Members Present: Larry J. Doe, Edward B. Koryzno, Jr., Mark Namatevs, Philip W. Wagner, and J. Ray Scott.

Members Absent: None.

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

2. MINUTES OF THE PREVIOUS MEETING: Motion by Namatevs to receive and file the minutes of the March 22, 2005 meeting. Support by Scott. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:
   A. Response to Special Board Meeting of April 13, 2005 - Edward B. Koryzno, Jr.

   Mr. Koryzno advised the Board that the YCUA Personnel Committee met on April 25, 2005 in response to the concerns expressed by the employees during the special Board meeting. He indicated that the Personnel Committee has drafted and is recommending a letter to be sent to all the employees. Mr. Koryzno also explained that the recommended letter was shared with the Board members the same day. He pointed out that it is a comprehensive letter that recognizes the concerns of the employees, highlights the past and future challenges of the Authority, and provides an avenue for voicing concerns. Mr. Koryzno recommended that the Board sign the letter and send the same to all YCUA employees.

   Motion by Koryzno to approve the YCUA Personnel Committee’s recommendation for the Board to sign and distribute a letter to the Authority employees in response to the special Board meeting of April 13, 2005. Support by Scott.
Philip W. Wagner interjected by reading into the record a prepared statement as follows:

On April 13th, this Board held a special meeting to listen as employees, retirees, and members of the public expressed their concerns and opinions relating to my letter to the Board of March 22, 2005. More than 100 people attended this meeting, the meeting was very orderly, and the presentations were organized and concise. Every point of my letter was supported and I believe that the attending crowd left with feelings of hope that this Board was going to, in some manner, address the issues that had been raised and move to resolve the situation that is present at the Ypsilanti Community Utilities Authority.

I am thoroughly disappointed in the results presented to us today by the Personnel Committee. The letter to employees and retirees being recommended by the committee does nothing to address the issues and merely promotes the continuance of the current situation, namely, “numerous avenues of available” to the employees “to voice their suggestions, concerns, and feedback.” To tell the employees that they are welcome to discuss their suggestions, concerns, and feedback with their immediate supervisor, their department director, the assistant director, the H.R. director, and the director, is, in my opinion, in direct conflict with what was voiced at the special meeting.

It would appear that maintaining the status quo is the recommended answer forthcoming from the Personnel Committee. The fears of intimidation or retaliation would not be alleviated. I have to wonder if the current process and methods are OK, why did over 100 people show up to what is being construed as “a lot of good conversation?” I have to believe that this is not what they hoped the results would be and is truly not what I hoped would be accomplished.

I still firmly believe, as I suggested previously, that we need to address the situation through the use of an independent facilitator that can:

1. Offer the employees a truly confidential means of voicing their concerns; and

2. Evaluate the conditions at YCUA and formulate a comprehensive report to this Board and recommendations for moving this organization forward.

Also, I cannot, in good conscience stand behind “Board policy” that I feel creates an artificial barrier to separate this Board from our employees. This policy was created with support and suggestion of the administration in what seemed to be a reasonable delegation of responsibility of day-to-
day personnel issues. I feel that, in retrospect, this has been used to remove the Board from being involved in any personnel issues and should be readdressed by the Board.

I was appointed to the YCUA Board of Directors by the Ypsilanti Township Board of Trustees, to which Chairperson Doe is a member, in February 2004. It is their prerogative to remove me from this Board if they feel that my opinions or actions are not in the best interests of the citizens of Ypsilanti Township or of the Ypsilanti Community Utilities Authority and its employees. To date, I have not received any negative response regarding my position from the other six members of the Township Board.

In conclusion, I cannot and do not support the recommended letter to the employees and retirees as presented by the Personnel Committee.

Mr. Koryzno further advised that, also at the Personnel Committee, a recommendation was discussed for the Board to direct staff to contact organizations such as the Michigan Municipal League or other human resource organizations that deal with issues such as organizational change, stress, strife, and to obtain proposals from them and make a recommendation to the Board to hire such a firm to deal with some of Mr. Wagner’s concerns.

Mr. Wagner responded that he is in possession of a list of resources referred to by Mr. Koryzno, eight of which came from the Ypsilanti Township human resources department and two others obtained from the University of Michigan and Eastern Michigan University that he will forward to the YCUA Board Chair for distribution to the human resources director.

Larry J. Doe reminded the Board that a motion is still on the table to approve the YCUA Personnel Committee’s recommendation for the Board to sign and distribute a letter to the Authority employees in response to the special Board meeting of April 13, 2005.

Mr. Wagner again interjected and asked that the AFSCME and Teamsters unions be included in the process of selecting one of the firms to look into the matter. Mr. Doe responded that there would be no problem with including union representatives in the selection process.

Mark Namatevs inquired as to whether Mr. Wagner would support the letter if the motion included an addendum to engage an outside agency for an evaluation. Mr. Wagner responded that he would not.

Larry J. Doe then called for the vote to approve the YCUA Personnel Committee’s recommendation for the Board to sign and distribute a letter
to the Authority employees in response to the special Board meeting of April 13, 2005.

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

B. Request to Approve – Award of Bid re: West Willow Sanitary Sewer Rehabilitation – Scott D. Westover

Mr. Westover reminded the Board that last year, the Authority cleaned and televised all sanitary sewers in the West Willow neighborhood in Ypsilanti Township. He indicated that these sewers have been problematic over the years because many of them run through backyards rather than in road right-of-ways, making cleaning or any work on the sewers very difficult. Mr. Westover also explained that the televising of the sewers showed many areas in need of repair and generally a slow-moving condition in the sewers. He pointed out that staff recommended lining the sewers in the area after reviewing the tapes.

