Minutes

YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, June 22, 2016 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI  48198-9112

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

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 May 25, 2016 meeting as presented. Support by Bodary. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Request to Approve - YCUA Resolution No. 16-3 Approving Amended and Restated Contract and Authorizing Not-to-Exceed $4 Million 2016 Wastewater System Bonds for Tyler Pond Trestle Replacement Project 5617-01 (Charter Township of Ypsilanti) – Tom Colis and Scott Westover

Motion by Doe to approve YCUA Resolution No. 16-3 Approving Amended and Restated Contract and Authorizing Not-to-Exceed $4 Million 2016 Wastewater System Bonds for Tyler Pond Trestle Replacement Project 5617-01 (Charter Township of Ypsilanti). Support by Bodary.

Mr. Westover advised the Board that this is the bond contract and notice of intent for the SRF funding for YCUA’s portion of the Tyler Pond project in the not-to-exceed amount of $4 million. He indicated that this is an amended version of a contract that was prepared when the project was first bid in 2015.
Ms. Stumbo commented that this was presented at the Ypsilanti Township Board of Trustees, who approved it as well.

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

**B. Request to Approve - YCUA Resolution No. 16-4 Approving Contract and Authorizing Not-to-Exceed $2,250,000 2016 Wastewater System Bonds for Wastewater Treatment Plant Improvements Project 5364-01 (City of Ypsilanti and Charter Township of Ypsilanti) – Tom Colis and Scott Westover**

Motion by Jason to approve YCUA Resolution No. 16-4 Approving Contract and Authorizing Not-to-Exceed $2,250,000 2016 Wastewater System Bonds for Wastewater Treatment Plant Improvements Project 5364-01 (City of Ypsilanti and Charter Township of Ypsilanti). Support by Bodary.

Mr. Westover advised the Board that this is similar to the previous item and is for improvements to the McGregor pump station, the final step in the wastewater treatment process, in the not-to-exceed amount of $2.25 million. He indicated that this is a requirement of the SRF loan process.

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

**C. Request to Approve – YCUA Resolution 16-5 re: Tentative Award of Construction Contract for Tyler Pond Trestle Replacement in the Amount of $5,216,463 (SRF Project Account No. 902-386) – Scott Westover**

Motion by Doe to approve YCUA Resolution 16-5 re: Tentative Award of Construction Contract for Tyler Pond Trestle Replacement in the Amount of $5,216,463 (SRF Project Account No. 902-386). Support by Jason.

Mr. Westover advised the Board that this resolution is also a requirement of the SRF loan process. He indicated that the low bidder was Dan’s Excavating. Mr. Westover explained that YCUA has not directly worked with this contractor in the past but they have partnered with them in Washtenaw County Road Commission projects. He pointed out that staff is confident in their ability to do the work.

Mr. Jason inquired as to how the contractor was vetted. Mr. Westover responded that Dan’s Excavating is a large company that has a very good reputation in their industry. Mr. Castro interjected that their bid was much closer in line with YCUA’s expectations than the other bidder.

In favor: All.  Opposed: None.  (Motion carried.)
D. Request to Approve – Spicer Group Engineering Proposal re: Tyler Pond Trestle Replacement in the Not-to-Exceed Amount of $365,000 (SRF Project Account No. 902-386) - Scott D. Westover

Motion by Jason to approve the Spicer Group Engineering Proposal re: Tyler Pond Trestle Replacement in the Not-to-Exceed Amount of $365,000 (SRF Project Account No. 902-386). Support by Doe.

Mr. Westover advised the Board that Spicer has been involved with the trestle project going back to 2011 when the inspection was done. He indicated that their knowledge of the design makes them the best choice for construction engineering. Mr. Westover explained that the not-to-exceed amount is just over 11% of YCUA’s share of the total $5.2 million bid and, while it is a little higher than normal, this is not a typical project.

He pointed out that YCUA’s portion of the bid is just under $3.3 million, which should come in right at or slightly over the $4 million once MDEQ puts their final contingency on the loan.

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

E. Request to Approve – YCUA Resolution 16-6 re: Tentative Award of Construction Contract for McGregor Effluent Pump Station Improvements in the Amount of $1,598,000 (SRF Project Account No. 902-172) - Scott D. Westover

Motion by Doe to approve YCUA Resolution 16-6 re: Tentative Award of Construction Contract for McGregor Effluent Pump Station Improvements in the Amount of $1,598,000 (SRF Project Account No. 902-172). Support by Bodary.

