Minutes

YPILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, September 28, 2004 – 3:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112

Members Present: Brenda L. Stumbo, Edward B. Koryzno, Jr., Larry J. Doe, Philip W. Wagner and Mark Namatevs

Members Absent: None

1. CALL TO ORDER: Brenda L. Stumbo called the meeting to order at 3:00 p.m.

2. MINUTES OF THE PREVIOUS MEETING: Motion by Doe to receive and file the minutes of the August 24, 2004 meeting. Support by Wagner. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Presentation of WEF George C. Burke Safety Award – T. Michael Jessee

Mr. Jessee advised the Board that YCUA recently received a national safety award from the Water Environment Association for YCUA’s safety programs and YCUA’s commitment to a safe work environment. He and Larry R. Thomas then presented the award to YCUA safety supervisor, Scott E. Robinson, and its AFSCME safety coordinator, Michael Warren.

Mr. Robinson then addressed the assembly, thanking the Board for their support in regards to the health and safety of YCUA’s employees. He stated that it has been his mission to carry on all the hard work of his predecessor.
Tom Kmet and those that came before him in establishing the safety conscious culture at YCUA. He then congratulated the Board for their part in establishing such a successful program.

Informational only; no motion from the Board required.

B. Request to Approve – Ten-Year Capital Plan - Larry R. Thomas

Mr. Thomas directed the Board’s attention to a ten-year capital plan for the Authority. He indicated that it outlines a capital improvements and capital acquisition program for the coming ten years. Mr. Thomas also explained that this is a fluid document, which will be updated annually. He pointed out that, as projects are completed, they will be so noted. Mr. Thomas explained that, if projects were not completed in the year they are scheduled, they would be forwarded to subsequent years. He further advised that, as the availability of funds changes due to the specifics of a particular year, projects might be postponed, added, or re-scheduled. Mr. Thomas stated that this is, however, a reasonable representation of YCUA’s capital plans for the coming ten years. He acknowledged that this is a planning document allowing YCUA to plan YCUA’s capital expenses to be in line with available resources. Mr. Thomas confirmed that the capital acquisition projects noted in the ten-year plan would be included in each budget cycle as funds allow.

Edward B. Koryzno, Jr. commented that the City of Ypsilanti would like to complete the River Street and Forrest Avenue projects within the next five years, if not sooner, so YCUA may wish to take another look at this plan to see if it will be impacted by those potential projects. He then pointed out a typographical error wherein the Lake In The Woods meter replacement project was listed as a City item.

Mr. Thomas recommended approval of the ten-year capital improvements plan.

Brenda L. Stumbo inquired as to the status of the Bridge Road demolition listed on the plan. Mr. Thomas responded that the project is on hold pending response from Washtenaw County. Ms. Stumbo then asked how much water main would be replaced as part of this plan. T. Michael Jessee responded that a guess would be approximately 25,000 – 35,000 feet for 2005 but that subsequent years’ sanitary main televising has not been listed as a capital improvement. Ms. Stumbo indicated that she would like it added and asked Mr. Jessee to look into the same.
Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of the ten-year capital improvements plan. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Hitchingham Water Main Repair - T. Michael Jessee

Mr. Jessee advised the Board that, as part of YCUA’s long-range plans for distributing water to Augusta Township, the Authority had a developer put in a portion of a 24-inch water main on Hitchingham Road several years ago. He indicated that, as the demand at that time was not sufficient to use the 24-inch water main, the Authority chose not to put it into service until Augusta was prepared to receive water at Hitchingham Road. Mr. Jessee also explained that earlier this year, Augusta Township constructed a meter pit to receive water at Hitchingham Road and the Authority prepared to activate this water main. He pointed out that the developer that had originally installed the water main and had committed to activating the main was contacted but there was no response to YCUA’s requests for activation. Mr. Jessee explained that the Washtenaw County Road Commission was, at the time, doing work on Hitchingham Road and had hired George Odien Company to do the underground work in association with their paving project. He further advised that the underground work consisted of moving some water main, a valve, and a fire hydrant in the area of this line. Mr. Jessee stated that, as the Authority wanted to get this main activated prior to the road being paved by the WCRC, the Authority approached George Odien Company to activate the main prior to the paving work. He acknowledged that George Odien Company responded with a reasonable quote, which the Authority accepted and proceeded with the project. Mr. Jessee confirmed that the water main activation needed to be accomplished prior to the paving of Hitchingham, which required YCUA to move quickly to have the contractor to perform the work. He explained that George Odien activated the main at a cost of $24,198.04, which included filling the main, chlorination, bacteriological and pressure testing, and the location and repair of several leaking joints. Mr. Jessee pointed out that the Authority continues to hold escrow funds from the developer that was obligated to activate the main and that these funds will be used to pay for this project.

