Minutes

YPILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, October 28, 2015 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112


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 September 23, 2015 meeting as presented. Support by Bodary. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

   A. Informational Item - Michigan Municipal League Liability and Property Pool Dividend Distribution – Judy Thomson Torosian

      Ms. Torosian advised the Board that YCUA has been a member of the MML Liability and Property Pool for the past 32 years, since a time when the membership was very small. She indicated that the pool now has 414 members and $58 million in surplus. Ms. Torosian explained that their Board voted to return some of that surplus to the members, which results in a check to YCUA for $34,623.

      Ms. Stumbo interjected that this reflects a good job by YCUA’s employees in maintaining a strong safety-conscious work environment. Ms. Torosian concurred, pointing out that the MML appreciates YCUA’s membership and proactive approach to safety.

      Informational only; no motion from the Board required.
B. Request for Consideration – Changes to YCUA Board of Commissioners’ 2016 Meeting Schedule re: Thanksgiving Holiday – Jeff Castro

Motion by Doe to approve the Changes to YCUA Board of Commissioners’ 2016 Meeting Schedule re: Thanksgiving Holiday. Support by Bodary. In favor: All. Opposed: None. (Motion carried.)

C. Request to Approve – Award of Contract re: Incinerator Training in the Amount of $28,000 (O & M Expense Account No. 550-763) – Luther D. Blackburn

Motion by Doe to approve the Award of Contract re: Incinerator Training in the Amount of $28,000 (O & M Expense Account No. 550-763). Support by Ichesco.

Mr. Blackburn advised the Board that this is related to the new incinerator air regulations that YCUA must comply with after March 21, 2016. He indicated that every incinerator operator will need to be trained in accordance with the new EPA standards. Mr. Blackburn explained that YCUA has one of only three incinerators in Michigan that are required to comply with the new regulations, which has made locating qualified vendors to supply the required training extremely difficult and not necessary cost-effective. He pointed out that staff reached out to three vendors, one of them being an online training service, and that after evaluating those proposals, it is felt that Chavond-Barry Engineering Corporation’s training will be much more in-depth and site-specific. Mr. Blackburn also explained that Chavond-Berry is one of the few companies that have been proactive in preparing an approved program in advance of the new standards.

He further advised that while Infilco Degremont is the manufacturer of the incinerator, their proposal was not very detailed and definitely not as cost-effective as the option provided by Chavond-Barry. Mr. Blackburn stated that Chavond-Barry has been working on YCUA’s incinerator since 2006. He acknowledged that there is no limit to the number of employees that can be trained under Chavond-Barry proposal, enabling YCUA’s consulting engineers from Tetra Tech to sit in on the three-day training sessions as well.

Ms. Stumbo interjected that Tetra Tech should share in the cost of the training. She inquired as to whether the Authority has ever participated in “train the trainer” type sessions. Mr. Blackburn responded that it has been discussed but that, due to the MDEQ requirements involved, he is of the opinion that the first round of this training should be done by someone
very experienced in the construction and operation of incinerators in multiple installations. Mr. Blackburn added that, once the regulations are better understood in future, some type of “train the trainer” classes can be considered.

Ms. Stumbo commented that this seems like a lot of money. Mr. Castro responded that YCUA is the only fluid-bed incinerator on the state and that MDEQ cut short the amount of time to comply with the requirement, so there are serious time constraints involved. Mr. Blackburn concurred, clarifying that YCUA received notification on August 31st that MDEQ expected a proposal by November, which was moved up from March of 2016. Mr. Castro added that the Treatment Solutions quote was $39,000 for a four-hour training session, which puts things into perspective.

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

D. Request to Approve – Purchase of Vehicles in the Amount of $141,196.42 (Motor Pool Expense Account No. 901-597) – Bob Fry

Motion by Doe to approve the Purchase of Vehicles in the Amount of $141,196.42 (Motor Pool Expense Account No. 901-597). Support by Bodary.

Mr. Fry advised the Board that this purchase involves five vehicles: a plow truck, three tool trucks with storage beds, and one mid-sized four-door sedan. He indicated that these vehicles are needed to replace the Authority’s aging fleet, which has not been updated since 2010. Mr. Fry explained that YCUA’s fleet vehicles are evaluated annually for age, mileage, service reliability, and other conditions. He pointed out that, in addition to the bids received, the Board suggested that staff consider MiDEAL, an extended purchasing program that allows governmental entities to use state contracts to buy goods and services. Mr. Fry then outlined the bid tabulation in detail.

