



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, March 27, 2007 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

Members Present: Larry J. Doe, Mark Namatevs, J. Ray Scott and Gregory A. Peoples.

Members Absent: Edward B. Koryzno, Jr.

1. **CALL TO ORDER:** Doe called the meeting to order at 4:04 p.m. He welcomed new Board member Gregory A. Peoples. Mr. Peoples responded that he is looking forward to working with the YCUA Board of Commissioners. Mr. Doe then wished Vice Chair Edward B. Koryzno, Jr. well after his recent surgery.
2. **MINUTES OF THE PREVIOUS MEETING:** Motion by Scott to receive and file the minutes of the February 27, 2007 meeting. Support by Peoples. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**

A. Request to Approve – Contract re: M-17 Highway Construction Project and YCUA Resolution No. 07-3 Approving the Contract - Larry R. Thomas

Mr. Thomas reminded the Board that YCUA is planning to replace the water main on Ecorse Road from Michigan Avenue to Ford Blvd. as part of an MDOT road restoration project there this summer. He indicated that the Authority will be entering into an agreement with MDOT so that the water main replacement work will be part of their overall contract for the roadwork, similar to agreements we enter into with WCRC for their road projects. Mr. Thomas also explained that the best time to proceed with the water main replacement project is while the roadwork is being done on Ecorse Road. He pointed out that MDOT is willing to put this work into their contract.

Mr. Thomas directed the Board's attention to a draft of that agreement, a resolution approving the agreement, and a memo from Mike Jessee recommending a project budget of \$1,790,900, which is the contracted

cost, plus a \$170,000 contingency budget, for a total budget of \$1,960,900. He further advised that Tom Daniels reviewed the contract and requested some minor changes.

Mr. Thomas stated that YCUA is bonding for the township portion of this project. He acknowledged that the bond that will be sold at the end of this month and includes the \$1.5 million in new money for the township portion of this project as well as about \$12.5 million for refunding existing bonds. Mr. Thomas confirmed that the City Division portion of this project will be paid through the City Division Reserve for Construction Fund.

He explained that the draft contract that MDOT has sent us differs from what YCUA was expecting in one key area. Mr. Thomas pointed out that MDOT wants the \$1,790,900 contracted cost of the water main portion of the project to be deposited in their account by April 1st, prior to their signing the construction contract. He also stated that the Authority will not have the bond proceeds in hand by April 1st and that bond counsel is estimating mid-April for delivery.

Mr. Thomas recommended approval of Resolution No. 07-3 authorizing Larry J. Doe and him to sign the contract with MDOT in the amount of \$1,790,900 with a contingency budget of \$170,000, authorization to transfer Lease Fund monies to MDOT, as is required in the present draft of the contract, on or before April 1st, and to reimburse the Lease Fund upon receipt of Township Division bond proceeds and city council's approval of the use of City Division Reserve for Construction funds.

Thomas A. Daniels advised the Board that he recently spoke with the attorney general for MDOT regarding some changes to the document and that their conversation is ongoing. He asked that the agreement be approved pending possible additional changes. Mr. Daniels indicated that these discussions will not change the timing of the funding.

Larry J. Doe inquired as to whether moving the funds as presented poses any legal issues. Mr. Thomas responded that the funds are only restricted by the Board.

Motion by Scott to approve Resolution No. 07-3 authorizing Larry J. Doe and him to sign the contract with MDOT in the amount of \$1,790,900 with a contingency budget of \$170,000, authorization to transfer Lease Fund monies to MDOT, as is required in the present draft of the contract, on or before April 1st, and to reimburse the Lease Fund upon receipt of Township Division bond proceeds and city council's approval of the use of City Division Reserve for Construction funds. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

B. Request to Approve – Tetra Tech Proposal re: Evaluation of Alternative Odor Control Measures - T. Michael Jessee

Mr. Jessee directed the Board's attention to a proposal from Tetra Tech regarding the evaluation of alternative odor control measures as well as his memo regarding the same. He indicated that the air ionization that was supplied through the plant expansion to deal with the odors generated in the sewage treatment plant is not performing as well as was anticipated. Mr. Jessee also explained that this proposal is for an evaluation of alternative odor control strategies that may be necessary at the Authority.

He pointed out that additional and redundant odor control strategies are needed to deal with the various odors being generated during our treatment processes. Mr. Jessee explained that the odors are more intense than had been anticipated originally.

He further advised that the contract in the amount of \$68,000 and will be paid through the O & M budget. Mr. Jessee stated that staff has reviewed and is recommending approval of the supplemental design for improvements in odor control proposal from Tetra Tech.