Mr. Jessee recommended approval of the emergency repair of the Hitchingham Road water main in the amount of $24,198.04 to be paid out of escrow funds.
Motion by Wagner to accept Mr. Jessee’s recommendation for approval of the emergency repair of the Hitchingham Road water main in the amount of $24,198.04 to be paid out of escrow funds. Support by Doe. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve – Maintenance Building Roof Replacement - T. Michael Jessee

Mr. Jessee directed the Board’s attention to his memo regarding the maintenance building roof replacement. He indicated that the existing roof is 23 years old and is in need of replacement. Mr. Jessee also explained that the Authority had originally considered adding this to the wastewater treatment plant expansion project but decided to proceed as a stand-alone project. He pointed out that three bids were received and the lowest bid was from Quality Roofing and Sheet Metal, Inc. in the amount of $82,000. Mr. Jessee explained that this includes two alternates outlined in the bidding document for a wood nailer replacement and a performance, material, and labor bond. He further advised that the bid with the two alternates is $82,000, which is eligible as an EPA Replacement Fund item.

Mr. Jessee recommended approval of the request award the bid for repair of the Maintenance building roof to Quality Roofing and Sheet Metal, Inc. in the amount of $82,000 to be paid from the EPA Replacement Fund.

Brenda L. Stumbo inquired as to whether the bids were advertised for this project. Mr. Jessee responded that they were not and that that was an oversight on YCUA’s part.

Motion by Namatevs to accept Mr. Jessee’s recommendation for approval of the request award the bid for repair of the Maintenance building roof to Quality Roofing and Sheet Metal, Inc. in the amount of $82,000 to be paid from the EPA Replacement Fund. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

E. Request to Approve – Change Order No. 8 re: WWTP Expansion/Improvements Project - T. Michael Jessee

Mr. Jessee directed the Board’s attention to his memo regarding Change Order No. 8 as well as the change order itself. He indicated that the total amount of the change order is $125,747 and includes 12 separate items. Mr. Jessee also explained that the larger items are detailed in his memo. He
pointed out that the expansion project team has approved all the work change directives associated with this change order. Mr. Jessee explained that the items in this change order were due to unexpected field conditions or information that was omitted from bidding documents. He further advised that the change order has been reviewed by YCUA’s consultant and by YCUA’s staff and is in order. Mr. Jessee stated that sufficient monies remain in the contingency fund to cover this increased contract cost. He then directed the Board’s attention to a spreadsheet detailing the use of the contingency fund.

Mr. Jessee recommended approval of Wastewater Treatment Plant Expansion/Improvements Project Change Order No. 8 in the amount of $125,747 to be paid from the contingency fund.

Motion by Doe to accept Mr. Jessee’s recommendation for approval of Wastewater Treatment Plant Expansion/Improvements Project Change Order No. 8 in the amount of $125,747 to be paid from the contingency fund. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

F. Request to Approve – YCUA Attorney Fee Increase - Larry R. Thomas

Mr. Thomas directed the Board’s attention to a letter from YCUA’s attorney, Tom Daniels, regarding his request for an increase in rates. He indicated that Mr. Daniels began work as YCUA’s legal counsel in July of 1998 at the rate of $130 per hour and has not had an increase since that time. Mr. Jessee also explained that he is requesting an increase to $150 per hour, with a rate of $60 per hour for clerk or paralegal work. He pointed out that YCUA’s attorney has not had an increase in his rate in six years. Mr. Jessee explained that his work for the Authority has been of excellent quality. He further advised that the recently approved budget included an increase in the line item for Authority legal work to cover this rate increase.

