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: Stumbo called the meeting to order at 3:01 p.m.

2. MINUTES OF THE PREVIOUS MEETING: Motion by Doe to receive and file the minutes of the September 28, 2004 meeting. Support by Koryzno. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

   A. Introduction of New Board Member - Larry R. Thomas

      Mr. Thomas advised the Board that Raymond Scott has been appointed by the Charter Township of Ypsilanti Board of Trustees as a Township representative to the YCUA Board of Commissioners, replacing Brenda Stumbo who has resigned. Mr. Thomas directed the Board’s attention to a short biography of Mr. Scott. He welcomed Mr. Scott to YCUA.

      Brenda L. Stumbo commented that Mr. Scott will be a great addition to the YCUA Board and that she enjoyed working with Mark Namatevs and Edward B. Koryzno, Jr. on the YCUA Board and thanked them for working together with the Township representatives on the Board.
Informational only; no motion from the Board required.

**B. Election of Board Chair - Larry R. Thomas**

Mr. Thomas advised the Board that Brenda Stumbo, Chair of the YCUA Board, resigned from the YCUA Board and her resignation was accepted by the Township Board at its meeting on October 19, 2004. He indicated that this creates an opening on the Authority’s Board for a chairperson. Mr. Thomas also explained that, normally, election of officers takes place at the Authority’s February meeting but that due to the vacancy, an election would be appropriate at this time.

Edward B. Koryzno, Jr. nominated Larry J. Doe to fill the Chair vacancy. He then nominated Mark Namatevs to fill the position of YCUA Board Secretary/Treasurer.

Mr. Thomas recommended a motion to accept Mr. Koryzno’s nominations for election of Larry J. Doe as the new YCUA Board of Commissioners Chairperson and Mark Namatevs as the Secretary/Treasurer.

Motion by Doe to accept Mr. Thomas’s recommendation for a motion to accept Mr. Koryzno’s nominations for election of Larry J. Doe as the new YCUA Board of Commissioners Chairperson and Mark Namatevs as the Secretary/Treasurer. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

**C. Request to Re-Schedule December 2005 Board of Commissioners Meeting - Larry R. Thomas**

Mr. Thomas advised the Board that YCUA is in the process of publishing the Board meeting schedule for 2005. He indicated that the date in December that the Authority’s Board would normally meet (the fourth Tuesday) falls between the Christmas and New Year’s holidays. Mr. Thomas suggested that the meeting be rescheduled to Tuesday, December 20, 2005 since it may be difficult to get a quorum between Christmas and New Year’s.

Mr. Thomas recommended approval of the request to change the date of the December 2005 regular meeting from December 27th to December 20th.

Motion by Doe to accept Mr. Thomas’s recommendation for approval of the request to change the date of the December 2005 regular meeting from December 27th to December 20th. Support by Namatevs. In favor: All.
Opposed: None. (Motion carried)

D. Request to Approve – Change Order No. 9 re: Wastewater Treatment Plant Expansion/Improvements Project - T. Michael Jessee

Mr. Jessee directed the Board’s attention to Change Order No. 9 for the Wastewater Treatment Plant Expansion/Improvements Project. The change order covers 14 items totaling $54,296. He also directed the Board’s attention to his memo recommending approval of Change Order No. 9, which included additional information on the four items that were in excess of $5,000. He indicated that the change order represents changes in conditions that were found in the construction project as work was in progress. Mr. Jessee also explained that this represents 28.25% of the budgeted contingency for this project. He also directed the Board’s attention to a spreadsheet detailing the contingency fund.

Mr. Jessee advised the Board that the project is on schedule and that Christman Company management team predicts completion to be August of 2005, well before the substantial completion date of January of 2006.

Larry J. Doe inquired as to why item 1914 was included in the change order for the lead abatement items. Mr. Jessee responded that the removal of the paint was included in the change order for lead abatement, but that the air monitoring during the actual demolition of the equipment is included in this change order.

Mr. Jessee recommended approval of Change Order No. 9 for the Wastewater Treatment Plant Expansion/Improvements Project in the amount of $54,296 to be paid from the contingency fund.

