Members Absent: Larry J. Doe.

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 July 26, 2017 meeting as presented. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:
   A. Request to Approve - YCUA Resolution No. 17-4 re: Retirement for Gregory Howard – Jeff Castro

      Motion by Jason to approve YCUA Resolution No. 17-4 re: Retirement for Gregory Howard. Support by Ichesco. In favor: All. Opposed: None. (Motion carried.)

   B. Request to Approve – Fiscal Year 2017 – 2018 Budget – Jeff Castro

      Motion by Bodary to approve Fiscal Year 2017 – 2018 Budget. Support by Jason.

      Mr. Castro advised the Board that this budget will take effect September 1, 2017. He indicated that the water and sewer sales projections in the Township and City Divisions are the same as the previous year’s budget. Mr. Castro explained that the budget also includes a recommendation for a water rate increase of 3.2% and a sewer rate increase of 4%. He pointed out that the budget produces cash after operating expenses, non-operating items, and bond principal payments of about $400,000 in the City Division and $1.6 million in the Township Division, totaling $2 million. Mr.
Castro also explained that this cash is available for 2017 – 2018 fiscal year capital projects for the water distribution and sewage collection systems, treatment infrastructure, and to maintain the Authority’s bond covenant.

He further advised that, with approval of the budget, the YCUA Board will also need to take action on the rate increase, which is the next item on the agenda.

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

C.  Request to Approve and Recommend – Fiscal Year 2017 – 2018 Water and Sewer Rates – Jeff Castro

Motion by Jason to approve Fiscal Year 2017 – 2018 Water and Sewer Rates.  Support by Bodary.  In favor: All.  Opposed: None.  (Motion carried.)

D.  Request to Approve - Engineering Proposal for Water System Master Plan in the Not-to-Exceed Amount of $98,500 (O & M Expense Account No. 585-815) – Scott D. Westover


Mr. Westover advised the Board that MDEQ requires that the YCUA master plan be renewed every five years but the last time it was done was 2005.  He indicated that this delay was due to staff’s position that the existing plan was adequate after the recession resulted in a significantly decreased demand.  Mr. Westover explained that, late last year, MDEQ advised the Authority that it was deficient because the master plan had not been updated in the required time and, as a result, YCUA staff eventually determined that it was time for a renewal, particularly with the new asset management plan requirements.  He pointed out that the $98,500 will cover the entire cost of a completely new plan, which is commensurate with the cost of past updates.

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

E.  Request to Approve - Award of Contract re: 2017 Ash Removal in the Amount of $85,000 (O & M Expense Account No. 550-809) – Scott D. Westover

Motion by Bodary to approve Award of Contract re: 2017 Ash Removal in the Amount of $85,000 (O & M Expense Account No. 550-809).  Support by Jason.  In favor: All.  Opposed: None.  (Motion carried.)
F. **Request to Approve - Change Order No. 1 re: Tyler Pond Trestle Replacement in the Deduct Amount of $1,488,286.05 (Restricted Account No. 902-386)** – Scott D. Westover

Motion by Jason to approve Change Order No. 1 re: Tyler Pond Trestle Replacement in the Deduct Amount of $1,488,286.05 (Restricted Account No. 902-386). Support by Ichesco.

Mr. Bodary inquired as to whether the Washtenaw County Water Resources Commission, which is receiving these funds, will be paying the entire bill on behalf of the township. Mr. Westover responded that a special assessment district has been created and now other parties are involved, which is resulting in about 10 – 20% savings for the township.

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

G. **Request to Approve - Change Order No. 1 re: 2017 Road Repairs Phase 1 in the Deduct Amount of $22,890.17 (O & M Expense Account No. 902-129)** – Scott D. Westover

Motion by Bodary to approve Change Order No. 1 re: 2017 Road Repairs Phase 1 in the Deduct Amount of $22,890.17 (O & M Expense Account No. 902-129). Support by Jason. In favor: All. Opposed: None. (Motion carried.)

