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

Members Absent: Andrew Cameron.

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 August 27, 2014 meeting as presented. Support by Doe. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Request to Approve - Michigan Municipal League Liability and Property Pool 2014 Director Election – Jeff Castro

Motion by Doe to approve Michigan Municipal League Liability and Property Pool 2014 Director Election. Support by Bodary.

Mr. Bodary inquired as to why the request indicates that these are incumbents seeking re-election when the biographies indicate that two of the three are seeking election to their first term. YCUA attorney Tom Daniels responded that he serves as general counsel for the MML Board and that he knows specifically that each of the candidates is renewing their term. He indicated that updating the information on the biographies was apparently overlooked.

In favor: All. Opposed: None. (Motion carried)
B. Request to Approve - Authorization to Seek Bids re: Sand, Stone and Cold Patch Purchase (O & M Expense Account No. 560-806) – Bob Fry

Motion by Doe to provide Authorization to Seek Bids re: Sand, Stone and Cold Patch Purchase (O & M Expense Account No. 560-806). Support by Bodary.

Mr. Fry advised the Board that these are materials that are kept on hand for excavations and temporary road and sidewalk repairs.

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


Mr. Blackburn advised the Board that this is an annual requirement of the Authority’s air permit. He indicated that this year’s request includes some optional testing for sulfur dioxide, nitrogen oxides, lead, and particulate matter. He indicated that staff believes that collecting the additional data will allow YCUA to better evaluate its compliance with upcoming federal standards which go into effect in March 2016 and support design decisions for the Sulfur Dioxide Reduction System. Mr. Blackburn explained that Bureau Veritas North America has successfully performed incinerator emission testing for several years on the Authority’s incinerator.

Ms. Stumbo commented that she appreciates the optional testing in preparation for future higher standards, which is typical of YCUA’s proactive approach.

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

D. Request to Approve - Award of Contract re: Wastewater Treatment Plant Bulk Chemicals Purchase in the Approximate Amount of $215,000 (O & M Expense Account No. 550-736) – Luther D. Blackburn

Motion by Bodary to approve the Award of Contract re: Wastewater Treatment Plant Bulk Chemicals Purchase in the Approximate Amount of $215,000 (O & M Expense Account No. 550-736). Support by Jason.

Mr. Blackburn advised the Board that this is a recommendation for awarding a one-year purchase agreement for: aluminum sulfate to low bidder Chemtrade, LLC, at $0.0549 per wet pound, sodium hypochlorite
to low bidder JCI Jones Chemicals, Inc. at $0.064 per wet pound, and sodium hydroxide to second lowest bidder JCI Jones Chemicals, Inc. at $0.063 per wet pound. He indicated that staff is requesting going with JCI Jones over the as-read low bidder on the last item due to the fact that their product contains fewer impurities, which is expected to minimize operational issues.

Mr. Doe inquired as to whether these prices are relatively the same as last year. Mr. Blackburn responded that the prices actually reflect a cost savings over last year based on estimated usages.

Ms. Stumbo inquired as to whether these suppliers would be willing to enter into multiple-year contracts in order to possibly obtain further discounts. Mr. Blackburn responded affirmatively and indicated that he would look into it.

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

E. Request to Approve - Authorization to Invite Bids re: Incinerator Expansion Joint Repair (O & M Expense Account No. 901-550) – Scott D. Westover

Motion by Bodary to provide Authorization to Invite Bids re: Incinerator Expansion Joint Repair (O & M Expense Account No. 901-550). Support by Jason.

Mr. Westover advised the Board that a 55-inch diameter expansion joint on the incinerator developed a hole and was temporarily repaired with a weld. He indicated that this project will remove the damaged equipment while the incinerator is shut down for routine maintenance in December. Mr. Westover explained that the equipment will then be sent out for repairs and reinstalled. He pointed out that he is recommending that the request be targeted toward the contractors with which YCUA has worked in the past.

Mr. Bodary inquired as whether the temporary weld will hold up until the bid process can be completed. Kevin Dupuis responded that the weld will probably hold longer that the rest of the expansion joint. He explained that the expansion joint is a bellows, which was last replaced in 2009. He indicated that there is only one tear in it presently whereas, when it failed before, it was because it was out of alignment. Mr. Dupuis explained that getting the expansion joint repaired will be considerably less expensive than purchasing a replacement.

