



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, February 28, 2006 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

Members Present: Larry J. Doe, Edward B. Koryzno, Jr., Mark Namatevs, J. Ray Scott, and Philip W. Wagner.

Members Absent: None.

1. **CALL TO ORDER:** Doe called the meeting to order at 4:01 p.m.
2. **MINUTES OF THE PREVIOUS MEETING:** Motion by Namatevs to receive and file the minutes of the January 24, 2006 meeting. Support by Scott. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **Informational Item - WWTP Expansion / Improvements Project Odor Control and Incinerator Start Up - Tom Allbaugh**

Tom Allbaugh gave a detailed report regarding the status of the wastewater treatment plant expansion / improvements project as well as the progress of the odor control systems improvements and the sludge incinerator start up.

Mr. Allbaugh advised the Board that, after three years, YCUA is finally approaching the point where all the new systems will be operational. He indicated that this applies to the new incinerator and odor control systems very specifically.

Mr. Allbaugh also explained that the air ionization equipment has been installed and, for the most part, has been started up. He pointed out that some initial performance testing took place in the truck loading station about a month previous and that the results were inconclusive at best. Mr. Allbaugh explained that the manufacturer returned to the site for assessment and repair and once again the previous week to inspect the installation and finalize protocol for a new round of tests. He further advised that the president of the company felt that the performance was

there but agreed he would add equipment or make other changes if needed.

Mr. Allbaugh stated that there is no question that odors continue to be a problem. He acknowledged, however, that construction is ongoing and, as a result, primary sludge and waste-activated sludge are collected and stored together, sometimes for extended periods of time. Mr. Allbaugh confirmed that, one of the results of that is that septic conditions will occur and odor generation in excess of that anticipated during the design process for the plant's air ionization system.

He explained that the short-term mitigation for the odor problems is a chemical feed using sodium permanganate. Mr. Allbaugh pointed out that on-site bench tests showed very good results in spite of unusually odiferous sludge. He also stated that the pilot system will be delivered and installed next week and that he anticipates a dramatic improvement.

Mr. Allbaugh advised the Board that, also next week, GBT will be commissioned to do a feasibility study on keeping primary sludge and waste-activated sludge separate until it is ready for dewatering. He indicated that he anticipates reduction in odor potential from this as well.

Mr. Allbaugh also explained that there is a team meeting the following day that will focus on sludge management with odor mitigation as a primary consideration. He pointed out that off-site and dewatering area issues should be under control by the end of next week.

Mr. Allbaugh explained that the incinerator began burning sludge on January 25th. He further advised that the unit has been shut down temporarily while start-up issues regarding oxygen levels and temperature control were analyzed and resolved.

He explained that a number of new laboratory analyses have been performed to ensure that sludge is within the parameter limits established in the contract language. Mr. Allbaugh pointed out that they have also reviewed operating data collected from successful operating periods to date.

He also stated that staff is looking at the potential impacts of sodium permanganate feed on emissions and that he is participating in a session the following day to prepare detailed calculations.

Mr. Allbaugh stated that he has a conference call with the manufacturer on Thursday at which point they will be instructed to return to the site and commence burning again.

He acknowledged that reliable operation is a pre-requisite for actual performance testing. Mr. Allbaugh confirmed that tests will be done by mid-April, barring any unforeseen complications.

Mr. Allbaugh advised the Board that the bottom line of both issues is that he remains confident that the two systems will be up and running in relatively short time once Tetra Tech staff has worked through the current start-up challenges.

Edward B. Koryzno, Jr. inquired as to the difference between primary and waste activated sludge. Mr. Allbaugh explained that primary sludge is the material that falls to the bottom when wastewater is held in the primary storage tanks. He also advised that waste activated sludge is product of a subsequent process where an intentional accumulation of zillions of bacteria that consume the constituents of wastewater that need to be removed. Mr. Allbaugh also stated that it is the bacteria that generate the hydrogen sulfide that, in turn, is the source of the odor problems associated with wastewater treatment. He stated that the goal is to keep the bacteria and the wastewater separated until it is time to blend, dewater, and incinerate them. Mr. Allbaugh indicated that if that goal can be met, the odor potential will be significantly reduced.

Mark Namatevs asked for clarification on the risks involved in the varying levels of hydrogen sulfide concentrations. Mr. Allbaugh responded that there are human health implications when exposed to concentrations over 10 parts per million over an extended period of time. He indicated, then, that there are two concerns, one being objectionable odors being experienced in the community but also the health and safety of the Authority's workers.