Mr. Westover advised the Board that this resolution is a requirement of the SRF loan process. He indicated that the low bidder was Process Piping and Equipment, which has done work for YCUA as recently as the plant effluent water system project two or three years ago. Mr. Westover explained that staff is confident in their ability to do the work.

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

F. Request to Approve – Tetra Tech Engineering Proposal re: McGregor Effluent Pump Station Improvements in the Not-to-Exceed Amount of $136,500 (SRF Project Account No. 902-172) - Scott D. Westover

Motion by Bodary to approve the Tetra Tech Engineering Proposal re: McGregor Effluent Pump Station Improvements in the Not-to-Exceed Amount of $136,500 (SRF Project Account No. 902-172). Support by Jason.
Mr. Westover advised the Board that Tetra Tech did the design on this infrastructure. He indicated that their tremendous knowledge of the Authority’s operations makes them the best choice for construction engineering. He indicated that their proposal is about 8% of the construction amount.

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

G. **Fund Balance Report** – Dwayne Harrigan
   Informational only; no motion from the Board required.

H. **Financial Report – Authority Net Assets** – Dwayne Harrigan
   Informational only; no motion from the Board required.

I. **Usage Report – Consumption Report** – Jeff Castro
   Mr. Castro 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.

J. **Attorney’s Report** – Thomas E. Daniels
   There was no Attorney’s Report for the month.

K. **Director’s Report** - Jeff Castro
   Mr. Castro introduced YCUA’s new Human Resources Director Kevin Welch. He indicated that Mr. Welch joined the team two weeks ago and the Authority is fortunate to have him. Mr. Welch then addressed the Board, giving them some background on his experience. He added that he is very happy to be on board.

   Mr. Castro also advised the Board that an email was recently received from the Washtenaw County Road Commission about the roundabout project and other future projects that will involve a charge to YCUA for hydrant relocation.

   Mr. Westover advised the Board that he spoke with Mr. McCulloch from the road commission yesterday and addressed his concerns. He indicated that he disagrees with the road commission’s approach, which he feels sets a bad precedent even though it is written into their permits that they have this right. Mr. Westover explained that he is also disappointed that the email was broadcast to the Board and that Mr. Castro was not included. He pointed out that it would have been more appropriate to send the email
to Mr. Castro and him, giving them the opportunity to share it with the Board.

Mr. Westover also explained that the timing on this was terrible and that YCUA should have been informed before the project was put out to bid instead of blindsiding the Authority two days before construction starts.

He further advised that, after his discussion with Mr. McCulloch, he is hopeful that the matter can be negotiated.

Mr. Westover stated that this is the first time the road commission has done this to a municipal utility and, in the future, YCUA would hope there would be adequate notice.

Ms. Stumbo interjected that she would challenge this. Mr. Westover concurred and acknowledged that he is investigating whether this is the result of a decision of their Board and when that decision was made.

Mr. Westover confirmed that he would feel differently if the work being done was of benefit to YCUA but that is not the case. He explained that he is of the opinion that the Authority should not have to pay $20,000 to have hydrants moved in this instance.

Mr. Westover pointed out that he and Mr. Castro will be discussing the matter with Mr. McCulloch in the future. He also stated that he will be keeping the Board informed.

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 Doe to pay the bills in the amount of $2,664,375.51. Support by Jason. 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 4:24 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

MICHAEL BODARY, Vice-Chair
YCUA RESOLUTION No. 16-3
APPROVING AMENDED AND RESTATED CONTRACT

Ypsilanti Community Utilities Authority
County of Washtenaw, State of Michigan

Minutes of a regular meeting of the Board of Commissioners (the "Board") of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan (the “Authority”), held in the Authority on the 22nd day of June, 2016, at 4:00 p.m., prevailing Eastern Time.

PRESENT: Commissioners: Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.

ABSENT: Commissioners: Jon R. Ichesco.