In favor: All. Opposed: None. (Motion carried)
F. **Request to Approve - Authorization to Seek Bids re: Whittaker Road Manhole Replacement (O & M Expense Account No. 902-394)** – Scott D. Westover

Motion by Doe to provide Authorization to Seek Bids re: Whittaker Road Manhole Replacement (O & M Expense Account No. 902-394). Support by Bodary.

Mr. Westover advised the Board that this manhole is deteriorated and needs to be repaired or replaced, regardless of the fact that there is a property developer that is currently interested in tapping into that main. He indicated that there is an opportunity to explore rehabilitation options if it is properly cleaned and lined.

Ms. Stumbo inquired as to whether the developer will pay for the repair. Mr. Westover responded that the deterioration isn’t the developer’s fault and, therefore, YCUA doesn’t feel that they are responsible. He added that the Authority did ask the developer’s contractor for a quote, which came back at least twice the worst case estimate.

Mr. Jason inquired as to whether this deterioration is the result of normal wear and tear or if there is something else causing it. Mr. Westover responded that it is the result of hydrogen sulfide that is released from the elevated Augusta Township force main connection there, which eats away at the concrete. He indicated that this will be addressed as part of this project so that the hydraulics will be smoother.

Mr. Doe inquired as to whether the inlet line will be lowered in order to accomplish this. Mr. Westover responded that he anticipates the installation of a drop connection, which should greatly reduce the amount of hydrogen sulfide.

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

G. **Request to Approve - Tetra Tech Proposal re: SAW Program Grant Application Asset Management Plan (AMP) Assistance in the Not-To-Exceed Amount of $823,800** (SAW Project Account No. 902-169) - Scott D. Westover

Motion by Jason to approve the Tetra Tech Proposal re: SAW Program Grant Application Asset Management Plan (AMP) Assistance in the Not-To-Exceed Amount of $823,800 (SAW Project Account No. 902-169). Support by Doe.

Mr. Westover reminded the Board that the SAW Grant application was submitted to the state in December of 2013 after the Board’s approval of a resolution regarding the same in November of 2013. He indicated that this
proposal was included in the SAW Grant and was a line item in the referenced resolution. Mr. Westover explained that the SAW Grant award covers up to about $1.85 million and that the local share based on that amount is $426,000. He pointed out that the AMP will improve upon the Authority’s existing Geographic Information System (GIS) wastewater infrastructure data, which was been an ongoing project for 10 years, to come up with a more robust and efficient comprehensive planning tool Authority-wide. Mr. Westover also explained that the AMP will provide data on pipe sizes, manhole dimensions and depths, infrastructure ages, and time and maintenance records for the maintenance and service departments, etc.

Dr. Joh Kang of Tetra Tech addressed the Board and explained that the AMP will become a requirement of the NPDES permit in three years. He indicated that, since this requires a lot of effort to prepare, the state of Michigan passed legislation to provide $190 million to support the program. Dr. Kang explained that YCUA was fortunate to get funding this year, allowing for a three-year AMP program.

He pointed out that the main ingredients of the AMP include condition assessment of the pump stations, sewers, and the wastewater treatment plant and subsequent prioritizing of the needed improvements based on their criticality of failure over a five-year or ten-year plan. Dr. Kang also explained that this information will be used for the development of a capital plan based on real data, not assumptions, of the condition of 3,000 underground facilities and miles of sewers.

He further advised that YCUA is lucky to be able to use this grant money to meet the upcoming NPDES permit requirements. Dr. Kang stated that the first $1 million is matched at 10% and the second $1 million is matched at 25%. Mr. Westover added that the matching is being done on the gross amount, which is different from other grant programs with which he has had experience.

Mr. Bodary inquired as to whether this amount will go down if all of the second $1 million is not used and YCUA’s match will not cost as much. Mr. Westover responded affirmatively.

Ms. Stumbo inquired as to whether this project will create an expectation that a certain amount of improvements will be made every year. Dr. Kang responded that the goal of the program is to simply assess the overall actual condition of the infrastructure without making assumptions, which will allow for better planning to prioritize improvements.
Ms. Stumbo asked Dr. Kang to elaborate on the rate structure development cost of $40,000. Dr. Kang responded that this portion involves assisting in the rate studies underway with YCUA staff and counsel. He indicated that, once the improvements are prioritized, there is an impact on future costs to the rate payers. Mr. Westover interjected that the hope that is realistic projections resulting from the AMP would allow the Authority to keep rates flat in the long run.