Mr. Allbaugh advised that one of the reasons that odor problems are presently being experienced is because the sludge room ventilation system is temporarily configured so that some of the odorous air is being extracted from the area directly and discharged to the atmosphere with no treatment at all. He stated that while this is only transferring the problem to the outside air, it is necessary during the construction of the plant in order to assure a safe work place. Mr. Allbaugh also reported that YCUA staff members carry portable monitors with them at all times so that the levels of hydrogen sulfide can be constantly monitored.

Larry J. Doe commented that it is crucial that YCUA does everything possible to solve the odor problem and confirmed that many complaints have been received from the community. He added that, from the report given, it appears as though that effort is being done.

Informational only; no motion from the Board required.

B. Request to Approve - Recommendation of Personnel Committee re: Organization Study - Larry R. Thomas

Mr. Thomas advised the Board that the Personnel Committee has been in the process of selecting a vendor to conduct the organization analysis of the Authority. He indicated that the committee has directed a process over

the past several months and is now ready to recommend a vendor to the Board. Mr. Thomas directed the Board's attention to a memo from Edward B. Koryzno, Jr., chair of the Personnel Committee, recommending Miller Consultants, Inc. as vendor for the analysis. He pointed out that the Board has committed to proceeding with the organization analysis. Mr. Thomas explained that the lump sum price for this analysis is \$133,950. He further advised that this expenditure is not presently budgeted and that a budget amendment would be required.

Mr. Koryzno stated that the recommendation of the Personnel Committee was to enter into contract negotiations with Miller Consultants, Inc. for the purpose of an organization analysis.

Mr. Koryzno added that he and J. Ray Scott are very pleased that the process that was used to make this recommendation was inclusive and open and that the final, unanimous decisions of the selection committee and the Personnel Committee has resulted in a choice of vendor that provides the best background regarding this approach to studying organizations. He added that this project is extremely important and strategic for the future of YCUA.

Motion by Wagner to approve the recommendation of the Personnel Committee to enter into contract negotiations with Miller Consultants, Inc. for the purpose of an organization analysis. Support by Scott. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Committee Member Appointments - Larry R. Thomas

Mr. Thomas advised the Board that the bylaws of the Authority require that, each year in February, committee appointments be made. He indicated that appointments are done by the chair however, historically, the Board members have discussed which committee appointments they would prefer. Mr. Thomas also explained that the positions requiring appointments are the Board chair, vice chair, and secretary – treasurer, the Personnel Committee and Finance Committee appointees (two each) and the two hearing officers for the resolution of disputes from customers.

Motion by Scott that all appointments remain unchanged. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

D. Informational Item - Fiscal Year 2004 – 2005 Audit Management Letter - Larry R. Thomas

Mr. Thomas advised the Board that, at last month's meeting, the Board was presented with and approved the audit for fiscal year ending August 31, 2005. He indicated that Mark Kettner from Rehmann Robson gave a presentation to the Board. Mr. Thomas also explained that, at the time, the management letter was not completed but that it is now complete. He

directed the Board's attention to that document. He pointed out that Mr. Kettner has made two recommendations in the management letter regarding utility billing subsidiary ledger reconciliation and bank reconciliations, both of which have been addressed.

Edward B. Koryzno, Jr. acknowledged that there were five recommendations from the audit in the prior year and that all of those were addressed as well. He indicated that this is a credit to the responsiveness of YCUA's staff. Larry J. Doe interjected that a great deal of thanks is due to the new Finance Director, who has done an excellent job.

Informational only; no motion from the Board required.

E. Request to Approve - Change Order No. 25 re: Wastewater Treatment Plant Expansion/Improvements Project - T. Michael Jessee

Mr. Jessee directed the Board's attention to Change Order No. 25 for the WWTP expansion/improvements project as well as a memo from Mike Jessee regarding the change order. He indicated that the change order covers several items addressed in his memo and represents an increase in the project cost in the amount of \$81,542. Mr. Jessee also explained that this change order brings total changes to \$95,063,835. He pointed out that the change order addresses items that were discovered during the project as well as changes that staff requested. Mr. Jessee explained that there are sufficient funds in the contingency fund to cover this increase.

Mr. Jessee recommended approval of Change Order No. 25 re: Wastewater Treatment Plant Expansion/Improvements Project in the amount of \$81,542.

