Members Present:  Michael Bodary, Jon R. Ichesco, Larry J. Doe, and Keith P. Jason.

Members Absent:  Brenda L. Stumbo.

1. CALL TO ORDER:  Mr. Bodary called the meeting to order at 3:00 p.m.

2. MINUTES OF THE PREVIOUS MEETING:  Motion by Doe to receive and file the minutes of the March 27, 2019 meeting as presented.  Support by Ichesco.  In favor: All.  Opposed: None.  (Motion carried.)

3. NEW BUSINESS:

A. Informational Item - Retiree Drug Subsidy (RDS) Refund for Health Plan Year 2017 in the Amount of $53,405.63 – Brooke Miller Hendricks

Ms. Hendricks advised the Board that this subsidy has been received as a result of YCUA’s prescription coverage being greater than Medicare Part D.

Informational only; no motion from the Board required.

B. Request to Approve - YCUA Resolution No. 19-3 re: Retirement for Gregory Burke – Jeff Castro

Mr. Castro advised the Board that Greg Burke is a wastewater treatment plant foreman and has completed 29 years and two months of service with the Authority.  He indicated that Mr. Burke has requested retirement as of May 31, 2019.

Mr. Jason asked that the Board’s appreciation be extended to Mr. Burke.
Motion by Jason to approve YCUA Resolution No. 19-3 re: Retirement for Gregory Burke. Support by Doe. In favor: All. Opposed: None. (Motion carried.)

C. Request to Approve – Authorization to Seek Construction Proposals re: East Michigan Avenue Sanitary Sewer Repair (O & M Expense Account No. 901-560) – Scott D. Westover

Motion by Doe to provide Authorization to Seek Construction Proposals re: East Michigan Avenue Sanitary Sewer Repair (O & M Expense Account No. 901-560). Support by Ichesco.

Mr. Westover advised the Board that this is a unique request in that not all of the information is available to allow for the typical construction bid process. He indicated that he is recommending requesting base bids but allowing contractors to propose alternate methods that they feel are better suited for repairing this damaged sewer.

Mr. Westover explained that the sewer is located directly under a small industrial building that was constructed later. He pointed out that the sewer is damaged near the east edge of the structure, which will likely require a pipe burst method and excavation within the building.

Mr. Doe inquired as to how it is possible to construct a building over a sanitary sewer. Mr. Westover responded that he wishes he had an answer to that question. Mr. Castro interjected that there are several similar situations in the township, including some garages that are built a foot away from a sewer. He added that this particular structure was constructed in the 50s and 60s in what was originally a public alley.

Mr. Doe inquired as to the cost to repair the building. Mr. Westover responded that he unfortunately does not have a firm answer because this is, fortunately, not something YCUA deals with on a regular basis. He added that there are currently bypasses to other portions of the collection system upstream of the damage, so there have been no backups to date.

Mr. Ichesco inquired as to the depth of the sewer. Mr. Westover responded that it is about 12 feet deep, which is deeper than the Authority’s equipment can reach.

Mr. Doe inquired as to whether it can be determined if the structure was illegally built. YCUA attorney Tom Daniels responded that he can check but that he doubts any information can be gleaned after all this time. He added that a statute of limitations and / or a grandfather clause would likely apply.
Mr. Bodary commented that he is of the opinion that research should be done from a liability standpoint to determine who should pay for this. He asked if there are any environmental concerns that should also be taken into consideration. Mr. Westover responded that, from an engineering perspective, this should be repaired as quickly as possible to avoid any environmental issues and allow legal counsel to pursue the rest. The recommended base process to repair the sewer and restore the building’s service as well as the origins of the building were then discussed in more detail.

Mr. Ichesco inquired as to the stability of the surrounding soil and whether dewatering will be required. Mr. Westover responded that dewatering will be handled adequately by the contractor.

Mr. Bodary asked that Mr. Westover keep the Board informed. Mr. Daniels confirmed that he would follow up as well.

Mr. Doe inquired as to the owner of the structure. Mr. Westover responded that he does not know the owner of the building but that the address is 1902 East Michigan Avenue.

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

D. **Request to Approve – Award of Contract re: 2019 Bridge Road Pump Station Improvements in the Amount of $121,750 (Restricted Funds Account No. 902-398)** – Scott D. Westover

Motion by Doe to approve Award of Contract re: 2019 Bridge Road Pump Station Improvements in the Amount of $121,750 (Restricted Funds Account No. 902-398). Support by Ichesco.

Mr. Westover advised the Board that this work involves the installation of two more variable frequency drives at this booster station. He indicated that the low, responsible bid was from D.F. Best Company of Howell, which has been a subcontractor on numerous YCUA projects.

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

E. **Request to Approve – OHM Construction Engineering Proposal re: 2019 Bridge Road Pump Station Improvements in the Not-to-Exceed Amount of $28,400 (Restricted Funds Account No. 902-398)** – Scott D. Westover

Motion by Jason to approve OHM Construction Engineering Proposal re: 2019 Bridge Road Pump Station Improvements in the Not-to-Exceed Amount of $28,400 (Restricted Funds Account No. 902-398). Support by Ichesco.
Mr. Westover advised the Board that this is a request to approve the OHM proposal for construction engineering services on the work described in the previous item.

