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 April 24, 2019 meeting as presented. Support by Ichesco. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Request to Approve - YCUA Resolution No. 19-4 Approving Contract and Authorizing Not-to-Exceed $9.5 Million 2019 Wastewater System Bonds for Fourth Quarter SRF Project 5676-01 (City of Ypsilanti and Charter Township of Ypsilanti) – Tom Colis and Scott D. Westover

Motion by Doe to Approve YCUA Resolution No. 19-4 Approving Contract and Authorizing Not-to-Exceed $9.5 Million 2019 Wastewater System Bonds for Fourth Quarter SRF Project 5676-01 (City of Ypsilanti and Charter Township of Ypsilanti). Support by Ichesco.

Mr. Colis advised the Board that this resolution approves the contract between YCUA, the City of Ypsilanti, and Ypsilanti Township. He indicated that the improvements to the wastewater treatment plant will benefit these two communities as well as all of the contacting municipalities. Mr. Colis explained that this qualifies for financing through the State Revolving Fund program, which this year is a 20-year, straight 2% loan. He pointed out that the contract has been approved by both the City of Ypsilanti and Ypsilanti Township, which have posted notices for a writ of referendum for 45 days. Mr. Colis also explained that
he does not anticipate any issues and similar projects have gone smoothly in the past.

He further advised that the contract outlines the Authority’s responsibility to issue the bonds with the full faith and credit of the City of Ypsilanti and Ypsilanti Township to support debt service on the bonds. Mr. Colis stated that the intent is for them to use their share of the revenues to pay their proportionate share under the contract, which is determined by usage of the wastewater treatment plant. He acknowledged that the usage can be adjusted annually.

Mr. Colis confirmed that, if approved today, a bond authorizing resolution will come before the Board at the June 26th meeting. He explained that bids on the projects will be in at that time so there will be a better cost estimate.

Mr. Colis pointed out that the SRF program allows municipalities to only pay interest on the funds actually drawn from invoices submitted monthly. He also stated that if, at the end of transaction, there are unspent proceeds, a new amortization schedule is established and only debt service is paid going forward.

Mr. Westover advised the Board that there are two projects associated with this bond issue: improvements to the incinerator and improvements to the west tertiary filters. He indicated that construction bids are currently being solicited for both projects. Both projects were then outlined in detail.

Mr. Bodary inquired as to whether the improvements to the west tertiary filters will help with sustained filtration during high water events like those experienced recently. Mr. Westover responded affirmatively, indicating that the hydraulic performance of the east filters is significantly better than the current operation of the west filters and once both systems mirror one another, YCUA will have significantly better hydraulic capacity through that part of the process.

Mr. Bodary inquired as to how long the construction is likely to take place. Mr. Westover responded that staff hopes the filter project can be completed in two phases, with the first completed by early spring 2020’s wet weather and the second over the summer before the fall’s rainy season.

In favor: All. Opposed: None. (Motion carried.)
B. **Request to Approve – Authorization to Seek Bids re: 2019 Road Repairs Phase 2 (O & M Expense Account No. 902-161)** – Scott D. Westover

Motion by Jason to provide Authorization to Seek Bids re: 2019 Road Repairs Phase 2 (O & M Expense Account No. 902-161). Support by Ichesco.

Mr. Westover advised the Board that these are road cuts made between December 1st of last year and the end of May. He indicated that there are 45 locations to be addressed with perhaps a handful more to come in by the end of the month.

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

C. **Request to Approve – Authorization to Seek Bids re: Wastewater Treatment Plant Bulk Chemicals Purchase (O & M Expense Account No. 550-736)** – Sreedhar Mullapudi

Motion by Doe to provide Authorization to Seek Bids re: Wastewater Treatment Plant Bulk Chemicals Purchase (O & M Expense Account No. 550-736). Support by Jason.

Mr. Mullapudi advised the Board that these are chemicals used during the incineration process as well as the headworks odor control. He indicated that once the bid process is approved, the results will come back before the Board for approval.

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

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

Informational only; no motion from the Board required.

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

Informational only; no motion from the Board required.

F. **Usage Report – Consumption Report** – Dwayne Harrigan

Informational only; no motion from the Board required.

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

Mr. Daniels advised the Board that he is working with staff to investigate two possible claims. He indicated that both are highly unlikely given the time frame.

Mr. Daniels explained that the first is potential third-party damage to the sewer main on Martz Road that recently collapsed and presented the most significant sanitary sewer overflow ever experienced in YCUA’s history.
He pointed out that the second issue involves a building on East Michigan Avenue that has been on top of the sewer line since about 1984.

Mr. Daniels also explained that both matters are currently in the investigatory period.

H. Environmental Report – Sreedhar Mullapudi

Mr. Mullapudi advised the Board that four wet weather events occurred in the last month that resulted in sanitary sewer overflows. He indicated that the details of each event are outlined in his report and have also been shared previously with the Board by Mr. Castro. Mr. Mullapudi explained that the hope is that the new west tertiary filters will do much better during heavy rainfall events in the future. He welcomed any questions.

I. Human Resources Report – Kevin M. Welch

There was no Human Resources Report for the month.

J. 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 Ichesco to pay the current month’s bills in the amount of $2,823,588.27. 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 3:17 p.m. Support by Ichesco. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

JON R. ICHESCO, Secretary - Treasurer
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 22nd day of May, 2019, at 3:00 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 Doe and supported by Commissioner Ichesco:

WHEREAS, the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, intends to authorize the issuance and sale of its Wastewater System Bonds (City of Ypsilanti and Charter Township of Ypsilanti) pursuant to Act 233, Public Acts of Michigan, 1955, as amended, in an amount not to exceed Nine Million Five Hundred Thousand Dollars ($9,500,000), for the purpose of defraying the cost of acquiring and constructing improvements to the wastewater treatment plant, consisting of improvements to the west tertiary filter pumps and valves and the fluidized bed incinerator system, together with all necessary appurtenances and attachments thereto, to serve the Charter Township of Ypsilanti (the “Township”) and the City of Ypsilanti (the “City”); and

WHEREAS, a SRF Contract has been prepared among the Authority, the Township and the City to provide for the financing of the cost of acquiring and constructing said improvements, which Contract has been reviewed by the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The SRF Contract dated as of May 22, 2019 among the Authority, Township and the City is hereby approved and the Chair and Secretary are each authorized to sign the same on behalf of the Authority.

2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution by and the same hereby are rescinded.

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 regular meeting held on the 22nd day of May, 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