Motion by Koryzno to accept Mr. Jessee’s recommendation for approval of Change Order No. 9 for the Wastewater Treatment Plant Expansion/Improvements Project in the amount of $54,296 to be paid from the contingency fund. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

E. Election of Michigan Municipal League Property Fund Board of Directors - Gwyn Belcher

Ms. Belcher advised the Board that YCUA has received a ballot for this year’s Board of Directors election for the Michigan Municipal League Liability and Property Pool. She indicated that the nominating committee is
Ms. Belcher also explained that YCUA is a member of the Michigan Municipal League Liability and Property Pool and the Board of Directors elects the members.

Brenda L. Stumbo commented that she would like to see more gender and race diversity among the nominees in the future.

Ms. Belcher recommended approval of the vote for six Directors for the Michigan Municipal League Liability and Property Pool.

Motion by Wagner to accept Ms. Belcher recommendation for approval of the vote for six Directors for the Michigan Municipal League Liability and Property Pool. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

F. Informational Item – Fourth Quarter Year-End Production Report - T. Michael Jessee

Mr. Jessee directed the Board’s attention to the fourth quarterly production report. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board, paraphrased as follows:

*The fourth quarter has ended and YCUA has experienced a good year. All departments have managed their overtime budgets and have operated within the allotted amount. The overtime budget for the fiscal year 2004/2005 has been reduced by $178,621.00 when compared to fiscal year 2003/2004.*

*Kurian Joychan, Director of Wastewater Operations, reported that the wastewater treatment plant has maintained the appropriate level of production. This has been a challenge with the expansion of the treatment plant. The operational staff remains positive and the treatment plant operated within the NPDES permit parameters for the fiscal year. The dedication of the wastewater staff has made this possible. The staff operates as a team from the director to the operators, which is evident when reviewing the operational production for the fiscal year.*

*The solids are being processed with the use of belt presses. The plate and frame presses are now offline and have been demolished. All processed solids are being landfilled with the use of a transporting company. This in itself has brought on new problems. The landfill has complained of odors*
when the solids are being delivered to the landfill. The wastewater Treatment staff has addressed these problems with the use of a polymer that has a deodorant agent additive and with an odor-masking agent applied to the solids prior to being transported.

Training is an ongoing issue with the new equipment that is being placed on line. The management staff continues to develop standard operating procedures for the new equipment. This has proved to be effective with the operation of the belt presses and the truck loading facility. During the month of June, a group of the operational staff visited the Schwing Facility in Minnesota for a week of training. This has proved to be very beneficial for the staff.

The wastewater plant processed 8,108,969,000 gallons of wastewater during the fiscal year. This is an increase of 3.5% over the prior fiscal year. The operational staff processed 57,144,433 pounds of solids during the fiscal year. There were 32,471,115 pounds landfilled and 24,673,318 pounds incinerated. The operational staff has operated the solids building effectively; this has proven to be a major task with all of the expansion construction that has taken place within the building. With the truck loading facility, the new belt presses, and the Schwing pumping system, the operators are faced with new challenges each day.

Overtime was used to replace employees that were unexpectedly off duty and for training purposes. The wastewater department has incurred $148,845.09 in overtime expenditures for the fiscal year. This represents 64.79% of the overtime budget.

The compliance department continues to address compliance issues effectively. There have been no violations on the part of YCUA and all reports have been submitted in a timely fashion. The laboratory complied with all NPDES permit requirements, performed 7,986 analytic procedures and submitted three monthly discharge reports during the fourth quarter. The Industrial Pretreatment Program is monitoring the compliance of 16 significant industrial users through inspections and sampling events. All significant industrial users are operating within YCUA issued permits, as indicated in the Michigan Department of Environmental Quality Pretreatment Compliance Inspections Report dated August 12, 2004.

Chief Compliance Officer Perry M. Thomas, Industrial Pretreatment Program Supervisor Bill Woodward, and Chemist Romulo Aquino have worked well together in the managing of the Industrial Pretreatment
Program and the laboratory.

