Minutes

YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, April 26, 2011 – 9:00 a.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112


Members Absent: None.

1. CALL TO ORDER: Mr. Scott called the meeting to order at 9:04 a.m.

2. MINUTES OF THE PREVIOUS MEETINGS: Motion by Doe to receive and file the minutes of the March 22, 2011 meeting and March 22, 2011 Closed Session meeting as presented. Support by Bass. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

   A. Request to Approve - Cross St. Water and Sanitary Improvements Construction Project – Larry R. Thomas

   Mr. Thomas advised the Board that, this summer, the city will be reconstructing East Cross Street in Ypsilanti as part of their road improvements project. He indicated that, as part of this project, the water services, valves, and hydrants will be replaced on the existing main. Mr. Thomas explained that the main is one of the few in the city that has not been replaced during various road projects and that there has never been a problem with it even though it dates back to the 1880s.

   He pointed out that MDOT is overseeing the project on behalf of the city, who bid and awarded the project to Al’s Asphalt. Mr. Thomas also explained that YCUA’s portion of the contract for the water-system related work is $112,661.15. He further advised that staff is recommending a 7% contingency, bringing the total project cost to $120,000.

   Mr. Thomas stated that it is anticipated that the City Reserve for Construction Fund will pay for this, but that City Council must approve the use of these funds as well as the YCUA Board.
Mr. Thomas recommended approval of the Cross St. Water and Sanitary Improvements Construction Project in the amount of $120,000 with a recommendation to City Council for use of City Reserve for Construction funds.

Larry J. Doe inquired as to whether the situation with the shoring on the Thompson Block building will hinder the project. Mark Namatevs responded that it is very likely to do so.

Deedra Climer Bass inquired as to whether there is an advantage to doing this work now while the area is being dug up rather than waiting until issues occur. Matt Parks of Tetra Tech responded affirmatively, indicating that it is impossible to know exactly what the condition of the main is until the area is excavated.

Motion by Doe to approve the Cross St. Water and Sanitary Improvements Construction Project in the amount of $120,000 with a recommendation to City Council for use of City Reserve for Construction funds. Support by Bass. In favor: All. Opposed: None. (Motion carried)


Mr. Thomas advised the Board that, as part of the project that was approved in the last item, YCUA requested from OHM a proposal for engineering construction services. He indicated that the proposal is included in the Board materials.

Mr. Thomas explained that the proposal is in the not-to-exceed amount of $39,900. He pointed out that includes the construction observation and engineering services that are typically needed for a project such as this.

Mr. Thomas recommended approval of the OHM Construction Engineering Proposal re: Cross St. Water and Sanitary Improvements Construction Project in the not-to-exceed amount of $39,900 with a recommendation to City Council for use of City Reserve for Construction funds.

Motion by Peoples to approve the OHM Construction Engineering Proposal re: Cross St. Water and Sanitary Improvements Construction Project in the not-to-exceed amount of $39,900 with a recommendation to City Council for use of City Reserve for Construction funds. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Wastewater Treatment Plant Anthracite Coal Replacement – Larry R. Thomas

Mr. Thomas advised the Board that the original tertiary filters located in the westside of the wastewater treatment plant have various media in
them, the top layer of the media being anthracite coal. He indicated that the coal is lost slowly over time during the backwashing process and must be replenished periodically.

Mr. Thomas explained that that replenishment is needed at this time. He pointed out that RFPs were advertised in accordance with YCUA’s purchasing policy and four bids were received. Mr. Thomas also explained that the low bid was from All Service Contracting Corporation in the amount of $82,490. He further advised that the Authority has had prior, satisfactory experience with this contractor.

Mr. Thomas stated that staff is recommending a contingency in the amount of $7,510 for a total construction budget of $90,000. He acknowledged that this will be paid through O & M Funds.

Mr. Thomas recommended approval of the Wastewater Treatment Plant Anthracite Coal Replacement in the amount of $90,000 to be paid through O & M Funds.