Mr. Westover explained that plans and specifications were prepared for the project and advertised in compliance with YCUA’s bidding procedures. He further advised that four prospective bidders obtained plans, three bids were submitted, and directed the Board’s attention to a bid tabulation enclosed in their packets. Mr. Westover stated that the low bid was from Insituform Technologies for $474,459.50. He acknowledged that Insituform has worked for the Authority before on similar projects and is capable of performing the work.

Mr. Westover confirmed that in-place rehabilitation is the preferred method as any attempt to open cut these sewers would face substantial resistance from property owners in the area. He explained that this project was budgeted for this year.

Mr. Westover recommended approval of the award of the contract to Insituform Technologies for the West Willow sewer rehabilitation project in the amount of $474,459.50, contingent upon attorney approval of insurance and bonds.

Motion by Wagner to approve the award of the contract to Insituform Technologies for the West Willow sewer rehabilitation project in the amount of $474,459.50, contingent upon attorney approval of insurance and bonds. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – First Avenue Sanitary Sewer Cleaning and Televising - Scott D. Westover
Mr. Westover advised the Board that bids were opened on this project on April 25, 2005 at 2:00 p.m. He indicated that four firms received bid documents and that the low bid was from Inland Waters Pollution Control, Inc. of Detroit in the amount of $14,534, a bid unit price of $5.59 per linear foot. Mr. Westover also explained that this will evaluate the sanitary sewer leads in preparation for a paving and water main improvements project will commence on First Avenue.

Mr. Westover recommended approval of the award of the contract to Inland Waters Pollution Control for the First Avenue sanitary sewer cleaning and televising project in the amount of $14,534.

Motion by Koryzno to approve the award of the contract to Inland Waters Pollution Control for the First Avenue sanitary sewer cleaning and televising project in the amount of $14,534. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve – YCUA Resolution 05-7 re: Drinking Water Revolving Fund 25-Year Plan - Scott D. Westover

Mr. Westover advised the Board that the resolution before them provides for a DWRF project plan to address the Authority’s needs for the next 25 years. He indicated that this resolution is standard procedure at the Authority when it applies for DWRF funds.

Larry R. Thomas interjected that the resolution does not obligate YCUA to apply or accept any loans, it simply provides the opportunity.

Mr. Westover recommended approval of YCUA Resolution 05-7 re: Drinking Water Revolving Fund 25-Year Plan.

Motion by Scott to approve Mr. Westover’s recommended approval of YCUA Resolution 05-7 re: Drinking Water Revolving Fund 25-Year Plan. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

E. Request to Approve – Award of Bid re: Eastern Michigan University Sanitary Main Replacement - T. Michael Jessee

Mr. Jessee advised the Board that Eastern Michigan University is building a new student services center on their campus. He indicated that the sewer connection from the student services building will tie into an 18-inch sewer belonging to YCUA that runs through the campus. Mr. Jessee also explained that when EMU’s contractor exposed the sewer to make the connection, the sewer was in poor condition and the connection could not be made.

He pointed out that the Authority was consulted, staff reviewed the situation and requested from EMU’s contractor, Tumer Construction, a
cost to replace 185 feet of the 18-inch sanitary main along with the installation of three manholes. Mr. Jessee explained that the contractor gave the Authority a cost of $26,335. He further advised that staff reviewed repair and replacement options and techniques and feels that the replacement of the main by Tumer Construction is the most timely and cost-effective option available.

Mr. Jessee stated that the section of sewer that runs across campus is in need of replacement in order to be used for a current construction project. He acknowledged that using EMU’s contractor on site is both cost-effective and timely. Mr. Jessee confirmed that this project was not budgeted but can be financed through the maintenance of mains line item.

Mr. Jessee recommended approval of the contract with Tumer Construction for replacement of 185 feet of 18-inch main and three manholes at Eastern Michigan University in an amount not to exceed $26,335.

Edward B. Koryzno, Jr. inquired as to how many water and sewer mains cross the EMU campus that belong to YCUA. Mr. Jessee responded that he was not sure of the number, but indicated that, to his knowledge, this is the only site that encroaches on their property. Scott D. Westover concurred. Mr. Jessee added that this particular sanitary line serves the College Heights area and connects to an interceptor that runs along the Huron River. Larry R. Thomas interjected that it was verified that the sewer main in question is indeed, collecting sewage from the City of Ypsilanti at large.

Motion by Koryzno to approve the contract with Tumer Construction for replacement of 185 feet of 18-inch main and three manholes at Eastern Michigan University in an amount not to exceed $26,335. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

F. Request to Approve – Recommendation for Final Acceptance of Greene Farms Phase I and II, Greene Farms No. 4, and Baker’s Square Projects - T. Michael Jessee

Mr. Jessee advised the Board that as developers install water mains and sewer mains within YCUA’s service area, they are required to meet all of the Authority’s specifications as well as submit as-built plans and maintenance and guarantee bonds when the construction is done. He indicated that, at this point, the mains generally become ours to maintain.

Mr. Jessee also explained that the Authority has not had any formal procedure accepting the infrastructure and, as a result, some confusion has developed as to when the mains become YCUA’s to maintain. He pointed
out that staff has created a procedure for a more formal acceptance of infrastructure from developers as projects are completed in the City and Township to eliminate this confusion.

Mr. Jessee explained that these projects are complete, all record plans have been received, easements recorded, and maintenance and guarantee bonds have been submitted and therefore, all requirements having been met, YCUA should now take ownership of this infrastructure.