H. **Request to Approve - Award of Bids re: Wastewater Treatment Plant Bulk Chemicals Purchase in the Approximate Amount of $420,000 (O & M Expense Account No. 550-736)** – Sreedhar Mullapudi

Motion by Bodary to approve Award of Bids re: Wastewater Treatment Plant Bulk Chemicals Purchase in the Approximate Amount of $420,000 (O & M Expense Account No. 550-736). Support by Jason.

Mr. Mullapudi advised the Board that this item is a request for approval of award of bids to Chemtrade, LLC for aluminum sulfate at $0.07980 per wet pound and to PVS Nolwood Chemicals, Inc. for sodium hypochlorite at $0.064 per wet pound and sodium hydroxide at $0.074 per wet pound. He indicated that both are the current suppliers to the Authority.

Mr. Mullapudi explained that the YCUA Board provided approval to the wastewater department to seek sealed bids for the purchase of these bulk chemicals at the May 24, 2017 meeting.

He pointed out that YCUA currently has one-year purchase agreements in place for these chemicals which will expire on August 31, 2017. Mr. Mullapudi also explained that, in order to fully evaluate all pricing options, the wastewater department requested bids for one-year and two-year contracts and an expiration date of August 31st which, moving
forward, will allow correlation with the end of YCUA’s fiscal year. He further advised that, based on the unit cost for the chemicals for 12-month contract and review of the historical cost trending for these chemicals, Authority staff believes the 12-month pricing is better suited for the WWTP’s needs.

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

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

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

K. **Usage Report – Consumption Report** – Jeff Castro
Informational only; no motion from the Board required.

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

M. **Environmental Report** – Sreedhar Mullapudi

Mr. Mullapudi advised the Board that YCUA’s current NPDES permit expired October 1, 2016. He indicated that MDEQ issued a new draft NPDES permit for YCUA. Mr. Mullapudi explained that the public notice period for the draft permit ended June 15, 2017 and the new permit is expected soon.

He pointed out that YCUA incinerator suffered a setback during startup on April 21, 2017, which involved losing most of the fluidizing sand to the wind box. Mr. Mullapudi also explained that the processing of biosolids began again on July 5th except for a short period when there was a glitch with the CEMS monitoring unit.

He further advised that YCUA has scheduled a Relative Accuracy Test Audit (RATA) for carbon monoxide and sulfur dioxide on September 6, 2017.

He acknowledged that major improvements to the McGregor Effluent Pump Station are planned beginning September 2017. He acknowledged that, during this time, the McGregor effluent station will be offline and the fully-treated plant effluent water will be discharged to Belleville Lake via Willow Run Creek. Mr. Mullapudi confirmed that MDEQ and all other affected parties have been notified.
He explained that, on August 17th, the Authority received an enforcement violation from the Waste Management Division of MDEQ relative to the disposal of the spent granulated activated carbon last year. Mr. Mullapudi pointed out that he feels he has a good opportunity to oppose the enforcement and receive a reduced violation. He also stated that he has been working with Mr. Castro on a response. Mr. Castro then outlined the issue in more detail.

YCUA attorney Thomas E. Daniels interjected that the violation that MDEQ has cited is on purely technical grounds and the goal is for the Authority to be removed from the classification that MDEQ has placed them in and a reduction of the fine.

N. **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 $4,898,175.11. Support by Bodary. In favor: All. Opposed: None. (Motion carried.)

7. **PUBLIC COMMENTS:** There were no Public Comments for the month.

8. **ADJOURNMENT:** Motion by Ichesco to adjourn the meeting at 4:17 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

JON R. ICHESCO, Secretary - Treasurer
YCUA RESOLUTION NO. 17-4 ANNOUNCING
THE RETIREMENT OF GREGORY HOWARD AND
COMMENDING HIM FOR HIS SERVICE

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 23rd day of August 2017 at 4:00 o’clock p.m., prevailing Eastern Time.

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

ABSENT: Commissioners Larry J. Doe

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

WHEREAS, Gregory Howard, an employee of the Ypsilanti Community Utilities Authority, has completed thirty-one (31) years and two (2) months of service to the Authority; and

WHEREAS, Gregory Howard has requested retirement as of August 18, 2017.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Gregory Howard 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 Gregory Howard 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, 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 23rd day of August 2017 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