Motion by Namatevs to approve the Wastewater Treatment Plant Anthracite Coal Replacement in the amount of $90,000 to be paid through O & M Funds. Support by Bass. In favor: All. Opposed: None. (Motion carried)

D. Fund Balance Report - Larry R. Thomas

Mr. Thomas directed the Board’s attention to the Fund Balance Report for March 31, 2011. 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 Financial Report – Authority Net Assets Report for March 31, 2011. 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.

F. Usage Report – Consumption Report - Larry R. Thomas

Mr. Thomas 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.

Gregory A. Peoples inquired as to whether the wet spring is likely to have a negative impact on water sales. Mr. Thomas responded that the weather this time of year is generally not a factor because usage in the spring is always low. He indicated that the weather in the summer has a much
more profound effect on sales.

Informational only; no motion from the Board required.

G. Attorney’s Report – Thomas E. Daniels

There was no Attorney’s Report for the month.

H. Director’s Report - Larry R. Thomas

Mr. Thomas advised the Board that some errant letters were recently sent out to the Authority’s customers in the City of Ypsilanti regarding the replacement of OSR meters with radio-read units. He indicated that the letter that was mistakenly sent was rather harsh and resulted in some complaints from customers in the city. Mr. Thomas explained that the meter staff is in the process of replacing all the old OSR meter reading devices in the City of Ypsilanti and Ypsilanti Township. He indicated that there are about 700 of the devices left in the city. Mr. Thomas stated that the meter staff is visiting the residences that need a meter change out and leaving letters if no one is home. He also advised that the letter requests that the owner contact YCUA to schedule an appointment for a meter change out and that, if no response is received, a follow-up letter is sent to the address advising the residents of the same.

He pointed out that the letter that was mailed in error is actually a letter used when a property owner repeatedly refuses entry to the Authority in order to repair a faulty meter that is resulting in unpaid bills.

Mr. Thomas also explained that this occurred because of a breakdown in communication between the customer service and meter departments regarding which letter the term “10-day meter letter” referred. He further advised that since this took place, steps have been taken and procedures put into place to assure that nothing like this occurs in the future.

Ms. Bass inquired as to how many letters went out. Mr. Thomas responded that there were about 40 letters. Mr. Thomas stated that YCUA staff has verbally contacted and apologized to all of the recipients except 13 of whom they are still trying to contact. He acknowledged that a letter is going out the same day to those 13.

Mr. Namatevs interjected that the letter that was delivered in error was very nasty and resulted in some unfortunate responses. Mr. Peoples added that, as a service agency, YCUA needs to make sure that communications such as this don’t go out in error.

Jeff Castro advised the Board that he made personal apologies to some of the affected customers, who were very receptive to him.

Mr. Scott interjected that he wishes the record to reflect that this item is not being discussed in order to “beat up” on anyone on the YCUA staff because the Board is very appreciative of their efforts and their
responsiveness when issues occur. He indicated that Mr. Castro’s efforts are remarkable and he is satisfied that the matter has been fully resolved.

Mr. Namatevs concurred but added that he would like to capitalize on the opportunity to put a positive spin on this in the community by putting something out to the media that indicates all of the benefits that area customers are likely to see from the new meters.

4. OLD BUSINESS:

There was no old business for the month.

5. OTHER BUSINESS:

Larry J. Doe inquired as to how the Ford Blvd. project was proceeding. Mr. Thomas responded that the YCUA portion is pretty much completed.

Mr. Doe also inquired as to whether any of the issues currently being considered in Lansing are likely to impact the Authority. Mr. Daniels responded that the potential is there because the emergency manager legislation applies to all stand-alone municipalities, including YCUA. He indicated that he would keep informed on the developments and communicate his findings to YCUA management, especially Gwyn Belcher on the human resources aspects.

6. STATEMENTS AND CHECKS: Motion by Bass to pay the bills in the amount of $3,596,254.94. 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 Peoples to adjourn the meeting at 10:01 a.m. Support by Doe. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,

MARK NAMATEVS, Vice-Chair