Mr. Jessee recommended final acceptance of the water and sewer infrastructure from the developments in the Greene Farms Phase I and II, Greene Farms No. 4, and Baker’s Square projects.

Motion by Scott to accept the water and sewer infrastructure from the developments in the Greene Farms Phase I and II, Greene Farms No. 4, and Baker’s Square projects. Support by Wagner. In favor: All. Opposed: None. (Motion carried)


Mr. Thomas reminded the Board that, each year by July 1st, a Consumer Confidence Report detailing YCUA’s water quality must be mailed to all of its customers and users. He indicated that Tetra Tech has assisted in the past in preparing this mailing and that the Authority has requested their assistance once again. Mr. Thomas directed the Board’s attention to a proposal from Tetra Tech regarding the Consumer Confidence Report. He pointed out that two options are listed. Mr. Thomas explained that Authority staff and representatives from YCUA’s contract communities have decided on option one. He further advised that this is a budgeted item.

Mr. Thomas recommended approval of option one of the Tetra Tech MPS Proposal for Professional Services re: YCUA Drinking Water Quality Report for Calendar Year 2004 in the amount of $3,500.

Motion by Koryzno to approve option one of the Tetra Tech MPS Proposal for Professional Services re: YCUA Drinking Water Quality Report for Calendar Year 2004 in the amount of $3,500. Support by Scott. In favor: All. Opposed: None. (Motion carried)

Mr. Jessee reminded the Board that YCUA’s District Compliance Agreement with MDEQ requires the Authority to evaluate various sections of its collection system. He indicated that, last year, the Authority commenced with an inflow and infiltration study of the Paint Creek Sewer Interceptor area. Mr. Jessee also explained that the evaluation showed excessive flows entering the interceptor during wet weather. He pointed out that, in order to qualify for SRF funds, a low-interest program provided through MDEQ, an SSES (Sanitary Sewer Evaluation Survey) must now be performed to determine if removal of the inflow and infiltration would be more cost-effective than replacement or adding additional capacity.

Mr. Jessee directed the Board’s attention to a proposal from Tetra Tech to provide the services associated with the SSES in the amount of $242,000. He further advised that this project will require that the Authority enter into a contract with a cleaning and televising service to clean and televis approximately 145,000 feet of sanitary sewer in the Paint Creek Interceptor collection area. Mr. Jessee stated that staff is currently preparing RFPs to accomplish the cleaning and televising. He acknowledged that Tetra Tech’s assistance in determining the source of the inflow and infiltration into the interceptor sewers is needed. Mr. Jessee confirmed that this project was budgeted for this fiscal year.

Mr. Jessee recommended approval of the Tetra Tech MPS Proposal for Engineering Services re: Sanitary Sewer Evaluation Survey of the Paint Creek Sewer Interceptor in the amount of $242,000.

Motion by Scott to approve the Tetra Tech MPS Proposal for Engineering Services re: Sanitary Sewer Evaluation Survey of the Paint Creek Sewer Interceptor in the amount of $242,000. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)


Mr. Jessee advised the Board that the Washtenaw County Road Commission is scheduled to realign the intersection of Huron River Drive and Whittaker Road in Ypsilanti Township this year. He indicated that the project was originally scheduled for the 2003 construction season and that, at that time, the YCUA Board approved a tentative budget for the project of $63,500. Mr. Jessee also explained that, since that time, OHM has revised its estimated cost to provide engineering services and the current tentative budget now is $76,850. He directed the Board’s attention to the revised OHM proposal in the amount of $29,900. He pointed out that the
WCRC has not yet bid this project and budget costs will change when the actual construction figure is known. Mr. Jessee explained that the Authority needs construction services from OHM when this project commences through the county. He further advised that this project can be financed through the maintenance of mains line item.

Mr. Jessee recommended approval of the revised Orchard, Hiltz, and McCliment Proposal for Engineering Services re: Huron River Water Main Replacement in the amount of $76,850.

Motion by Namatevs to approve the revised Orchard, Hiltz, and McCliment Proposal for Engineering Services re: Huron River Water Main Replacement in the amount of $76,850. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

J. Request to Approve – Orchard, Hiltz, and McCliment Proposal for Construction Services re: South and North Huron Street Parking Lots Water Main Replacement Observation - T. Michael Jessee

Mr. Jessee advised the Board that this year, the Ypsilanti Downtown Development Authority will be repaving the North Huron Street parking lot and, potentially, the South Huron Street parking lot as well. He indicated that, in conjunction with these projects and immediately prior to the paving taking place, the Authority plans to replace the water mains currently in the alleys adjacent to these parking lots. Mr. Jessee also explained that the construction contract for this work was approved last month.

He pointed out that the Authority requested from OHM a proposal for construction services for this project and that they are estimating a budget of $26,000, $11,000 for the north lot and $15,000 for the south lot. Mr. Jessee explained that, although the engineering and bidding documents were all prepared in house, the Authority cannot currently provide construction observation services.

He further advised that, as noted last month, this project was not budgeted because the Authority was not aware of the DDA’s plans during last year’s budget preparations, but added that sufficient funds are available.

Mr. Jessee recommended approval of the Orchard, Hiltz, and McCliment Proposal for Construction Services re: South and North Huron Street Parking Lots Water Main Replacement Observation in the amount of $26,000.

Mark Namatevs inquired as to whether there was an issue whether both or only one of the projects would be commenced at this time. Mr. Jessee
responded that the DDA has lessened their restoration restrictions on the south lot, which was the main contingency holding up the project.

Philip W. Wagner inquired as to whether, in the future, YCUA’s engineering and project managers could be utilized to do this type of work. Mr. Jessee responded that his idea has been discussed and is an area he plans to move into.