Mr. Jessee recommended approval of the Tetra Tech Proposal re: Evaluation of Alternative Odor Control Measures in the amount of \$68,000 to be paid through the O & M budget.

Mark Namatevs commented that a great deal of time was spent on air ionization and inquired as to whether this option has been completely abandoned. Mr. Jessee responded that air ionization will not likely serve the Authority's needs in all areas and that these alternatives are being looked into as supplemental means of odor control.

Mr. Namatevs also inquired as to whether the practice of introducing chemical additives will be continued. Mr. Jessee responded that the VX454 additive being introduced into the blending tanks and the sludge prior to it going into the belt gravity thickeners. He stated that the VX-456 will probably be utilized in the future because air ionization is not likely to be effective to the degree that YCUA can expose its operators to that kind of environment when working directly with the sludge in the gravity belt rooms. Mr. Jessee indicated that the use of VX454 costs the Authority approximately \$450 per day but that efforts are being made to minimize that. He also stated that if another system like this one can be designed to remove the odorous air from the primary storage tanks and the TWAS – WAS tanks and introduce it to the air ionization basins, the chemical feed in those areas can be discontinued.

Motion by Peoples to approve the Tetra Tech Proposal re: Evaluation of Alternative Odor Control Measures in the amount of \$68,000 to be paid through the O & M budget. Support by Scott. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Tetra Tech Proposal re: Odor Control Land Disposal Project - T. Michael Jessee

Mr. Jessee advised the Board that, while the incinerator was being constructed, YCUA had problems regarding the odor of the sludge delivered to the landfill. He indicated that, prior to the new filter press technology that was installed as part of the expansion / improvements project at the wastewater plant, lime was added as a conditioning agent in the old dewatering process.

Mr. Jessee also explained that the lack of lime in the new process caused severe odor problems with the sludge at the landfill. He pointed out that, in the future, when the Authority needs to transport sludge to the landfill while the incinerator is down for maintenance or repairs, staff will be faced with the same situation. Mr. Jessee explained that other wastewater plants are using a process of adding powdered lime to filter belt press dewatered sludge as the sludge is being loaded into transport trucks. He further advised that staff requested a proposal from Tetra Tech to prepare plans and specifications and produce bidding documents for such a modification at the wastewater plant.

Mr. Jessee directed the Board's attention to that proposal as well as his memo regarding the same. He acknowledged that the proposal is a not-to-exceed price of \$24,000 and will be paid from the O & M budget. Mr. Jessee confirmed that staff has reviewed the attached proposal and recommends approval.

Mr. Jessee recommended approval of the Tetra Tech Proposal re: Odor Control Land Disposal Project in a not-to-exceed amount of \$24,000 to be paid from the O & M budget.

Motion by Namatevs to approve the Tetra Tech Proposal re: Odor Control Land Disposal Project in a not-to-exceed amount of \$24,000 to be paid from the O & M budget. Support by Scott. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve – Tetra Tech Proposal re: Lead Paint Abatement Project - T. Michael Jessee

Mr. Jessee directed the Board's attention to his memo regarding the lead paint abatement project as well as a proposal from Tetra Tech regarding the same. He indicated that staff requested the proposal from Tetra Tech to prepare specifications and bidding documents in order to prepare a contract to remove lead impregnated coatings on several walls and ceilings in the wastewater treatment plant sludge building.

Mr. Jessee also explained that the paint in these areas is beginning to deteriorate and detach from these surfaces and needs to be removed. He pointed out that, due to the lead in the paint, the project needs to be done by a qualified provider of such services. Mr. Jessee explained that the proposal is for a budget amount not-to-exceed \$46,750. He further advised that staff has reviewed and recommends approval of the proposal.

Mr. Jessee recommended approval of the Tetra Tech Proposal re: Lead Paint Abatement Project in an amount not-to-exceed \$46,750.

Mr. Doe commented that this figure sounds high. Mr. Jessee responded that the costs involved actually involve protecting the incinerator during this process. He added that staff did research the doing the project in house but it was determined that, in light of OSHA and MIOSHA regulations, it would be best to turn the project over to a qualified contractor.

Mr. Doe also inquired as to whether there are any other YCUA facilities in need of lead paint abatement at this time. Mr. Jessee responded that many buildings at the Authority are likely to contain some lead paint but that no others are in a state of deterioration at this time.

Mr. Namatevs inquired as to whether this area can be encapsulated. Mr. Jessee responded that he does not support the idea of encapsulating contaminated areas or toxic coatings because, if it is simply covered over, employees in the future might never know that there is lead paint underneath.