The maintenance department continues to see an increase in their responsibility with the requirements of the District Compliance Agreement and the wastewater treatment plant expansion. The expansion/improvements project is beginning to address the programming issues of the new equipment and operational procedures. This will require assistance from the maintenance department that will increase man-hours dedicated to the expansion project. The maintenance department has addressed the need for generated electrical power for the ultraviolet disinfection building with the installation of a generator connection. This will allow for operation of the facility in the event of a power failure.

With the assistance of Utilities Instrumentation Service, the remote transmitting units have been installed for the water distribution facilities. This allows for the communication of the remote facilities and the water distribution operator to be on a separate frequency, which increases the effectiveness and efficiency for critical decisions to be implemented in the operation of the distribution system. The maintenance department completed 1,906 work orders during the fourth quarter, a total of 7,780 work orders were completed in the fiscal year.

Overtime is monitored and used for emergencies and scheduled work that can only be completed during off hours. Maintenance has incurred $111,334.28 in overtime expenditures during the fiscal year, which represents 50.75% of the overtime budget.

The engineering department has had a solid fourth quarter. Scott D. Westover has proven to be a valuable asset to the Authority.

During the fiscal year, the engineering department has invoiced $40,143 for plan review fees on the community development projects. Additionally we estimate a savings of $26,000 in the area of engineering; the engineering department prepared the appropriate drawings to be submitted to DWSD/MDEQ for two water main projects (Warner St. and DDA parking lot), the capacity management tracking system, and the pump station by-pass piping projects.

The amount incurred in overtime costs through the fourth quarter in the accounting department is $6,612.44. This represents 86.97% of the budgeted amount.
The new billing software from Civic Systems has been installed and is proving to be successful. This has improved processing efficiencies and provides current information for the staff. This enables the staff to address the requests from the customers with up-to-the-minute data. The customer service department incurred $2,558.06 in overtime expenditures through the fourth quarter. This represents 14.14% of the budgeted amount.

The service department has worked diligently in the last quarter. The staff has completed their goal of having all of the yard repair jobs completed by the end of the fiscal year. This is quite a feat when consideration is given to the number of repairs that were in the system. The asphalt road repairs have been bid and are underway. Fourth quarter totals show 671 jobs completed, up from 643 in the third quarter. There were 2,560 tasks completed by the service department for the fiscal year.

The overtime for the Service Center is being monitored and is being used for emergencies and necessary, planned tasks. The service department has incurred $161,093.13 in overtime expenditures for the fiscal year, this represents 71.43% of the amount budgeted for overtime.

The water distribution employees continue to operate and monitor the distribution system with effectiveness. YCUA delivered 1,516,677,712 gallons of water during the fourth quarter to our customers. A total of 4,987,880,920 gallons was delivered for the fiscal year. The total for the previous year was 5,113,140,252 this represents a decrease of 2.4%. The total fiscal year consumption for the Township Division was 4,207,506,440 gallons, the previous year consumption was 4,129,354,012 gallons this represents an increase of 1.9%. The total fiscal year consumption for the City Division was 780,374,480 gallons, the previous year consumption was 983,786,240 gallons this represents an decrease of 20.7%. As the water mains were being replaced in the City, the water distribution staff noticed a decrease in the consumption. This lends itself to a conclusion that multiple leaks were repaired through the water main replacement projects.

The water distribution supervisor continues to monitor the overtime costs. The water distribution area incurred $41,792.93 in overtime expense for the fiscal year; this represents 40.07% of the budgeted amount.

The Meter department completed 2330 tasks the fourth quarter. The overtime was use for emergencies and planned tasks. The incurred overtime expenditures, for the fiscal year, are $ 11,621.57. This represents 54.8% of the budgeted amount.
The Service Center management team has endured hardships and adversities in the recent months. With the absence of the Service Center director, Keenen Crump, Jeff Castro, and Bob Fry are to be commended for their dedication in addressing the needs of the Service Center. Employees that demonstrate dedication, as a daily routine, are the backbone of Ypsilanti Community Utilities Authority.