Motion by Namatevs to approve the Orchard, Hiltz, and McCliment Proposal for Construction Services re: South and North Huron Street Parking Lots Water Main Replacement Observation in the amount of $26,000. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

K. Request to Approve – Change Order No. 6 re: DWSD Second Connection Project - T. Michael Jessee

Mr. Jessee directed the Board’s attention to Change Order No. 6 for the DWSD Second Connection Project. He indicated that staff has reviewed the change order and is in agreement. Mr. Jessee also explained that the change order increases the value of the contract by $11,687.77.

He pointed out that these changes represent requests by both YCUA and DWSD for installation of additional valves and restraint systems in the meter pit. Mr. Jessee explained that this project is financed through the DWRF loan program and should qualify for reimbursement.

Mr. Jessee recommended approval of Change Order No. 6 re: DWSD Second Connection Project in the amount of $11,687.77 to be paid out of DWRF loan funds.

Mark Namatevs inquired as to who missed the fact that the Megalug Brand system was not compatible. Mr. Jessee responded that the item slipped past DWSD’s inspection and that further conversation on the matter will take place in the future. He added that the project is approximately one year overdue and, with these changes, DWSD is willing to come out and flush and do the bacteriological and pressure testing required to get the connection online. Mr. Jessee indicated that he hopes the project will be complete within two to three weeks.

Philip W. Wagner asked for status on the refund from the DTE relative to the location of an electric box. Mr. Jessee responded that the Authority is still pursuing those funds.

Motion by Koryzno to approve Change Order No. 6 re: DWSD Second Connection Project in the amount of $11,687.77 to be paid out of DWRF
loan funds. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

L. **Request to Approve – Change Order No. 15 re: WWTP Expansion/Improvements Project - T. Michael Jessee**

Mr. Jessee directed the Board’s attention to Change Order No. 15 re: WWTP Expansion/Improvements Project as well as his memo addressing several items within the change order. He indicated that staff is recommending approval of Change Order No. 15 in the amount of $245,215. Mr. Jessee also explained that this represents 30.9% of the contingency budgeted for the project. He pointed out that the change order covers items that differ from what was anticipated in the bidding documents. Mr. Jessee explained that sufficient funds exist in the Contingency Fund for this change order.

Mr. Jessee recommended approval of Change Order No. 15 re: WWTP Expansion/Improvements Project in the amount of $245,215.

J. Ray Scott inquired as to the life expectancy of the wheels described in item 15.05. Mr. Jessee responded that the wheel assembly should last twenty years or better, the drives may last five to seven years if properly maintained, and the media life could be as much as 20 – 25 years provided they are lubricated and cleaned properly.

Philip W. Wagner interjected that YCUA’s costs related to this project are 29% versus WTUA, who picks up the remaining 71%.

Motion by Namatevs to approve Change Order No. 15 re: WWTP Expansion/Improvements Project in the amount of $245,215. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

M. **Second Quarterly Production Report – T. Michael Jessee**

Mr. Jessee directed the Board’s attention to the second quarterly production report. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board, paraphrased as follows:

*I am happy to report that the second quarter has come and gone with positive results. All departments are under budget in overtime and production levels have increased. The Wastewater Plant Expansion is progressing well with an expected increase in activities due to the springtime weather.*

*The construction season is starting and the Authority has numerous projects scheduled. Those projects include the enlargement of the West Michigan Avenue force main, water main replacements in the DDA Parking lots, and the rehabilitation of the back yard sanitary mains in the West Willow area.*
Wastewater Treatment Plant

The Wastewater Staff is reporting that all solids are being handled with a three to four day production of the belt presses. This allows time for preventative maintenance issues to be addressed. During the past years there has been a problem with phosphorous in the A/O tanks. The Wastewater staff evaluated the situation with a process of elimination theory and addressed this issue. It was discovered that by maintaining a solids blanket of 2-3 feet in the primary tanks that this allowed the bacteria to effectively consume the phosphorous. This eliminated the need for chemical usage and additional seeding that has resulted in a treatment cost reduction.

YCUA Wastewater Staff implemented the sealed bidding procedure for the purchase of the chemicals utilized at the Wastewater Treatment Plant. The bids were for the purchase and delivery costs, for a one-year period, of the following chemicals: Sodium Hydroxide; Sodium Hypochlorite; and Aluminum Sulfate. The bidding process resulted in lower costs offered to YCUA, and the Authority currently estimate annual savings of $50,000. Additional savings is estimated for the odor control process through a reduction of chemical usage. With the assistance of Kevin Dupuis, Maintenance Mechanic, and Luther Blackburn, Wastewater Foreman, additional savings is estimated for the odor control process through a reduction of chemical usage. Luther and Kevin took the initiative to contact the manufacturer, implement proper calibration procedures for specific flow meters and probes, determine cleaning procedures for the internal contact areas, and revised the operational procedure for the odor control unit. With these operational revisions the Sodium Hydroxide usage was significantly reduced. The Wastewater Staff estimates an annual savings of $54,500.

Training is an on-going effort. During the second quarter the Wastewater Staff received training on the following equipment:

- Algae Sweep Clarifier Cleaning System
- Fairfield Bar Screens and Conveying System
- Muffin Monster Screenings Washer and Compactor Operation
- Grit Building Graphics Operation
- Vaughn Chopper Pumps
- Wemco Pumps
- Primary Solids Storage Facility Graphics
- Bar Screen, Grit Pumps, and Conveyor Graphics
• **Grit Pump Operation**

The Wastewater Treatment Plant treated 2,157,800,000 gallons during the second quarter, compared to 1,974,337,000 treated in the second quarter of the fiscal year 2003/2004. This represents an increase of 183,463,000 gallons or 9.29%. The treatment process produced 6,064.73 tons of sludge during the second quarter; compared to 7,323.42 tons of sludge produced during the second quarter of the last fiscal year. This represents a decrease of 1,258.69 tons or 17%. A spreadsheet is attached outlining the solids disposal and cost. YCUA has received 175,090 gallons of septic sewage for which $12,256 has been invoiced. This represents a decrease of $13,586 compared to the first quarter (spreadsheet attached). This decrease is normal for the winter months.

