Minutes

YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, June 24, 2015 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI  48198-9112


Members Absent:  None.

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

2. MINUTES OF THE PREVIOUS MEETING:  Motion by Bodary to receive and file the minutes of the May 27, 2015 meeting as presented.  Support by Doe.  In favor: All.  Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Request to Approve - YCUA Resolution No. 15-8 re: Retirement for Steven J. Collins – Jeff Castro

Motion by Jason to approve YCUA Resolution No. 15-8 re: Retirement for Steven J. Collins.  Support by Doe.

Mr. Castro advised the Board that Mr. Collins is a heavy equipment operator for the Authority and has requested retirement as of June 26, 2015.  He indicated that Mr. Collins has been a valuable employee of the Authority for 28 years and two months and that his experience and work ethic will be missed.  Mr. Castro explained that this resolution is fitting at the time of his retirement.

In favor: All.  Opposed: None. (Motion carried)
B. Request to Approve - YCUA Policy Updates re: Changes to Michigan FOIA Laws – Jeff Castro

Motion by Doe to approve YCUA Policy Updates re: Changes to Michigan FOIA Laws. Support by Ichesko.

Mr. Castro advised the Board that, beginning July 1, 2015, new state legislation requires public bodies to establish specific written procedures and guidelines for FOIA requests, including a separate written summary informing the public on how to submit a FOIA request. He indicated that another requirement is to post the summary online and provide free copies when requested. He then asked YCUA attorney Thomas E. Daniels to explain in more detail.

Mr. Daniels advised the Board that the new statute does not require a statement of guidelines and procedures as extensive as what YCUA has prepared. He indicated that the law primarily focuses on the new provision relative to the fees and charges can be made and set forth in a cost itemization form. Mr. Daniels explained that, because there were so many changes in the statute, the Authority felt that the better course of action would be to create a very thorough procedures and guidelines document, primarily for the benefit of YCUA staff. He pointed out that this document also includes the Board’s appointment of the Executive Administrative Assistant as the FOIA Coordinator.

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

C. Request to Approve – Addendum to Pittsfield Township Wastewater Treatment Service Agreement – Jeff Castro

Motion by Doe to approve the Addendum to Pittsfield Township Wastewater Treatment Service Agreement. Support by Bodary.

Mr. Castro reminded the Board that YCUA will be required to implement GASB 68 in accounting and financial reporting beginning in fiscal year ending August 2015. He indicated that GASB will affect the rate the Authority charges its contract communities. Mr. Castro explained that, after discussing alternatives to maintain status quo, it was decided to communicate with the contract communities and add language to the recently renewed contracts with Sumpter and Superior townships and add addendums to the existing contracts with WTUA and Pittsfield, Augusta, and York townships. He pointed out that this will assure that YCUA will be able to maintain the share of payments that the contract communities currently contribute to pension and OPEB. Mr. Castro also explained that, with approval of this addendum, the Authority will have completed new
contract language for all contract communities except for WTUA, which he hopes will be presented in July.

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

D. Request to Approve – Purchase of Replacement Aeration Mixers in the Amount of $51,100 (EPA Fund Expense Account No. 901-550) – Kevin G. Dupuis

Motion by Doe to approve the Purchase of Replacement Aeration Mixers in the Amount of $51,100 (EPA Fund Expense Account No. 901-550). Support by Jason.

Mr. Dupuis advised the Board that he last requested replacement aeration mixers two years ago and that, since then, four more have gone down. He indicated that there are 10 passes in the plant and that each pass has three units.

Mr. Dupuis explained that staff tried to send two units out for repair but that the quotes came back excessively high in the range of $7,000 - $9,000. He pointed out that Mark Hemeyer of Kennedy Industries asked for the plant specifications and then made a recommendation for a 3.5 hp mixer rather than the current 7.5 hp units, resulting in an electrical cost saving of approximately $3,000 a year per unit.

Mr. Dupuis also explained that Mr. Hemeyer indicated that the units can be returned if there any issues but did ask that he be allowed to evaluate the cost savings after installation to assure that the units are living up to his promises.

Mr. Bodary inquired as to the life expectancy of these smaller units. Mr. Dupuis responded that he did not request that information but would expect them to last as long as the old units, which lasted 10 – 11 years. Mr. Castro interjected that staff would make an inquiry with the supplier in order to provide the Board with specific life expectancy information.

Mr. Jason suggested that, in the future, it would be very helpful to the Board for all purchase requests to include life expectancy data.