Motion by Namatevs to approve Change Order No. 25 re: Wastewater Treatment Plant Expansion/Improvements Project in the amount of \$81,542. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

F. Request to Approve – Container Dump Truck Purchase - T. Michael Jessee

Mr. Jessee advised the Board that the vehicle used to transport grit, trash, and, occasionally, ash to the landfill is in need of replacement. He indicated that staff prepared RFPs for the purchase of a container dump truck to replace the existing truck purchased as original equipment for the wastewater treatment plant. Mr. Jessee also explained that advertising and bidding requirements specified in the purchasing policy were followed. He pointed out that only one bid was received from Wolverine Truck Sales in the amount of \$122,869 with additional options of \$1,891 for a total of \$124,760. Mr. Jessee explained that this vehicle qualifies for EPA replacement fund usage.

Mr. Jessee recommended approval of the bid from Wolverine Truck Sales in the amount of \$124,760.

Philip W. Wagner inquired as to whether the Authority can use sole source bidding in instances such as this without jeopardizing the EPA replacement fund monies. Mr. Jessee responded that and the EPA has no requirements regarding multiple bids. Larry R. Thomas concurred, adding that the only stipulation is that the EPA replacement fund can only be used to replace original equipment.

Larry J. Doe inquired as to what will be done with the existing truck. Mr. Jessee responded that it will probably be auctioned off.

Motion by Wagner to approve the bid from Wolverine Truck Sales in the amount of \$124,760. Support by Scott. In favor: All. Opposed: None. (Motion carried)

G. Request to Approve - Purchase of Utility Carts - T. Michael Jessee

Mr. Jessee advised the Board that an additional gas powered utility cart is needed for outside wastewater operations and that the two electric powered utility carts are replacing two existing utility carts. He indicated that staff advertised RFPs for the purchase of a gas powered 4 x 4 utility cart and two electric utility carts. Mr. Jessee also explained that bids were prepared and advertised in accordance with our purchasing policy. He pointed out that two bids were received for the gas powered utility carts. Mr. Jessee explained that Bobcat of Motor City submitted the low bid for the gas-powered utility cart at \$13,489.94. He further advised that Energy Products and Services submitted the only bid for the two electric powered utility carts at \$12,108. Mr. Jessee stated that these purchases are budgeted in this year's capital budget and equipment fund dollars will be used.

Mr. Jessee recommended approval of the purchase of the gas powered utility cart from Bobcat of Motor City in the amount of \$13,489.94 and two electric powered utility carts from Energy Products and Services in the amount of \$12,108 for a total of \$25,579.94.

Motion by Koryzno to approve the purchase of the gas powered utility cart from Bobcat of Motor City in the amount of \$13,489.94 and two electric powered utility carts from Energy Products and Services in the amount of \$12,108 for a total of \$25,579.94. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

H. Request to Approve - Purchase of Autoclave – Perry M. Thomas

Mr. Thomas advised the Board that the wastewater treatment plant laboratory is in need of a replacement autoclave. He indicated that an RFP was developed and advertised in accordance with our purchasing policy. Mr. Thomas also explained that three bids were received with the low bid

from Fisher Scientific Company in the amount of \$12,392.98. He pointed out that this equipment qualifies for financing with EPA replacement fund dollars. Mr. Thomas explained that this item has been budgeted in the capital budget and will be paid for with EPA replacement fund proceeds.

Mr. Thomas recommended approval of the bid from Fisher Scientific Company in the amount of \$12,392.98.

Motion by Wagner to approve the bid from Fisher Scientific Company in the amount of \$12,392.98. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

I. Request to Approve - Ultraviolet Construction Final Balancing Change Order No. 5 - T. Michael Jessee

Mr. Jessee advised the Board that the ultraviolet disinfection system has been in use by the Authority since 2002. He indicated that it was constructed by Spence Brothers at the wastewater treatment plant as the first phase of the expansion / improvements project. Mr. Jessee also explained that the project has never been closed, as issues have never been satisfied with the final lawn restoration in the area. He pointed out that staff recently met with Spence Brothers and the parties have agreed upon a reduction in the contract amount in lieu of the satisfactory restoration of the lawn. Mr. Jessee explained that YCUA staff will repair the lawn at the end of the expansion and improvements project in exchange for a deduction from monies owed to Spence Brothers. He further advised that this change order represents a reduction in the contract price of \$1,750.

Mr. Jessee recommended approval of Ultraviolet Construction Final Balancing Change Order No. 5 in the credit amount of \$1,750.

Motion by Koryzno to approve Ultraviolet Construction Final Balancing Change Order No. 5 in the credit amount of \$1,750. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

J. Request to Approve - OHM Proposal for Update of YCUA Sewer Master Plan - T. Michael Jessee

Mr. Jessee advised the Board that Tetra Tech prepared a sewer master plan for YCUA in 1999. He indicated that the plan projected flows for the collection system based on the accepted modeling procedures used at that time. Mr. Jessee also explained that those procedures resulted in very conservative estimates of sewer flows that would be experienced during wet weather events.