The Wastewater Staff continues to monitor and implement overtime funds for specific operational events. Training, unexpected employee absences, necessarily scheduled projects, and emergency issues. A total of $36,379.10 has been expended through the second quarter, this represents 19.49% of the $186,622 budgeted for the fiscal year. The Wastewater Management Staff has been commended for excellent control of this variable expense.

**Maintenance Department**

The Maintenance Department is addressing multiple issues associated with the plant expansion. With the air ionization odor control unit under construction it was necessary to purchase and install a temporary odor control system along YCUA’s western perimeter. This was accomplished and is performing satisfactorily. The Maintenance Department personnel are playing an effective role in the programming issues associated with the new equipment. Mr. Wayne Dudley and Mr. Kevin Dupuis are meeting weekly with the representatives of the equipment manufacturers, Wastewater Staff, and Tetra Tech. The meetings are addressing all the issues associated with the equipment operating independently and in conjunction with other pieces of equipment. This will ensure automated operation when all equipment is placed online.

The Maintenance Department has completed the remodeling of the Service Centers Foremen’s office and the stock room. These remodeling projects have increased the working area for the Foremen and have improved the accessibility of the stock in the Service Center. This type of progress has been long overdue. The Service Center now has a workable situation for their inventory and Foremen. Mike Mudge, Maintenance Mechanic, demonstrated his high level of skill with his leadership of this project.
The Maintenance Department completed 1,957 work orders during the second quarter (spreadsheet attached), this is an increase of 382 work orders when compared to the 1,748 work orders for the second quarter of 2003/2004. This represents an increase of 11.9%.

The overtime expenditures are well within budget for the Maintenance Department. There has been $56,188.33 incurred through the second quarter, which represents 31.23% of the $179,892 budgeted. The Maintenance Department continues to apply stewardship to the utilization of overtime funds for maintaining the equipment and grounds of the Authority.

Customer Service Department

The Customer Service Department continues to experience increased efficiencies and production as a result of the new utility billing software program. With the utilization of the new software, each billing process is completed well within established timelines. This is most notable due to the fact that there is one less billing clerk in the department than there has been in the past. Even with two out of the three clerks being newly hired in the second quarter, the time required to process bills has been reduced with the Caselle system. The software has also allowed for increased production in the collections area, as it has automated a process that previously had been manually completed. Pam Brady has increased the number of customer contacts as well as the revenue collected.

During the second quarter, Gail Thomas, Accounts Receivable Clerk, has converted all monthly and contract customer invoicing to the new software system allowing for automation of a previously manual process and resulting in an increase in efficiency. Because of this, the Authority has been able to move invoicing and tracking of other types of revenue, such as the engineering inspection fees, to the A/R Clerk position. This has allowed for better uniformity in the Authority’s invoicing procedures, and better oversight of revenues due.

Cathy Moorman, Customer Service Manager, has done an outstanding job leading this department through the long, tedious, critical process of a utility billing software conversion. She did this while experiencing significant staffing changes in the department. Cathy, as well as the customer service employees, deserves great credit for the professional way they managed the conversion process. Despite several problem areas, they handled the transition with little inconvenience to YCUA’s customers.

The attached spreadsheets are a preliminary draft of the type of information the Authority is able to extract from the utility software. The Customer Service
Staff will be tracking and monitoring receivable data and collection activities to ensure that an effective procedure is maintained for the collection process.

Overtime funds are being monitored and implemented wisely. There has been $1,988.80 expended through the second quarter. This represents 16.53% of the $12,034 budgeted.

**Engineering Department**

The Engineering Department continues to be an asset to the Authority. Mr. Scott Westover has provided engineering services for projects that normally would have been contracted to outside engineering firms. Those projects include the Drinking Water Revolving Fund application with a five-year project plan, Textile Road Water Main Replacement, West Willow Sanitary Relining Project, and the West Michigan Sanitary Force Main Replacement. It is estimated that a savings of $53,000 can be attributed to the Engineering Department for their effort related to these projects.

Additionally, the Engineering Department has completed reviews for multiple Community Development Projects. There has been $18,701.01 invoiced and $10,190.30 received for those reviews. With construction season upon the Authority the Authority expect additional savings and revenues to be realized by the Engineering Department.

**Service Center Department**

The Service Center continues to improve operations with the automation of the stock and inventory areas. With the assistance of Mr. Wayne Dudley, Maintenance Supervisor, an automated inventory tracking system has been implemented at the Service Center. The staff is in the process of assigning all necessary prices and locations to each inventoried item. This will allow barcodes to be assigned to the inventoried items, which is the next step to full automation of the work order/inventory/material-ordering program. This method of tracking the multitude of parts used in Authority operations has been used by the Maintenance Department for many years and has proven to be successful in accurately allocating job costs. Keenen Crump, Service Center Supervisor, has taken the lead in bringing the Service Center stock room up to Authority Standards for operating efficiently.