Ms. Stumbo inquired as to whether this is a single source provider for the 3.5 hp mixers. Mr. Dupuis affirmatively. Ms. Stumbo then inquired as to whether there is a warranty. Mr. Dupuis responded that he would check on the warranty information.

In favor: All. Opposed: None. (Motion carried)
E.  **Request to Approve - Authorization to Seek Construction Engineering Proposal from Spicer Group, Inc. re: Tyler Pond Trestle Replacement (O & M Account No. 902-386)** - Scott D. Westover

Motion by Doe to provide Authorization to Seek Construction Engineering Proposal from Spicer Group, Inc. re: Tyler Pond Trestle Replacement (O & M Account No. 902-386). Support by Bodary.

Mr. Westover advised the Board that this project is out for construction bids presently and a contract award recommendation will come before the Board in July. He indicated that the SRF loan will close the last week of September, so the work is likely to begin after October 1st.

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

F.  **Request to Approve - Authorization to Seek Engineering Proposal from Power Plus Engineering, Inc. re: Arc Flash Study Update (O & M Account No. 901-594)** - Scott D. Westover

Motion by Doe to provide Authorization to Seek Engineering Proposal from Power Plus Engineering, Inc. re: Arc Flash Study Update (O & M Account No. 901-594). Support by Bodary.

Mr. Westover advised the Board that YCUA worked with Power Plus about five years ago on the Authority’s initial arc flash study. He indicated that this study needs to be updated every five years and, given their familiar with YCUA’s operations, staff feels it makes sense to stay with Power Plus.

Mr. Bodary inquired as to how much this study update will cost. Mr. Westover responded that, based on the $44,000 that was paid in 2010, a line item is in capital acquisition plan in the amount of $50,000. He added that this study will be a little large in order to comply with revised National Fire Protection Association standards.

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

G.  **Request to Approve - Engineering Proposal from Chavond-Barry Engineering Corporation (CBE) re: WWTP Incinerator Insulation in the Amount of $17,900 (O & M Account No. 902-170)** - Scott D. Westover

Motion by Bodary to approve the Engineering Proposal from Chavond-Barry Engineering Corporation (CBE) re: WWTP Incinerator Insulation in the Amount of $17,900 (O & M Account No. 902-170). Support by Ichesco.
Mr. Westover advised the Board that this is a proposal that was generated when the incinerator was shut down for repairs earlier this year. He indicated that Lou Barry from CBE did a thorough inspection of the incinerator and recommended that YCUA insulate significant portions of the incinerator shell. Mr. Westover explained that CBE will prepare the specifications and plans, which YCUA staff will incorporate into its standard bid package.

Mr. Stumbo inquired as to the estimated cost of the project. Mr. Westover responded that he doesn’t have a good feel for that yet but that he would expect it to be about twice the amount of previous insulation work done about 7 – 8 years ago on the incinerator ducts, which came in just over $50,000. He added that the increased cost is due to larger amount of surface area in the main shell.

Ms. Stumbo inquired as to why this particular engineering proposal is not a percentage of the project, which is typical. Mr. Westover responded that because the cost opinion for the project is presently really only a guess, it wouldn’t be prudent to base an engineering cost on it.

Ms. Stumbo then inquired as to why this isn’t a not-to-exceed amount. Mr. Castro responded that the amount of work being requested is actually likely to involve more man hours than the $17,900 will allow for. Ms. Stumbo asked that DBE keep track of their hours so that they can be reviewed later.

Mr. Dupuis interjected that his past experience is that Lou Berry has put in a lot of hours that he doesn’t charge the Authority for.

Mr. Bodary asked for clarification as to why the insulation is needed. Mr. Dupuis explained that if there are cool spots in the incinerator, condensation occurs in the shell which in turn causes corrosion.

Mr. Ichesco inquired as to whether this is a proven technique. Mr. Westover responded that this kind of work has been done since 1998.

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

H. Request to Approve - Use of City Reserve for Construction Funds re: Adams Street Water Main Replacement in the Amount of $225,000 with a 5% Construction Contingency in the Amount of $11,250 for a Total Not-to-Exceed Construction Budget of $236,250 (Restricted Fund Expense Account No. 902-260) - Scott D. Westover

Motion by Bodary to approve the Use of City Reserve for Construction Funds re: Adams Street Water Main Replacement in the Amount of $225,000 with a 5% Construction Contingency in the Amount of $11,250
for a Total Not-to-Exceed Construction Budget of $236,250 (Restricted Fund Expense Account No. 902-260). Support by Ichesco.

