Request to Approve - Change Order No.1 (Final) re: 2012 Double Check Valve Assembly Installation** – Scott D. Westover

Motion by Doe to approve Change Order No.1 (Final) re: 2012 Double Check Valve Assembly Installation. Support by Cameron.

Mr. Westover advised the Board that this change order reduces the contract amount by $6,000.

In favor: All. Opposed: None. (Motion carried)
H. Request to Approve - Authorization to Seek Bids re: 2013 Road Repairs Phase 1 – Scott D. Westover

Motion by Doe to approve the request for Authorization to Seek Bids re: 2013 Road Repairs Phase 1. Support by Cameron.

Mr. Westover reminded the Board that, at the June meeting, the Board approved a phased approach to the road repair projects, wherein two bids would be sought per year in order to minimize the amount of time customers would have cold patch in front of their homes. He indicated that an early cost opinion on phase 1 of the 2013 repairs is about $140,000 for 44 - 45 locations.

Ms. Stumbo commented that the new procedure has been working well. She inquired as to whether there was a two-year contract with the last contractor. Mr. Westover responded that there have only been one-year contracts in the past.

In favor: All. Opposed: None. (Motion carried)

I. Request to Approve - IT Infrastructure Upgrade Purchase – Stewart Carroll

Motion by Cameron to approve the IT Infrastructure Upgrade Purchase. Support by Doe.

Mr. Carroll reminded the Board that, at the December 19, 2012 meeting, they approved his request to seek bids for this item. He indicated that the bid opening took place on Friday, January 18, 2013 and that 14 responsible bids were received. Mr. Carroll explained that the low bid was from Zetta Pros LLC in the amount of $78,141.40. He outlined the various bids in greater detail.

Mr. Carroll pointed out that this amount does not include the IDSI portion in the amount of $49,884.11 for the server aspects of the upgrade, which was also previously approved by the Board as an extension of their 2010 server installation. He also explained that this brings the project total to $128,025.51. Mr. Carroll further advised that he has not yet sought out prices for Microsoft Office licensing for all of the workstations. He stated that his initial overall project request was estimated at $175,000.

Mr. Doe inquired as to whether technical support is included in this price. Mr. Carroll responded that technical support will come from the manufacturers, which supply a three-year warranty.

Ms. Stumbo inquired as to whether a replacement schedule has been put into place. Mr. Carroll responded affirmatively, indicating a 100% replacement rotation will take place every three to four years.

Mr. Doe commented that, next time he would like to have a bid specification sheet included with these kinds of requests. Mr. Carroll
responded that there was not enough time after the bid opening to prepare a breakdown but that he would see to it that Mr. Doe is provided with one.

Mr. Cameron inquired as to an estimated cost for the Microsoft licensing. Mr. Carroll responded that he expects it to be in the area of $300 per workstation or about $30,000 total, which will bring the overall project total to about $158,000.

In favor: All. Opposed: None. (Motion carried)

**J. Request to Approve – Emergency Incinerator Repair – Kevin G. Dupuis**

Motion by Doe to approve the Emergency Incinerator Repair in the amount of $32,630. Support by Cameron.

Mr. Dupuis advised the Board that these costs were generated when staff took the incinerator offline to do preventative maintenance. He indicated that staff does not know what maintenance needs on the castible and the iron brick will crop up until the incinerator is opened up. Mr. Dupuis explained that there were some pieces of equipment that staff had inventory for such as gas guns, Inconels, temperature probes, etc., items that were previously approved by the Board, but that once staff began studying how the degradation of the interior came about, someone had to be called in for advice. He pointed out that a company from out east was called in first and, when work got extensive, a local company called Midwest was brought in.

Mr. Dupuis also explained that all of the work has now been completed, which he described in greater detail.

In favor: All. Opposed: None. (Motion carried)

**K. Fund Balance Report – Dwayne Harrigan**

Mr. Harrigan directed the Board’s attention to the Fund Balance Report for December 31, 2012. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.

**L. Financial Report – Authority Net Assets – Dwayne Harrigan**

Mr. Harrigan directed the Board’s attention to the Financial Report – Authority Net Assets Report for December 31, 2012. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.


Mr. Castro directed the Board’s attention to the Consumption Report. He
then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.