The Service Center Division has had a productive second quarter with 15,115 tasks completed and 308,556 feet of sanitary mains flushed (spreadsheet attached). The production spreadsheet has been modified with 7 new entries. This is an illustration of thoroughness in the area of management. The Service Center employees continue to operate as a team, not only in the day-to-day operations but are also included in the review of plans prior to the final engineering process. It is encouraging to witness the growth of the Service
Center in the past year. The entire staff should be recognized for their dedication and achievements. The Service Center has incurred $84,517.90 in overtime expenditure. This represents 43.33% of the $195,045 budgeted.

Water Distribution Department

YCUA purchased 1,062,206,000 gallons of water during the second quarter. Water Distribution records indicate 201,331,680 gallons were distributed in the City Division and 860,874,320 gallons in the Township Division. Year to date, YCUA has purchased 2,366,876,000 gallons this fiscal year compared to 2,300,695,964 gallons through the second quarter of fiscal year 2003/2004. This is an increase of 2.9%. Spreadsheets are attached illustrating the consumption in cubic feet and gallons.

As the water mains were being replaced in the City Division there appeared to be a large reduction in consumption for the City Division. After further investigation it was discovered that a valve remained open that allowed water from the Township Division to enter into the City Division. Water Distribution Supervisor Jeff Castro has revised the spreadsheets that were presented in quarterly reports for the third and fourth quarter in the Fiscal year 2003/2004 and the first quarterly report for the fiscal year 2004/2005. Those spreadsheets are attached for your review.

Water Distribution has incurred $20,596.88 in overtime this fiscal year. This represents 24.52% of the $84,012.00 budgeted.

Meter Department

The Meter Division completed 1724 tasks in the first quarter (spreadsheet attached). The production report included 64.66 Industrial/commercial reading hours, 40 VXU hours (meter reading from truck) 196 hours working in shop, 19.5 hours repairing large meters and 41.5 hours on cross connection reports/inspections. The overtime for the meter division is being monitored and used for emergencies only. The meter division expended $5,671.12 through the second quarter. This represents 37.75% of the $15,022 budgeted.

Compliance Department

The Compliance Department, which is comprised of the Laboratory and the Industrial Pretreatment divisions, had a productive second quarter. The Laboratory employees performed 8671 analyses and completed three (3) Monthly Discharge Reports during the second quarter. With the assistance of Kurian Joychan, Director of Wastewater Operations, Mr. Perry Thomas, Chief Compliance Officer, completed the Michigan Air Emission Report. The Sara Title III Tier Two Report and the Paint Creek Interceptor Inflow and Infiltration Study was completed and submitted by the Compliance Department as required by the DEQ.
The Industrial Pretreatment Division completed 6 Industrial Sampling events, 12 SIU inspections, reviewed 51 Self Monitoring Reports, Issued 2 Notice of Violation letters, and issued 2 permits. There were 6 Control Authority Monitoring Reports of SIU Discharges completed this quarter.

The Overtime for the Compliance Department is included with the Wastewater Treatment Plant overtime expenditures.

**State of the Authority**

The Authority is operating well with communication and cooperation between the workforce members. This is evident with the savings associated with the operation of the odor control unit and the Service Center work order/inventory automation project. The Customer Service employees are diligent in implementing the new software, which is improving the production and operation of the department. The Wastewater staff continues to reduce cost by reviewing the purchasing procedures for the chemicals utilized for the treatment of wastewater. Cooperation and communication are the keys to success. These accomplishments are due to the dedication of the employees who have a vested interest in the longevity of Ypsilanti Community Utilities Authority.

The second quarter has closed with increases in production and estimated yearly operational savings of $100,000 and a quarterly savings of $53,000. Overtime is being managed and is well below budget.

Edward B. Koryzno, Jr. acknowledged a very positive report on the Second Quarter. Larry J. Doe concurred, thanking management and the unions for working together with such positive results.

Informational only; no motion from the Board required.

N. **Fund Balance Report** - Larry R. Thomas

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

Edward B. Koryzno, Jr. inquired as to whether the negative situation in the City is related to any outstanding bond payments. Mr. Thomas responded that several bond payments were paid on March 1st and April 1st.

Informational only; no motion from the Board required.

O. **Financial Report – Authority Net Assets** - Larry R. Thomas

Mr. Thomas directed the Board’s attention to the Financial Report – Authority Net Assets Reports for February and March. He then proceeded to give a detailed report of the information contained in the reports and
answered questions from the Board.

Mr. Thomas commended YCUA staff for their hard work in getting the new Civic program interfaced with the utility billing general ledger.

Informational only; no motion from the Board required.

P. **Second Quarterly Financial Report** - Larry R. Thomas

Mr. Thomas directed the Board’s attention to the second quarterly financial 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.


Mr. Thomas directed the Board’s attention to the Usage Report – 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.

R. **Director’s Report** - Larry R. Thomas

Mr. Thomas reminded the Board that, at last month’s meeting, filing the Financial Director position was approved. He indicated that interviews have been completed and a candidate has been selected. Mr. Thomas also explained that her name is Sandi Bird, that she is a registered CPA, and she was most recently Financial Director and Accountant for Leoni Township and the Chelsea Fire Authority as well as several private firms. He pointed out that Ms. Bird will be starting in her new position on April 28, 2005.

Mr. Thomas then directed the Board’s attention to a new organizational chart for the Authority. He reminded the Board that a new chart is forwarded to them every six months. Mr. Thomas stated that he would be happy to answer any questions relative to the new organizational chart.

4. **OLD BUSINESS:**

There was no old business for the month.