Mr. Doe inquired as to where the rest of the $2.4 million in grant money is going after Tetra Tech and OHM’s costs of $1.4 million. Mr. Westover responded that also included in the grant application were the wastewater metering program’s upfront reimbursement costs in the amount of about $500,000, software and hardware improvements, and closed circuit television inspection of two of the larger interceptors, the latter two which will be coming before the Board as a bid request after the grant closes.

Ms. Stumbo inquired as to whether YCUA will have to cover the 10% on the meter cost reimbursement. Mr. Westover responded that the contract communities will get 90% of their meters paid for and that YCUA will not absorb the other 10%.

Ms. Stumbo inquired as to the scope of the $131,000 earmarked for “Other”. Mr. Kang responded that this will cover software, training, and other related costs.

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

H. Request to Approve - OHM Proposal re: SAW Program Grant Application Asset Management Plan (AMP) Assistance in the Not-To-Exceed Amount of $467,690 (SAW Project Account No. 902-169) - Scott D. Westover

Motion by Bodary to approve the OHM Proposal re: SAW Program Grant Application Asset Management Plan (AMP) Assistance in the Not-To-Exceed Amount of $467,690 (SAW Project Account No. 902-169). Support by Jason.

Mr. Westover advised the Board that this item is very closely related to the previous item and the scope of work is similar. He indicated that Tetra Tech’s focus will remain primarily on the wastewater plant and the Big Four pump stations whereas the OHM portion will focus on the gravity sewers and smaller pump stations. Mr. Westover explained that this was deemed eligible for the SAW grant.

Mr. Bodary congratulated staff on the SAW grant award and commented that the state clearly doesn’t want to end up with another situation like the one in Detroit where they were blindsided by the condition of the sewers.
Ms. Stumbo commented that she thinks it is good to do asset management for all departments. Mr. Westover responded that what this program will do. He indicated that, right now, the program is focusing on the wastewater infrastructure because that is what the SAW grant covers, but that, once the software, hardware, and inventory process is down and the grant period expires, the Authority fully intends to put the same kind of system in place for the water supply system.

Ms. Stumbo inquired as to whether this data could be shared with the city and township. Mr. Westover responded affirmatively.

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

I. Request to Approve - Award of Contract re: Rear Yard Sanitary Sewers Chemical Root Treatment in the Amount of $31,057.13 with a Contingency of $1,442.87 for a Total Project Budget of $32,500 (O & M Account No. 901-560) - Scott D. Westover

Motion by Doe to approve the Award of Contract re: Rear Yard Sanitary Sewers Chemical Root Treatment in the Amount of $31,057.13 with a Contingency of $1,442.87 for a Total Project Budget of $32,500 (O & M Account No. 901-560). Support by Bodary.

Mr. Westover advised the Board that the low bidder was Municipal Sales Inc. He indicated that the estimate for the pre-bid project cost was approximately $45,000.

Mr. Doe inquired as to whether the low bidder, who is based out of New York, has a local office. Mr. Westover responded that they do not.

Ms. Stumbo commented that this has been very valuable in preventing basement back-ups.

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

J. Request to Approve – Change Order No. 1 (Final) re: 2014 Factory Street Pump Station Improvements in the Deduct Amount of $21,875.60 (Restricted Funds Account No. 902-215) - Scott D. Westover

Motion by Bodary to approve Change Order No. 1 (Final) re: 2014 Factory Street Pump Station Improvements in the Deduct Amount of $21,875.60 (Restricted Funds Account No. 902-215). Support by Doe.

Mr. Doe inquired as to how much this project came in under bid. Mr. Westover responded that it came in about 1% under budget without contingency.
Ms. Stumbo commented that the change order also extends the duration of the contract by 189 days. Mr. Westover responded affirmatively, indicating that there is no cost involved in the extension.

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

K. Fund Balance Report – Dwayne Harrigan

Informational only; no motion from the Board required.


Informational only; no motion from the Board required.


Informational only; no motion from the Board required.

N. Attorney’s Report – Thomas E. Daniels

There was no Attorney’s Report for the month.