Mr. Thomas recommended approval of the request for an increase in the attorney rate of $150 and the clerk or paralegal rate of $60 effective September 1, 2004.

Brenda L. Stumbo commented that Mr. Daniels has done a great job as YCUA’s attorney and indicates that they appreciate everything he has done.

Motion by Doe to accept Mr. Jessee’s recommendation for approval of the request for an increase in the attorney rate of $150 and the clerk or paralegal
rate of $60 effective September 1, 2004. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

G. Request to Approve – Agreement to Provide Sanitary Sewer Service to Rawsonville Road Property - Larry R. Thomas

Mr. Thomas directed the Board’s attention to a four-way agreement between YCUA, Van Buren Township, Sumpter Township, and Omar Skaf. Mr. Skaf owns a parcel of land in Van Buren Township east of Rawsonville Road. He indicated that Van Buren Township does not have sewer available to serve this property. Mr. Thomas also explained that the sewer that brings flow from Sumpter Township into the YCUA system is located on the Ypsilanti Township side of Rawsonville Road. He pointed out that Mr. Skaf is requesting from all of the appropriate parties permission to connect to the Sumpter Township sewer. Mr. Thomas explained that, as this is a Van Buren Township property, YCUA would bill Van Buren Township for the sewage charges associated with this property. He further advised that Mr. Skaf will be required to pay all appropriate fees and charges to Sumpter Township and YCUA and, in the event a sewer from Van Buren Township becomes available in the future, he will be required to disconnect from the Sumpter sewer and the YCUA system and re-connect to the Van Buren system at his expense. Mr. Thomas stated that this is a typical agreement that the Authority have used on YCUA’s borders to allow service to properties on which one municipality has service and one does not.

Mr. Thomas recommended authorization for the director to sign the Agreement to Provide Sanitary Sewer Service to Rawsonville Road Property.

Brenda L. Stumbo indicated that this matter was on table and needed to be removed. Larry J. Doe interjected that it should remain on table until signed copies are received from Van Buren Township.

Tom Quatro from T.S. Quatro Company responded that copies of the agreement before Mr. Skaf’s name was added, which were signed by Sumpter and Van Buren Township, were provided to the YCUA Board previously.

Brenda L. Stumbo reiterated that the item was on table and would remain there until signatures were obtained from Van Buren Township.

H. Request to Approve – Committee Appointments - Larry R. Thomas
Mr. Thomas reminded the Board that at last month’s meeting, he recommended a change in the committee structure at YCUA. He directed the Board’s attention to a listing of all recommended appointments.

Mr. Thomas recommended approval of the restructured committee appointments.

Motion by Koryzno to accept Mr. Jessee’s recommendation for approval of the restructured committee appointments. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

I. Request to Approve – Authorization to Send Letter Extending Resolution of Intent with York Township - Larry R. Thomas

Mr. Thomas reminded the Board that at YCUA’s regular May Board meeting, they approved a resolution of intent to provide water and wastewater services to the former State Hospital property in York Township for a high-tech research and development project, contingent upon successful negotiation of contracts. He indicated that the resolution of intent will expire this month and York Township has requested an extension of the resolution for an additional 120 days. Mr. Thomas directed the Board’s attention to a letter from Helen Neill, Clerk of York Township. Mr. Thomas also explained that the transfer of the property to Toyota Corporation has taken more time than had been anticipated. He pointed out that York Township continues to prefer the option of YCUA serving the property. Mr. Thomas explained that staff is in favor of extending the resolution.

Mr. Thomas recommended approval of the request to extend the resolution an additional 120 days to January 8, 2005 and to authorize the director to send a letter so indicating to York Township officials.