5. **OTHER BUSINESS:**

Philip W. Wagner commented that he approves and appreciates the decision to move the Board meetings from 3:00 p.m. to 4:00 p.m. in order to allow more employees to attend. Mr. Wagner advised the Board that a lot of employees do not get off of work until 4:00 p.m. and, therefore, cannot arrive at the Board meetings until 4:15 p.m. or later.
He indicated that the one thing on the agenda for the month that was of direct interest to the employees is the first item. Mr. Wagner also explained that this item was addressed prior to a lot of the employee arrivals. He pointed out that the Board should consider either moving the meetings to 4:30 p.m. to allow the employees to arrive timely and not miss out on important discussions early in the meetings.

Mr. Wagner explained that he felt it important to go back and review the first agenda item for the benefit of the employees who showed up afterward.

He further advised that the Board was presented with a recommendation from the Personnel Committee, which was voted on with a three-to-two result. Mr. Wagner stated that the letter would be sent to the employees and retirees of YCUA. He acknowledged that he did read into the record a statement that he does not agree with the letter. Mr. Wagner confirmed that Mark Namatevs also voted no. He explained that an addendum was added to the motion, allowing for the hiring of some kind of outside facilitator to at least do a survey of the employees.

Mr. Namatevs interjected that the addendum was not voted upon nor included in the motion.

Mr. Wagner pointed out that it was still his recommendation to hire the outside facilitator. He also stated that he provided a list of resources to the Board and asked that Teamster and AFSCME union representatives be involved in the selection process.

Larry J. Doe interjected that it was the recommendation of the Personnel Committee to hire an outside organization to help the Authority with some of its needs.

J. Ray Scott added that one reason the letter was written was so that it could be researched with due diligence what has transpired historically. He indicated, however, that by presenting this letter, it does not mean in any way that the process has ended, rather, that it is ongoing. Mr. Scott pointed out that he has two other jobs and worked very hard on the letter and wished for that to be recognized. He stated that he was disappointed with the vote and suggested that the letter has mistaken as a conclusion rather than simply the initiation of an open-ended process.

Mr. Namatevs responded that he voted against sending the letter because it did not outline a specific plan of action.

Edward B. Koryzno, Jr. interjected that he wished to recommend a motion that the Board direct management, Teamster, and AFSCME staffs to work together to research firms such as those that Mr. Wagner has offered, as well as others, and that a recommendation be made to the Board as to a firm to hire in order to proceed with looking at the issues that were previously discussed.

Motion by Koryzno to direct management, Teamster, and AFSCME staffs to work together to research firms such as those that Mr. Wagner has offered, as well as others, and that a recommendation be made to the Board as to a firm to hire in order to proceed
with looking at the issues that were previously discussed. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

Edward B. Koryzno, Jr. requested clarification of a comment made in the Quarterly Production Report regarding an open valve in Ypsilanti Township that allowed for water to flow into the City’s system. He asked if that event could have caused the increase in the City’s water usage for the last quarter. Larry R. Thomas responded that it could not and explained that the usage figures reported in the consumption reports come directly from the individual meters.

6. STATEMENTS AND CHECKS: Motion by Namatevs to pay the bills in the amount of $3,094,440.64 plus an addendum in the amount of $1,225,375.93. Support by Koryzno. In favor: All. Opposed: None. (Motion carried.)

7. PUBLIC COMMENTS:

Rolland Sizemore, 7727 Tuttle Hill Road, addressed the Board. Mr. Sizemore advised the Board that it sounds as though someone is telling employees that they cannot talk to the Board and that they must go through their supervisors. He indicated that, for years, Karen Lovejoy Roe and Tom Kmet talked over the fence to him and, therefore, he doesn’t understand how the Board can now say that employees can’t do the same. Mr. Sizemore also explained that, when he is off duty, he can talk to whomever he wants to. He pointed out that he was laid off last year in order to be made an example of and that the rumors on the street are that, once James Lewis is removed, he is the last one out the door and then “they can do what they want.”

Mr. Sizemore explained that, if he had not intervened with two phone calls the week previous, the DWSD Second Connection Project would still be incomplete. He further advised that the delays in that project cost the Authority over $100,000 and that those costs could have been avoided if his requests to be included in his capacity as Project Manager would have been granted.

Mr. Sizemore stated that when his job in the safety department was up for bid, the classification was changed so that he couldn’t bid on the job and, instead, it was given to Tom Kmet with a $10,000 raise. He acknowledged that he is of the opinion that these actions are politically motivated and asked why his pay scale is four levels below the engineering manager. Mr. Sizemore confirmed that when the 36” main in Superior and Ypsilanti Townships, he was asked by Larry R. Thomas to drop everything to assist and that much of the credit for getting that project back online should be given to him.

He explained that if he would be included from the beginning of projects, these kinds of emergencies wouldn’t occur and indicated that too much is being devoted to hiring outside engineers for work that he is capable of doing. Mr. Sizemore pointed out that Edward B. Koryzno, Jr. has told him on previous occasions that he works well with the local business people and that, due to politics, he is not being paid what he should be. He also stated that, if he is not doing his job, he needs to be told so and, if he is, he needs to
be paid as such. Mr. Sizemore asked the Board members if they had any questions for him. There were none.

Dan Hunter, 320 South Huron Street and 3154 Washtenaw Avenue, addressed the Board. Mr. Hunter reminded the Board that several YCUA employees that were concerned with potential retaliation had contacted him. He indicated that he did not expect to be at the meeting that day but that his phone began ringing first thing that morning and proceeded to do so throughout the day. Mr. Hunter also explained that it was not at all clear to him that the letter voted upon by the Board was a response to the previous week’s special Board meeting. He pointed out that the letter seems to indicate an acceptance of the status quo. Mr. Hunter explained that he did commend the Board for recommending that there is some kind of audit by an outside firm. He further advised that such an audit makes the most sense to him and indicated that it reflects the specific requests of some of the employees. Mr. Hunter stated, however, that it is a shame that this was not specifically stated in the response letter, particularly considering the volume of telephone calls he has received. He acknowledged that that one statement would have gone a long way in making things a lot clearer. Mr. Hunter confirmed that he does not know all of the ins and outs of YCUA but that, when he receives the volume of calls that he has, there must be something to it.