Mr. Doe inquired as to whether the local dealership will service all of the purchases. Mr. Fry responded that warranty work can be done by any dealership.

Mr. Bodary inquired as to what kind of vehicle the sedan is. Mr. Fry responded that it is a conventional-engine Fusion.

Mr. Jason inquired as to why the MiDeal option was not applied to all of the vehicles. Mr. Fry responded that the tool trucks call for a specific tool bed on the back, which is a custom option that can’t be obtained on MiDeal. Mr. Castro interjected that MiDeal is good for purchasing vehicles directly off of the lot. Mr. Fry added that MiDeal listings are based on MDOT specifications.
In favor: All.  Opposed: None.  (Motion carried.)

E.  **Request to Approve – Purchase of Sand, Stone, and Cold Patch in the Amount of $74,492 (O & M Expense Account No. 560-806)** – Bob Fry

Motion by Bodary to approve the Purchase of Sand, Stone, and Cold Patch in the Amount of $74,492 (O & M Expense Account No. 560-806). Support by Jason.

Mr. Fry advised the Board that only three bids were received with the low bid from Farmer and Underwood. He indicated that YCUA has worked with this company in the past and staff is confident in their abilities.

Ms. Stumbo inquired as to why there weren’t more bidders. Mr. Fry responded that when there is a lot of large-scale road work being done, potential contractors aren’t interested in smaller jobs such as this.

Ms. Stumbo then inquired as to how this bid compares to last year’s. Mr. Fry responded that the 2014 bid came in at $58,000.

Mr. Bodary inquired as to whether the Authority pays by the actual tonnage. Mr. Fry responded affirmatively, indicating that YCUA will only pay for materials used.

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

F.  **Request to Approve – Award of Contract re: Interceptor Sanitary Sewers Inspection in the Amount of $132,112.50 (Restricted Funds Account No. 902-169)** – Scott D. Westover

Motion by Doe to approve the Award of Contract re: Interceptor Sanitary Sewers Inspection in the Amount of $132,112.50 (Restricted Funds Account No. 902-169). Support by Bodary.

Mr. Westover advised the Board that this is a SAW Grant project. He indicated that YCUA is responsible for 10% of the first $1 million of that grant and 25% of the second $1 million, putting this project somewhere in the middle. Mr. Westover explained that the budget in the SAW Grant application for this work is $365,000, so the bids came in quite favorably. He pointed out that staff has worked with Allstate Power Vac’s predecessor EQ in the past.

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

G.  **Request to Approve – Change Order No. 1 re: WWTP Incinerator SO2 Reduction in the Amount of $1,793.88 (O & M Account No. 902-167)** – Scott D. Westover
Motion by Jason to approve Change Order No. 1 re: WWTP Incinerator SO2 Reduction in the Amount of $1,793.88 (O & M Account No. 902-167). Support by Bodary.

Mr. Westover advised the Board that, while this change order reflects a small increase just over 1% over the contract, in the grand scheme of things, he is of the opinion that things went pretty well on this job.

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

H. 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.

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

L. Environmental Report - Luther D. Blackburn

Mr. Blackburn advised the Board that YCUA has scheduled its annual stack testing for December 15 – 16, 2015. He indicated that this testing is the part of the air regulation that will measure the emissions.

Mr. Blackburn explained that the sulfur dioxide reduction project is complete with the exception of introducing caustic soda into the tank and the installation of an analyzer. He pointed out that the system will be operational shortly thereafter.

Mr. Blackburn also explained that the local limits reevaluation has been submitted to MDEQ and that it is hit or miss as to when a response will be received. He further advised that a part of this is a request to revise the sewer use ordinance to provide for a special allocation method, which would allow the Authority to give certain types of industries accommodations on specific pollutants. Mr. Blackburn stated that this method results in the most economical and business-friendly limit that can be allocated to an industry.

He acknowledged that there were two accidental raw sewage releases from the wastewater treatment plant in September. Mr. Blackburn confirmed that one occurred on September 24th as part of the headworks improvement project. He then outlined both events in detail.
Ms. Stumbo inquired as to whether these leaks were due to contractor carelessness. Mr. Blackburn responded that the first was simply bad luck and that, while the second could have been prevented with better follow up, it was much less severe than the first.

Ms. Stumbo commented that her office is receiving a lot of odor complaints. Mr. Blackburn responded that odors were very much a part of that project.

M. 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 bills in the amount of $4,410,229.77. 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 to adjourn the meeting at 4:26 p.m. Support by Jason. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

JON R. ICHESCO, Secretary - Treasurer