N. Attorney’s Report – Thomas E. Daniels

Mr. Daniels advised the Board that he is continuing to work closely with a negotiating team regarding a new wastewater agreement with Salem Township. He indicated that Salem Township is currently reviewing a final draft of the agreement which will come before the YCUA Board for approval before executing.

Informational only; no motion from the Board required.

O. Environmental Report – Perry M. Thomas

Mr. Castro advised the Board that Mr. Thomas was not present at the meeting and proceeded to give a brief report.

Ms. Stumbo asked for an update on the odor control project. Mr. Castro reminded the Board that a water accumulation issue occurred when the odor control unit was put online without the belt presses. He pointed out that it was decided at that time to take the unit offline in order to determine a solution. Mr. Castro also explained that staff decided that a water separator on the suction side of the filter system was in order and that proposals were sought for the same. He further advised that a proposal was received from Enzrock for approximately $17,152 to fabricate the separator box itself and staff is still waiting on estimates for the heat and insulation to go on top of that, which is estimated at $18,000 to $20,000. Mr. Castro stated that, once the final cost is known, his recommendation to the Board will be to move forward. He acknowledged that that the budget for the entire unit is $1.8 million and that expenses thus far total $1.85 million. Mr. Castro confirmed that staff realizes that the project is behind schedule and that this is a priority.

Ms. Stumbo inquired as to when the project will be completed. Mr. Dupuis explained the situation in great detail. Tom Allbaugh from Tetra Tech interjected that the project will likely be completed by the end of February and also explained the issues in detail.

Mr. Doe inquired as to whether it was known that the chosen blowers had these water accumulation issues. Mr. Allbaugh responded that different blowers were used during the pilot testing and that these issues did not occur at that time. He indicated that the recent cold weather exacerbated the problem.

Mr. Bodary inquired as to whether the blowers are such new technology that there was no precedence to indicate the potential water problems. Mr. Allbaugh responded that, essentially, the same system was in place for two
years without incident. He indicated that the equipment is fairly cutting
edge in the wastewater industry but that these blowers have been applied
to this kind of system at other facilities before. Mr. Allbaugh explained
that the process is not in any way new and that, although this was not
expected, it is a solvable problem. Mr. Castro added that, if the unit had
been put online during the summer months, the levels of accumulation
might have been overlooked and the situation might be worse in the long
run.

Informational only; no motion from the Board required.

P. Director’s Report - Jeff Castro

There was no Director’s Report for the month.

4. OLD BUSINESS: There was no old business for the month.

5. OTHER BUSINESS: There was no other business for the month.

6. STATEMENTS AND CHECKS: Motion by Peoples to pay the bills in the amount of
$3,105,010.42. Support by Cameron. In favor: All. Opposed: None. (Motion carried)

7. PUBLIC COMMENTS: There were no public comments for the month.

8. ADJOURNMENT: Motion by Doe to adjourn the meeting at 4:50 p.m. Support by
Peoples. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,

BRENDA L. STUMBO, Chair
WHEREAS, the Ypsilanti Community Utilities Authority wishes to construct improvements to its existing water supply system; and

WHEREAS, the water supply system improvements project formally adopted on April 24, 2012 will be funded through Michigan’s DWRF Program and

WHEREAS, the Ypsilanti Community Utilities Authority has sought and received construction bids for the proposed improvements and has received a low responsive bid in the amount of $1,619,201.65 from Pamar Enterprises, Inc.; and

WHEREAS, the project engineer, OIIM Advisors has recommended awarding the contract to the low bidder.

NOW THEREFORE BE IT RESOLVED, that the Ypsilanti Community Utilities Authority tentatively awards the contract for construction of the proposed wastewater system improvements project to Pamar Enterprises, Inc., contingent upon successful financial arrangements with the DWRF Program.

Yea: Brenda L. Stumbo, Andrew Cameron, and Larry J. Doc
Nays: None.
Abstain: None.
Absent: Michael Bodary and Gregory A. Peoples

I certify that the above Resolution was adopted by the Ypsilanti Community Utilities Authority Board of Commissioners on January 23, 2013.

BY: Brenda Stumbo, Chairperson
Name and Title

Signature
January 23, 2013
Date