Motion by Doe to accept Mr. Jessee’s recommendation for approval of the request to extend the resolution an additional 120 days to January 8, 2005 and to authorize the director to send a letter so indicating to York Township officials. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

J. Request to Approve – Tetra Tech MPS Proposal re: North Golfside Pump Station I & I Analysis - T. Michael Jessee

Mr. Jessee directed the Board’s attention to his letter and a proposal from
Tetra Tech MPS for the North Golfside Pump Station Infiltration – Inflow Analysis. He indicated that, as part of YCUA’s District Compliance Agreement with MDEQ, the Authority are required to do an Infiltration – Inflow Analysis on various sewers, interceptors, and pump stations that were identified in YCUA’s Master Plan as potentially problematic. Mr. Jessee also explained that, in 2005, YCUA’s schedule is to perform the analysis for North Golfside pump station. He pointed out that the Authority requested from Tetra Tech MPS a proposal for this work, which consists of monitoring YCUA’s statistical analysis. Mr. Jessee explained that the cost of the proposal is $108,000 for a four-month flow-monitoring program with a $12,000 per month fee for each additional month. He further advised that the total length of monitoring is weather dependent, as significant storm events are required to generate the data necessary for the I & I Analysis. Mr. Jessee stated that MDEQ makes the final decision as to when the monitoring can end. He acknowledged that the I & I Analysis of North Golfside Pump Station needs to be completed and a report submitted to MDEQ by December 1, 2005. Mr. Jessee confirmed that this proposal would accomplish that goal. He explained that this is a budgeted item in this year’s budget.

Mr. Jessee recommended approval of the request for authorization to accept the proposal from Tetra Tech MPS in an amount not to exceed $144,000.

Larry J. Doe inquired as to what would happen if the data could not be collected within the seven-month period. Thomas E. Daniels responded that YCUA would negotiate a revision to the District Compliance Agreement with MDEQ at that point to allow for an extension of the time limit. Perry M. Thomas interjected that if substantial rainfall did not occur within the seven month period, that the subsequent I & I studies would be pushed back until this one is complete.

Motion by Koryzno to accept Mr. Jessee’s recommendation for approval of the request for authorization to accept the proposal from Tetra Tech MPS in an amount not to exceed $144,000. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

K. Fund Balance Report - Larry R. Thomas

Mr. Thomas directed the Board’s attention to the Fund Balance Report. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Mr. Thomas directed the Board’s attention to the Financial Report – Net Assets 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.

M. Usage Report – Consumption Report - Larry R. Thomas

Mr. Thomas 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.

N. Director’s Report – Larry R. Thomas

Mr. Thomas advised the Board that, in conjunction with the restructuring of the Authority, a new day shift wastewater supervisor position has been created and the number of wastewater foreman reduced from six to five. He added that the five foremen will report directly to new wastewater supervisor. Mr. Thomas indicated that this change should increase the cohesiveness of the wastewater department and the operations of the three shifts and 24-hour operations. He stated that this has been discussed with the Personnel Committee and they are supportive of the change. Mr. Thomas clarified that there is no net change in the number of employees and that there is no impact on the budget and, therefore, no Board action is required.

Brenda L. Stumbo inquired as to whether overtime wages would be required if the new supervisor is required to work an afternoon or evening shift to meet with those foremen. T. Michael Jessee responded that the shift is fairly flexible and can be changed to a certain degree. Ms. Stumbo then inquired as to whether the new position was a Teamsters job and whether it involves a salary increase. Mr. Thomas responded that it is a Teamsters job and that the salary increase is covered in the budget by a delay in the institution of another position. Gwyn Belcher clarified that there is only a $1 per hour difference between the supervisor and the foreman position. Ms. Belcher added that the action was discussed with the Teamsters and they are in
support.