YCUA continues to maintain the professional service that is to be expected by the customers. The various departments continue to communicate and interact to improve the overall operation. The Authority is demonstrating stability in the ability to work toward a common goal. This was illustrated best with the installation of the by-pass piping on the sanitary pump stations, the service and maintenance departments completed the project effectively and efficiently. The overtime has been well managed and has been reduced in the upcoming budget. I am pleased to report that the Authority has adjusted well to the financial situation, lay-offs, and the retirements that have occurred in the past year. We are excited about the future and the opportunities that it will present.

Mr. Jessee added that the overtime budget has decreased by $178,671. He indicated that staff deserves a great deal of credit for keeping overtime costs down and for increasing production.

Edward B. Koryzno complimented Mr. Jessee on the thoroughness of his report and commended YCUA staff for implementing cost savings and working toward meeting many of the financial goals set by the Board.

Informational only; no motion from the Board required.

G. Informational Item – Large Water Meter Inventory - T. Michael Jessee

Mr. Jessee directed the Board’s attention to his memo regarding the Authority’s large water meter inventory. He indicated that, in the past, the Board has expressed interest in the Authority’s large meters, their condition, and their maintenance schedule. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Philip W. Wagner inquired as to whether there are large meters at the Lakeview Mobile Home Park or the Rawsonville Road Visteon plant. Mr. Jessee responded that there should be but that they may show up under the Township account. He indicated that he would research the same and report
Edward B. Koryzno inquired as to whether the Ypsilanti Housing Commission meter was scheduled for replacement. Mr. Jessee responded affirmatively and added that Lake In The Woods should be scheduled for sometime in spring 2005 with the Ypsilanti Housing project to follow.

Informational only; no motion from the Board required.

H. 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 commented that both City and Township Divisions are in excess of requirements for the first time in many months.

Informational only; no motion from the Board required.


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.

Mr. Thomas commented that the overall picture is much better than this time last year.

Brenda L. Stumbo inquired as to whether this report included September and October of this year. Mr. Thomas responded that, with the new software, he anticipates having that information available in November.

Informational only; no motion from the Board required.


Mr. Thomas advised the Board that, due to delays related to the new utility billing software, the Usage Report – Consumption Report would not be presented for the month. He indicated, however, that the Analysis of Water and Sewer Production and Sales was completed in time for the meeting and directed the Board’s attention to that report. He then proceeded to give a detailed report of the information contained therein and answered questions
from the Board.

Informational only; no motion from the Board required.

K. Director’s Report – Larry R. Thomas

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 Doe to pay the bills in the amount of $4,572,244.49 plus an addendum in the amount of $2,832,390.97. Support by Namatevs. In favor: All. Opposed: None. (Motion carried.)

7. PUBLIC COMMENTS:

Tom Quatro of T.S. Quatro Company and Omar Skaf spoke at length regarding the matter of an agreement to provide sanitary sewer service to Mr. Skaf’s Rawsonville Road commercial property. Both gentlemen voiced their displeasure at the item having been removed from this meeting’s agenda immediately prior to the meeting and inquired as to whether it would be brought back before the YCUA Board of Commissioners at their November 23rd meeting. Brenda L. Stumbo responded that the item will not be further considered until required documentation from both the Wayne and Washtenaw County Road Commissions is provided to Ypsilanti Township officials for their examination.

8. CLOSED SESSION: Larry R. Thomas recommended adjourning the open session and calling to order a closed session in order to discuss his performance evaluation. Motion by Koryzno to accept Mr. Thomas’s recommendation for adjourning the open session and calling to order a closed session in order to discuss his performance evaluation. Support by Wagner. By roll call vote: Ayes: Brenda L. Stumbo, Edward B. Koryzno, Jr., Larry J. Doe, Philip W. Wagner and Mark Namatevs. Nayes: None. (Motion carried)

(Board then met in closed session.)

9. ADJOURNMENT: Motion by Koryzno to adjourn the meeting at 4:18 p.m. Support by Doe. In favor: All. Opposed: None. (Motion carried)
Respectfully submitted,

MARK NAMATEVS, Secretary/Treasurer