O. Environmental Report – Luther D. Blackburn

Mr. Blackburn advised the Board that YCUA received a new draft air permit, which doesn’t include any new regulations but simply wraps all of the wastewater plant equipment into one permit. He indicated that staff is waiting to hear from the state regarding a request for an adjustment to the air permit relative to the hourly feed rate to the incinerator.

Mr. Blackburn explained that the sulfur dioxide project is moving forward with a pre-bid meeting on Tuesday.

He pointed out that the sampling plan for local limits in the ordinance submitted to MDEQ has been approved.

Mr. Blackburn also explained that, on September 16th, YCUA incurred a very small sanitary sewer overflow at the corner of Snow and Grove Roads in front of Rawsonville School as result of a leaking air relief valve. He further advised that the maintenance and service departments did a great job of mitigating any potential damage and that all of the 300 gallons of sewage were removed without any impact to the environment. Mr. Blackburn stated that sampling on the Huron River supports this claim. He acknowledged that MDEQ has responded informally that they will be taking no enforcement action based on YCUA’s report. Mr. Blackburn confirmed that the valve pit issue was not the result of a lack of preventative maintenance but that it was just bad luck. He explained that staff is evaluating the processes in place to service those systems and will probably make some changes.
Kevin G. Dupuis then explained the problem and the steps for future prevention in detail.

**P. Director’s Report - Jeff Castro**

Mr. Castro advised the Board that a memorandum of understanding has been signed by the governor, the mayor of Detroit and the Wayne, Oakland, and Macomb county executives regarding the framework for the creation of a Great Lakes Water Authority. He indicated that Articles of Incorporation are to be presented no later than October 10th and that the new Authority Board will be comprised of six voting members, two appointed by the mayor, one appointed by each of the three counties, and one member outside the region to be appointed by the governor. Mr. Castro explained that the city of Detroit will lease the system to the Authority for an initial 40-year term and consideration for the lease will be $50 million per year. He pointed out that local city infrastructure will not be included. Mr. Castro also explained that the Detroit system as a whole will assume revenue increase of not more than 4% for each of the first 10 years, however, the rates may vary for each customer as they do now.

Mr. Castro stated that, unless otherwise agreed by the parties, the city will sign over all customer contracts to the new Authority, which will assume to be the same. He acknowledged that, while the creation of this new regional Authority is largely supported, there are still some questions that need to be answered. Mr. Castro confirmed that tomorrow, he will be attending a presentation by the DWSD director to all the participating communities.

4. **OLD BUSINESS:** There was no Old Business for the month.

5. **OTHER BUSINESS:**

**Q. Request to Approve – Purchase and Installation of Solids Building Breakers and Trip Units in the Amount of $42,487 (O & M Account) – Kevin G. Dupuis**

Mr. Dupuis advised the Board that there are 13 breakers in the solids building substation that support the dewatering process that are experiencing issues as well as seven solid state trip units that need to be replaced. He indicated that Utilities Instrumentation Service (UIS) has provided a quote in the amount of $13,325 to replace the linkages and install new trip units. Mr. Dupuis explained that the trip units need to be purchased through Eaton Cutler Hammer in the amount of $4,166 each for a total of $29,162. He pointed out that, to have Eaton Cutler Hammer to the installation, the overall cost would be $42,518 but, by utilizing UIS, the total is $42,487.
Mr. Dupuis also explained that, in the future, UIS can be included in an RFP for a multiple-year service contract and castable inspections.

Motion by Doe to approve the Purchase and Installation of Solids Building Breakers and Trip Units in the Amount of $42,487 (O & M Account). Support by Bodary.

Mr. Jason inquired as to the normal life expectancy of these units. Mr. Dupuis responded that the original units are not solid state and that no failures have occurred like this in 20 years. He indicated that he doesn’t know why the newer solid state units have failed and that he would like to have them evaluated after they are removed. Mr. Dupuis explained that he hopes the new odor control system’s hydrogen sulfide removal equipment will help along with some proposed plans to bring more fresh air into the unit.

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

6. **STATEMENTS AND CHECKS:** Motion by Doe to pay the bills in the amount of $4,736,563.13. 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 Doe adjourn the meeting at 4:59 p.m. Support by Bodary. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,

MICHAEL BODARY, Vice-Chair