4. OLD BUSINESS:

4.A. Request to Approve – Van Buren Wastewater Conveyance and Disposal and IPP Delegation Agreements - Perry M. Thomas

Motion by Koryzno to remove this item from table. Support by Doe. In favor: All. Opposed: None. (Motion carried)

Mr. Thomas reminded that Board that when originally presented at the July Board meeting, there was some concern as to how this Wastewater Conveyance and Disposal Contract related to additional capacity issues for Van Buren Township. He indicated that, in fact, this contract does not give to Van Buren Township any more rights to capacity in the YCUA system than they presently have. Mr. Thomas also explained that Van Buren Township has been a customer of YCUA and, before that, Ypsilanti Township, for many years. He pointed out that the Authority serves the Cape Apartments and a few individual parcels along YCUA’s border. Mr. Jessee explained that YCUA’s contract with Van Buren Township inadvertently was allowed to expire in 1992 and that this new contract simply replaces that contract with updated language. He further advised that the IPP Delegation Agreement allows YCUA to operate YCUA’s Industrial Pretreatment Program within Van Buren Township. Mr. Thomas stated that the Authority is required by MDEQ to have authority to monitor and take action against any user as part of YCUA’s Industrial Pretreatment requirements. He acknowledged that these two documents would allow YCUA to fulfill these requirements.

Mr. Thomas recommended approval of the request to authorize the director to sign the Wastewater Conveyance and Disposal Contract and Industrial Pretreatment Agreement with Van Buren Township.

Brenda L. Stumbo inquired as to why the contract expired 12 years ago and was never renewed. Larry R. Thomas responded that it was simply an oversight.

Ms. Stumbo then asked for clarification as to whether the contract states YCUA will have to accept anything that comes down Rawsonville Road. Thomas E. Daniels responded that the contract only refers to the specific sites listed and that if any other sites were requested in the future, the Board
would have to approve an addendum to Appendix A.

Motion by Wagner to accept Mr. Thomas’s recommendation for approval of the request to authorize the director to sign the Wastewater Conveyance and Disposal Contract and Industrial Pretreatment Agreement with Van Buren Township. Support by Doe. In favor: All. Opposed: None. (Motion carried)

4.B. **Request to Approve – Meter Fees** – Larry R. Thomas

Motion by Doe to remove this item from table. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

Mr. Thomas reminded the Board that last month, staff presented information on meter fees with a request to increase YCUA’s charge for new water meters sizes 5/8” – 2” and that the Board tabled the item, requesting additional information. He directed the Board’s attention to the additional information that they requested. Mr. Thomas also explained that the cost increase in the materials between YCUA’s costs for purchase of the meters in 2002 versus the cost for purchase of meters in 2004 was also included in the material provided to them. He pointed out that the increased costs for labor, vehicle, and overhead are shown as one lump sum. Mr. Thomas explained that, as stated last month, labor costs increase as travel time was included and YCUA’s vehicle rate was increased to match the MDOT vehicle rate. He further advised that if these rates are approved, the schedule will be published in the newspaper and will take effect in 90 days. Mr. Thomas stated that these increases would allow YCUA to charge developers a fee commensurate with YCUA’s services.

Mr. Thomas recommended approval of the new fees for meters 5/8” through 2”.

Brenda L. Stumbo interjected that she would not be supporting these fee increases.

Motion by Doe to accept Mr. Jessee’s recommendation for approval of the new fees for meters 5/8” through 2”. Support by Wagner. In favor: Four. Opposed: One. (Motion carried)

5. **OTHER BUSINESS:**
T. Michael Jessee announced that Henry Gerst was recently named the new Director of Service Operations. Mr. Gerst responded that he is happy to be a part of the Executive Team. Several Board members congratulated and welcomed Mr. Gerst.

Edward B. Koryzno, Jr. commented that his office has received calls regarding the new billing system and asked for a report on the same. Gwyn Belcher responded that Cathy Moorman could email the Board with a detailed report prior to the October meeting. She added that a very comprehensive mailing was sent and that YCUA’s staff have also been bombarded with calls. Ms. Belcher commended the Authority’s staff for their diplomacy in handling those calls.

Edward B. Koryzno, Jr. addressed the Board on behalf of the Personnel Committee and apologized that the director’s evaluation would not be ready until the October meeting.

6. **STATEMENTS AND CHECKS:** Motion by Doe to pay the bills in the amount of $3,350,173.45 plus an addendum in the amount of $5,909,002.02. Support by Wagner. 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 4:16 p.m. Support by Wagner. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

[Signature]

LARRY J. DOE, Secretary/Treasurer