He pointed out that YCUA staff has always been concerned that the model was over-predicting wet weather inflow and infiltration into our collection system. Mr. Jessee explained that staff was recently introduced to a collection system modeling methodology that takes into consideration the changing moisture content of soils. He further advised that this

methodology results in predictions of sewage flows that appear to more realistically estimate observed conditions in our sanitary collection system during wet weather events. Mr. Jessee stated that Robert Czachorski from OHM developed the method.

He acknowledged that Authority staff met with MDEQ regarding the use of this methodology known as “antecedent moisture methodology.” Mr. Jessee confirmed that they have tentatively agreed to the plans of revising the sewer master plan using this methodology, which should result in significant savings for the Authority in predicted improvements needed for the collection system. He explained that it may also result in fewer I & I studies being needed in the future under the District Compliance Agreement as well.

Mr. Jessee directed the Board’s attention to a proposal from OHM to revise the sewer master plan for \$105,000. Mr. Jessee pointed out that staff is anticipating that additional modeling will be required by MDEQ and is recommending to the Board an additional \$25,000 for the second cut modeling for a total of \$130,000. He also stated that this study is not budgeted, however, staff has spoken with MDEQ and they have tentatively agreed to the postponement of the Golfside collection area I & I study, budgeted at \$150,000, until next year while this revision is taking place. Mr. Jessee advised that staff recommends the allocation of those funds to this sanitary sewer master plan revision.

Mr. Jessee recommended approval of the OHM Proposal for Update of YCUA Sewer Master Plan in the amount of \$130,000.

Motion by Namatevs to approve the OHM Proposal for Update of YCUA Sewer Master Plan in the amount of \$130,000. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

K. Informational Item - Water Main Replacement, Township Division DWRP Projects - T. Michael Jessee

Mr. Jessee gave the Board a detailed update on the three water main projects in Ypsilanti Township that are planned for the upcoming construction season. He advised that the projects are located in the Huron Valley / Congress, Snow / Bradley / I-94, and Ecorse / Emerick / I-94 areas. Mr. Jessee clarified that some of the restoration work may not be completed until 2007 and that it depends on the receipt of DWRP funds.

Philip W. Wagner interjected that residents are concerned that the roads might not be restored quickly and that YCUA needs to make sure it has sufficient bypasses set up if the jobs aren’t completed on a timely basis.

Larry J. Doe added that it’s important that the contractors are responsible to repair any pavement that they damage. Mr. Jessee responded that that is indeed spelled out in the bidding documents. He added that a great deal

of work will be done using the pipe bursting method, which will cut down on a lot of the road restoration work.

Informational only; no motion from the Board required.

L. Informational Item - Bridge Road Water Plant Demolition - T. Michael Jessee

Mr. Jessee gave the Board a detailed update on the demolition of the Bridge Road water treatment plant. He indicated that staff has met with Stantec, the demolition engineer, to discuss specific goals. Mr. Jessee also stated that Stantec will soon be visiting the site and reviewing the Geotrans site assessment. He reported that the entire site will be cut off at eight inches below grade level, which will bring it back to a park-like setting. Mr. Jessee also indicated that in March, YCUA and the township will be meeting with Stantec again to discuss any concerns the township may have about the adjacent dam.

Informational only; no motion from the Board required.

M. 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.

Informational only; no motion from the Board required.

N. Financial Report – Authority Net Assets - Larry R. Thomas

Mr. Thomas directed the Board's attention to the Financial Report – Authority Net Assets Reports for January. He then proceeded to give a detailed report of the information contained in the reports and answered questions from the Board.

Informational only; no motion from the Board required.

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

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

Informational only; no motion from the Board required.

P. 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:

Edward B. Koryzno, Jr. acknowledged the efforts of Gwyn Belcher and the YCUA staff in getting the Authority's organization analysis off the ground. Larry J. Doe concurred and added that the atmosphere at the Authority seems to be moving in the right direction.

6. **STATEMENTS AND CHECKS:** Motion by Namatevs to pay the bills in the amount of \$3,382,927.26 plus an addendum in the amount of \$ 633,248. Support by Koryzno. In favor: All. Opposed: None. (Motion carried.)

7. **PUBLIC COMMENTS:**

There were no public comments for the month.

8. **ADJOURNMENT:** Motion by Wagner to adjourn the meeting at 5:04 p.m. Support by Scott. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,




MARK NAMATEVS, Secretary/Treasurer