
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 Doe to receive and file the minutes of the August 23, 2017 meeting as presented. Support by Bodary. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Request to Approve - 2018 Michigan Municipal League Liability and Property Pool Director Election – Jeff Castro

   Motion by Doe to approve 2018 Michigan Municipal League Liability and Property Pool Director Election. Support by Ichesco. In favor: All. Opposed: None. (Motion carried.)

B. Request to Approve – Base Salary Adjustment for Director Position – Kevin M. Welch

   Motion by Doe to approve Base Salary Adjustment for Director Position. Support by Bodary.

   Mr. Welch advised the Board that, per the Personnel Committee’s request, he conducted a salary survey for the Director’s position, the results of which were included in their packets. He indicated that, based on that information, the Personnel Committee has recommended an adjustment to $115,000 annual salary for the YCUA Director.
Mr. Ichesco inquired as to whether the Saline City Manager is in charge of public works. Mr. Welch responded that it is hard to find exact matches for a position like the one at hand but that a City Manager would typically oversee a water and sewer operation to some extent.

Mr. Doe interjected that he is of the opinion that the salary recommendation is a little on the low side but that he will support it. Mr. Bodary concurred, but added that this 15% increase is a step in the right direction. He suggested that the Personnel Committee re-examine this again next year as this salary has historically been low.

Mr. Jason thanked Mr. Welch for the work he did on the comparative analysis and that, after consideration of a number of factors, this is the figure that the Personnel Committee arrived with.

Ms. Stumbo inquired as to what the figure was when Larry Thomas retired. Mr. Welch responded that the Director’s salary at that time was $105,000 and that there was an Assistant Director as well, a position that was eliminated in 2012.

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

C. Request to Approve – YCUA Resolution No. 17-5 re: Non-Union Pension Contribution Increase – Kevin M. Welch

Mr. Welch advised the Board that the Authority’s non-union employees currently pay 3% toward their pension contribution. He indicated that the pension plan overall is 59% funded, which is low. Mr. Welch explained that this increase brings it more in line with what would typically be seen for public sector employees. He pointed out that the Board will need to pass this resolution to make the change, which would help fund the long-term plan and bring the 59% up.

Ms. Stumbo inquired as to whether a comparative analysis was performed. Mr. Welch responded that a typical average number would be about 5% for similar organizations, depending on the benefit level.

Mr. Doe interjected that this is something he has been concerned about for some time and that this is a step in the right direction. He added that employees at the township pay much more than at YCUA.

Mr. Welch also explained that the 59% has probably dropped significantly over the last 10 years in part because the MERS pension plan administrator has changed assumptions such as the mortality tables and the rate of interest return as well as the investments that took a dive in 2008. He further advised that every government agency is facing this.
Mr. Doe inquired as to the funded rate last year. Mr. Welch responded that it was 62%. He added that this has nothing to do with OPEB.

Mr. Doe also inquired as to the amount that YCUA is contributing. Mr. Welch responded that an estimated percentage would be about 18%.

Mr. Bodary inquired as to how many employees this will affect. Mr. Welch responded that there are nine employees in the non-union group. He added that increasing this employee group will not have a dramatic effect on the funding rate but it is the one group that the Board controls at this point in time.

Motion by Jason to table this item until October to give the Board the opportunity to examine the overall impact with all factors considered and with some detailed comparisons. Support by Bodary. By roll call vote: Ayes: Brenda L. Stumbo, Michael Bodary, Jon R. Ichesco, Larry J. Doe, and Keith P. Jason. Nayes: None. (Motion carried)

D. 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 Bodary to provide Authorization to Seek Bids re: Sand, Stone, and Cold Patch Purchase (O & M Expense Account No. 560-806). Support by Ichesco. In favor: All. Opposed: None. (Motion carried.)

E. 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.

H. Attorney’s Report – Thomas E. Daniels

There was no Attorney’s Report for the month.

I. Environmental Report – Sreedhar Mullapudi

Mr. Mullapudi advised the Board that he has an update on the consent order issued by MDEQ regarding the disposal of spent carbon. He indicated that, along with YCUA attorney Tom Daniels and Jeff Castro, he traveled to the MDEQ Jackson District Office to contest the matter. Mr. Mullapudi explained that YCUA’s case is being taken to a higher level at MDEQ and the results are forthcoming. He pointed out that there may be
a 10% reduction in the assessment of $22,300. Mr. Mullapudi then explained the issue of timely disposal of the spent carbon in more detail.

He further advised that MDEQ recognized YCUA’s excellent history of environmental conscientiousness and that the fine could have been in excess of $50,000.

Mr. Daniels and Mr. Mullapudi then outlined the situation at length.

Ms. Stumbo commented that she noticed odors upon arriving at YCUA. Mr. Mullapudi responded that the weather and wind direction are the likely culprits. He added that the odors were not prolonged but rather came and went quickly.

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 $5,625,201.48. 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 4:30 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

JON R. ICHESCO, Secretary - Treasurer