Kevin Dupuis, 5654 Meadow Drive, addressed the Board. Mr. Dupuis advised the Board that he is a bargaining and grievance committee member for the AFSCME union. He indicated that the union body still feels very intimidated about coming to the podium and talking to the Board about their issues. Mr. Dupuis also explained that the union members had hoped for some kind of response from the Board after the last meeting. He pointed out that none of the employees have seen the letter that was just voted on and indicated that they would like to have the letter read into the record that evening. Mr. Dupuis explained that the third party that is being proposed is a very good idea and would elicit positive response from the union members.

Larry J. Doe interjected that the letter will be sent to all employees within the week and indicated that he felt that to be sufficient.

Karen Lovejoy Roe inquired as to whether the letter was so long that it could not be read into the record. Mr. Doe responded affirmatively, indicating that it was four pages long.

J. Ray Scott responded to the employee comments, indicating that he doesn’t understand how they can comment on a letter that has not yet been sent. He added that no one has made the statement that staff cannot address the Board with their concerns. Mr. Scott clarified that it is inappropriate to address Board members individually and that issues should be brought to all Board members in writing so that they can research and respond in the manner in which the Board was designed to do so; that is, as a singular body. He reminded the assembly that he has explained this previously and wished to reiterate that no one has forbidden the exchange of dialogue “over the fence, across the street, or at the gas station.”
Karen Lovejoy Roe, 8677 Merritt Road, addressed the Board. Ms. Roe reminded the Board that, at the last meeting, the Teamster representatives did indicate that a union meeting took place immediately prior to the Board meeting and that the members indicated that they were instructed not to speak at the Board meeting. J. Ray Scott, Mark Namatevs, and Larry J. Doe responded that they did not recall anyone making that statement.

She indicated that she, too, commended the Board for bringing in an outside party.

Lynne Meyers, 7650 Bunton Road, addressed the Board. Ms. Meyers advised the Board that all YCUA retirees are concerned about their benefits. She indicated that they are still a part of YCUA and asked that they receive a copy of the letter response. Ms. Meyers also explained that she is of the opinion that the hiring of an outside firm is an excellent idea but that it should be expressly stated in the letter. She pointed out that she listened very carefully to the Quarterly Production Report and that it sounds as though things are going very well at YCUA and pointed out that Mr. Jessee repeatedly commended employees for making that possible. Ms. Meyers explained that those employees deserve the promise of a specific plan of action.

J. Ray Scott interjected that, perhaps in the Personnel Committee’s haste in preparing a timely response, it was overlooked to not only provide an outline of where the Authority has been but also where it is going. He added that the committee concurs that retirees should share in the information being presented.

Larry J. Doe thanked the Personnel Committee for their diligence in presenting a response that could give some direction in response to the special Board meeting. Mr. Doe stated that, while a specific plan may have been overlooked, he thanked the assembly for prompting that action and expressed his confidence that they would do the same if they felt anything was overlooked in the future.

Ms. Meyers added that she wanted to know why not all retirees have received formal awards of commendation from the Board and inquired as to how it is determined who deserves this recognition and who does not. Her inquiry met with applause from the assembly.

8. ADJOURNMENT: Motion by Wagner to adjourn the meeting at 5:14 p.m. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,
YCUA RESOLUTION NO. 05-7 TO ADOPT THE
YCUA DRINKING WATER REVOLVING FUND PROJECT PLAN
DATED APRIL 27, 2005

Minutes of a regular meeting of the Board of Commissioners of the Ypsilanti Community
Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 26th day of April
2005 at 4:00 o’clock p.m., Eastern Daylight Time.

PRESENT: Commissioners Larry J. Doe, Edward B. Koryzno, Jr., Mark Namatevs, Philip W.

Wagner, and J. Ray Scott

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Scott and supported by
Commissioner Wagner:

WHEREAS, the Ypsilanti Community Utilities Authority recognizes the need to make
improvements to its existing water transmission and distribution system; and

WHEREAS, the Ypsilanti Community Utilities Authority has prepared a Project Plan for the
City of Ypsilanti and Charter Township of Ypsilanti, which recommend the implementation of 47
separate improvements during a 25-year planning period; and

WHEREAS, said Project Plans were presented at Public Hearings held on Wednesday, April 13,
2005 and all public comments have been considered and addressed;

NOW THEREFORE BE IT RESOLVED, that the Ypsilanti Community Utilities Authority
formally adopts said Project Plan and agrees to implement the selected alternatives stated in the Project
Plan.

BE IT FURTHER RESOLVED, that the Director of the Ypsilanti Community Utilities
Authority, a position currently held by Larry R. Thomas, is designated as the authorized representative
for all activities associated with the project referenced above, including the submittal of said Project
Plan as the first step in applying to the State of Michigan for Drinking Water Revolving Fund Loans to
assist in the implementation of the selected alternatives.

AYES: Commissioners
Larry J. Doe, Edward B. Koryzno, Jr., Mark Namatevs, Philip W. Wagner, and J. Ray Scott

NAYS: Commissioners
None.

RESOLUTION DECLARED ADOPTED.

MARK NAMATEVS, 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 regular meeting held on the 26th day of April 2005 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.

MARK NAMATEVS, Secretary/Treasurer