The following preamble and resolution were offered by Commissioner Doe and supported by Commissioner Bodary:

WHEREAS, the Board intends to authorize the issuance and sale of its Wastewater System Bonds, Series 2016 (Charter Township of Ypsilanti) (the “Bonds”) pursuant to Act 233, Public Acts of Michigan, 1955, as amended; and

WHEREAS, on April 22, 2015, the Board of Commissioners adopted a Resolution Approving Contract, approving an SRF Contract (the “Contract”) between the Authority and the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan (the “Township”) to provide for the financing of the cost of acquiring and constructing certain wastewater system improvements, consisting of the construction of a new bridge over Tyler Pond to replace two existing timber trestles that carry gravity sewers and force main pipes, to serve the Township (the “Improvements”); and

WHEREAS, the Contract provided that the Bonds would be issued in the amount of not to exceed One Million Eight Hundred Thousand Dollars ($1,800,000) to finance the cost of said Improvements; and

WHEREAS, the estimated cost of the Improvements has increased; and

WHEREAS, the Authority now intends to issue its Bonds in an amount not to exceed Four Million Dollars ($4,000,000) to finance the cost of the Improvements; and

WHEREAS, it is necessary to approve an amended and restated contact (the “Amended and Restated Contract”) to reflect the revised cost of the Improvements.
NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Amended and Restated Contract dated as of August 1, 2016, between the Authority and the Township 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: Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.

NAYS: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

Michael Bodary, Vice-Chair

I hereby certify that the foregoing 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 June 22, 2016, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Michael Bodary, Vice-Chair
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 June, 2016, at 4:00 p.m., prevailing Eastern Time.

PRESENT: Commissioners Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.

ABSENT: Commissioners Jon R. Ichesco.

The following preamble and resolution were offered by Commissioner Jason and supported by Commissioner Bodary:

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 of not to exceed Two Million Two Hundred Fifty Thousand Dollars ($2,250,000), for the purpose of defraying the cost of acquiring and constructing wastewater system improvements, consisting of improvements to the effluent pump station, 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 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 Contract dated as of August 1, 2016 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 Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.

NAYS: Commissioners None.

RESOLUTION DECLARED ADOPTED.

MICHAEL BODARY, Vice-Chair
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 June, 2016 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.

MICHAEL BODARY, Vice-Chair

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YCUA RESOLUTION No. 16-5  
A RESOLUTION TO TENTATIVELY AWARD  
A CONSTRUCTION CONTRACT  
FOR WASTEWATER SYSTEM IMPROVEMENTS

WHEREAS, the Ypsilanti Community Utilities Authority wishes to construct improvements to its existing wastewater treatment and collection system; and

WHEREAS, the wastewater system improvements project formally adopted on June 26, 2012 will be funded through Michigan’s SRF Program; and

WHEREAS, the Ypsilanti Community Utilities Authority has sought and received construction bids for the proposed improvements and has received a low bid in the amount of $5,216,463.00 from Dan’s Excavating, Inc.; and

WHEREAS, the project engineer, Spicer Group, Inc., 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 Dan’s Excavating, Inc., contingent upon successful financial arrangements with the SRF Program.

Yeas: Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.
Nays: None.
Abstain: None.
Absent: Jon R. Ichesco.

I certify that the above Resolution was adopted by Ypsilanti Community Utilities Authority on June 22, 2016.

BY: Brenda L. Stumbo, Chairperson  
Name and Title (please print or type)

Signature  June 22, 2016  Date
WHEREAS, the Ypsilanti Community Utilities Authority wishes to construct improvements to its existing wastewater treatment and collection system; and

WHEREAS, the wastewater system improvements project formally adopted on June 26, 2012 will be funded through Michigan’s SRF Program; and

WHEREAS, the Ypsilanti Community Utilities Authority has sought and received construction bids for the proposed improvements and has received a low bid in the amount of $1,598,000.00 from Process Piping and Equipment, Inc.; and

WHEREAS, the project engineer, Tetra Tech, Inc., 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 Process Piping and Equipment, Inc., contingent upon successful financial arrangements with the SRF Program.

Yeas: Brenda L. Stumbo, Michael Bodary, Keith P. Jason, and Larry J. Doe.
Nays: None.
Abstain: None.
Absent: Jon R. Ichescos.

I certify that the above Resolution was adopted by Ypsilanti Community Utilities Authority on June 22, 2016.

BY: Brenda L. Stumbo, Chairperson
Name and Title (please print or type)

Signature June 22, 2016