Mr. Westover advised the Board that staff has not worked with the low bidder, Mead Brothers Excavating, but that the City of Ypsilanti and OHM both have done so and are comfortable moving ahead. He indicated that the bids came well in line with staff’s cost opinion.

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

I. Request to Approve - Engineering Proposal from OHM re: Adams Street Water Main Replacement in the Not-to-Exceed Amount of $37,400 (Restricted Fund Expense Account No. 902-260) - Scott D. Westover

Motion by Bodary to approve the Engineering Proposal from OHM re: Adams Street Water Main Replacement in the Not-to-Exceed Amount of $37,400 (Restricted Fund Expense Account No. 902-260). Support by Ichesco.

Mr. Westover advised the Board that this is a standard not-to-exceed construction phase engineering services proposal. He indicated that OHM will also be on site doing the City of Ypsilanti’s road reconstruction portion as well.

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

J. Fund Balance Report – Dwayne Harrigan

Informational only; no motion from the Board required.


Informational only; no motion from the Board required.

L. Usage Report – Consumption Report – Jeff Castro

Informational only; no motion from the Board required.

M. Attorney’s Report – Thomas E. Daniels

There was no Attorney’s Report for the month.

N. Environmental Report – Luther D. Blackburn

Mr. Blackburn advised the Board that, on June 14th during a very heavy rain event, YCUA incurred a sanitary sewer overflow (SSO) at the corner of Rawsonville and Textile originating from the catastrophic failure of a 24-inch trunk sewer. He indicated that it is estimated that about 6,000 gallons were lost between about 10:55 p.m. on Sunday through 4:00 a.m. on Monday. Mr. Blackburn explained that the SSO impacted two storm
water catch basins. He pointed out that subsequent notifications and samplings were done and repairs are underway.

Ms. Stumbo inquired as to whether a fine is likely. Mr. Blackburn responded that he does not expect YCUA to receive a fine let alone a violation due to the weather-related catastrophic nature of the failure.

Ms. Stumbo then inquired as to how the water in Belleville Lake tested. Mr. Blackburn responded that one sample came back high, but that is usually skewed and not typically an indication of impaired water quality. He added that, during significant rain events such as this, E coli concentrations in the watershed increase in a process called first flush regardless if sewage is being released.

Bob Fry then gave a more detailed timeline of the events. He added that YCUA crews have been onsite working 24-7 for the past week and have been doing a great job in spite of the rain.

Ms. Stumbo inquired as to when the repaving will take place. Mr. Westover responded that paving is scheduled to take place tomorrow after which the concrete will cure for four to five days. He indicated that weather dependent, the road should be open by Wednesday of next week. Mr. Westover explained that, once the concrete is poured, YCUA is hoping to have one lane open on the southbound side and two lanes open going northbound.

Ms. Stumbo commented that this was an emergency repair and that the not-to-exceed amount for emergencies is $50,000. Mr. Castro responded that the contractor was hired on a time and material basis and that he does not expect the work to exceed that amount. Mr. Fry interjected that the pipe still needs to be cleaned and televised to know what exactly is happening.

Ms. Stumbo commended everyone for their hard work around the clock to get the road reopened.

O. Director’s Report - Jeff Castro

Mr. Castro advised the Board that YCUA received a letter from Michigan State Senator Rebekah Warren congratulating the Authority on its loan funding for the Michigan Avenue water main project between Prospect and Park as well as its dedication to improving its water distribution system and the service it provides to its customers. He indicated that YCUA is grateful for the state’s recognition of the Authority’s continued efforts to upgrade its system.

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 bills in the amount of $2,728,854.46. 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 4:36 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,

MICHAEL BODARY, Vice-Chair
Minutes of a meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 24th day of June 2015 at 4:00 o’clock p.m., prevailing Eastern Time.

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

ABSENT: Commissioners

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

WHEREAS, Steven J. Collins, an employee of the Ypsilanti Community Utilities Authority, has completed twenty-eight (28) years and two (2) months of service to the Authority; and

WHEREAS, Steven J. Collins has requested retirement as of June 26, 2015.

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

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

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

NAYS: Commissioners None

RESOLUTION DECLARED ADOPTED.

JON R. ICHESCO, Secretary - Treasurer
I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a meeting held on the 24th day of June 2015 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