Mr. Doe interjected that typically OHM’s construction engineering costs come in at 10 – 15% but this proposal is nearly 25% of the construction budget. He indicated that he cannot justify this. Mr. Castro asked for feedback from OHM staff present at the meeting.

Lambrina Tercala, OHM’s project manager for the previous Bridge Road project, addressed the Board and explained that, while the material cost of this project is much less than the previous project, the level of effort for construction administration and engineering is the same.

In favor: Three. Opposed: One. (Motion carried.)

F. Request to Approve – Change Order No. 1 re: 2018 West Tertiary Filter Repairs in the Amount of $9,870 (O & M Expense Account No. 901-550) – Scott D. Westover

Motion by Doe to approve Change Order No. 1 re: 2018 West Tertiary Filter Repairs in the Amount of $9,870 (O & M Expense Account No. 901-550). Support by Ichesco.

Mr. Westover advised the Board that this work was added to the contract when it was determined that the influent header pipe could not be drained when it was isolated from the pumps that feed the system. He indicated that the work was successful and will be beneficial for draining the header pipe in future instances.

Mr. Bodary inquired as to why this came before the Board since it’s below the $25,000 limit required for Board approval. Mr. Castro responded that staff maintains complete transparency when it comes to change orders of any amount.

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

G. Request for Final Acceptance – Lakewood Estates as a Public Utility – Scott D. Westover

Motion by Doe to provide Final Acceptance of Lakewood Estates as a Public Utility. Support by Ichesco.

Mr. Westover advised the Board that this is a portion of the development previously known as Lakewood south and is located east of Tuttle Hill between Merritt and Textile in Ypsilanti Township. He indicated that there are 72 single-family residences associated with this portion of the
development and all utilities are installed with 90% occupancy of the homes.

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

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

Informational only; no motion from the Board required.

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

Informational only; no motion from the Board required.

**J. Usage Report – Consumption Report** – Jeff Castro

Informational only; no motion from the Board required.

**K. Attorney’s Report** – Thomas E. Daniels

There was no Attorney’s Report for the month

**L. Human Resources Report** – Kevin M. Welch

Mr. Welch advised the Board that ten training sessions were conducted in April with about 60 employees participating. He indicated that, in the last month, six employees qualified in their positions which includes 90-day probation periods, review processes, and CDLs. Mr. Welch explained that there were also several promotions and two retirements. He pointed out that three positions were recently filled externally: two wastewater operators and one customer service representative.

Mr. Welch also explained that another mechanic opening is anticipated and a qualified external candidate is being considered.

**M. Director’s Report** - Jeff Castro

Mr. Castro advised the Board that wastewater system SRF bond sale that approved by the Board last June is now moving forward. He indicated that the bond sale covers two scopes of work: the WWTP incinerator rehabilitation in the estimated amount of $3,743,060 and the west tertiary filter improvements in the estimated amount of $4,474,060. Mr. Castro then outlined both projects in detail and answered questions from the Board.

Mr. Castro explained that these projects are only a small part of an ongoing process related to the Authority’s asset management program. He pointed out that the SRF program’s 2% interest loan for the two projects will total approximately $8.2 million and will save the Authority about $80,000 per year in bond payments, which is equivalent to $1.7 million over the duration of the loan compared to a similar open market bond at 3.5%. Mr. Castro also explained that this information has been sent to the
City and Township and the Board members were cc’d as well. He further advised that this will come back to the YCUA Board for final approval in May after it has been approved by the City and Township.

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 Ichesco to pay the current month’s bills in the amount of $4,401,672.03. Support by Doe. 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 3:46 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

JON R. ICHESCO, Secretary - Treasurer
Minutes of a meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 24th day of April 2019 at 3:00 o’clock p.m., prevailing Eastern Time.

PRESENT: Commissioners Michael Bodary, Jon R. Ichesco, Larry J. Doe, and Keith P. Jason.

ABSENT: Commissioners Brenda L. Stumbo.

The following preamble and resolution were offered by Commissioner Jason and supported by Commissioner Doe.

WHEREAS, Gregory Burke, an employee of the Ypsilanti Community Utilities Authority, has completed twenty-nine (29) years and two (2) month of service to the Authority; and

WHEREAS, Gregory Burke has requested retirement as of May 31, 2019.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Gregory Burke for his accomplishments and years of service to the Authority and expresses its appreciation to him.

BE IT FURTHER RESOLVED THAT a suitably inscribed copy of this Resolution of Retirement be sent to Gregory Burke as an expression of the Board’s sincere appreciation for his years of service and the desire to convey its best wishes for good health and happiness in his retirement.

AYES: Commissioners Michael Bodary, Jon R. Ichesco, Larry J. Doe, and Keith P. Jason.

NAYS: Commissioners None.

RESOLUTION DECLARED ADOPTED.

JON R. ICHESCO, Secretary - Treasurer
I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a meeting held on the 24th day of April 2019 and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.

JON R. ICHESCO, Secretary - Treasurer