Mr. Scott inquired as to whether this is a one-time project. Mr. Jessee responded affirmatively.

Motion by Peoples to approve the Tetra Tech Proposal re: Lead Paint Abatement Project in an amount not-to-exceed \$46,750. Support by Scott. In favor: All. Opposed: None. (Motion carried)

E. 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.

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

Mr. Thomas directed the Board's attention to the Financial Report – Authority Net Assets Reports for February. 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.

G. 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.

Mr. Scott inquired as to whether the Detroit overcharge went to their fire protection system. Mr. Thomas responded that this went to their 911

emergency system and will show up as a credit to YCUA for future water purchases.

Informational only; no motion from the Board required.

H. 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:

I. Shadford Tower – Mr. Thomas advised the Board that YCUA has been contacted by PCS Metrocom regarding rental of space at the top of Shadford Tower for cell phone antennas. He indicated that Tom Daniels has been speaking with their representatives and has advised the Authority that PCS Metrocom is offering a rate for that rental that seems to be inline with other rates in the area. Mr. Thomas stated that YCUA staff checked with an outside consultant who recommends a rate of \$1,600 – \$1,700 per month for rental of the area to be increased by 18% every five years that the lease is renewed.

He advised that the revenues split with Ypsilanti Public Schools because of the easement issues in place. Mr. Thomas indicated that there are existing leases for the top of Shadford Tower with two other companies. Mr. Thomas indicated that Metro PSC seems to be ready to proceed.

Tom Daniels interjected that he would like to tell PSC Metrocom that he has the YCUA Board's authorization because they want to know every step of the way that a contract will be accepted.

Mr. Thomas recommended approval of a request for authorization for Mr. Daniels and him to continue negotiations with Metro PSC in an attempt to agree on a contract in the area of \$1,600 - \$1,700 per month with the five-year 18% renewal clause as well as authorization to commit the Authority to that contract and present it to school system for their approval before bringing the contract back to the Board in April for final approval.

Mr. Namatevs inquired as to how this lease compares to the one with the others already in place. Mr. Daniels responded that YCUA's contract with Sprint began a few years back at \$1,500 per month and that the contract with T Mobile is for \$1,625 per month.

Motion by Scott to approve the request for authorization for Mr. Daniels and Mr. Thomas to continue negotiations with Metro PSC in an attempt to agree on a contract in the area of \$1,600 - \$1,700 per month with the five-year 18% renewal clause as well as authorization to commit the Authority to that contract and present it to school system for their approval before

bringing the contract back to the Board in April for final approval.
Support by Peoples. In favor: All. Opposed: None. (Motion carried)

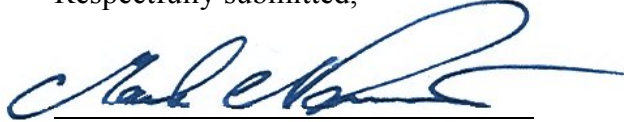
6. **STATEMENTS AND CHECKS:** Motion by Namatevs to pay the bills in the amount of \$2,420,653.26 plus an addendum in the amount of \$65,533.75. Support by Scott. In favor: All. Opposed: None. (Motion carried.)

7. **PUBLIC COMMENTS:**

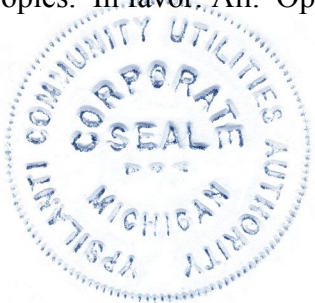
There were no public comments for the month.

8. **ADJOURNMENT:** Motion by Scott to adjourn the meeting at 4:39 p.m. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,



MARK NAMATEVS, Secretary/Treasurer



YCUA RESOLUTION NO. 07-3
APPROVING CONTRACT WITH MICHIGAN DEPARTMENT OF TRANSPORTATION
FOR M-17 HIGHWAY CONSTRUCTION PROJECT

Minutes of a regular meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 27th day of March 2007 at 4:00 o'clock p.m., Eastern Daylight Time.

PRESENT: Commissioners Larry J. Doe, Mark Namatevs, J. Ray Scott, and
Gregory A. Peoples

ABSENT: Commissioners Edward B. Koryzno, Jr.

The following preamble and resolution were offered by Commissioner Scott and supported by Commissioner Peoples:

WHEREAS, the Michigan Department of Transportation (MDOT) is in the process of preparing to resurface the portion of M-17 in the City of Ypsilanti and Ypsilanti Township from Michigan Avenue to approximately Ford Boulevard; and

WHEREAS, the Ypsilanti Community Utilities Authority (YCUA) owns the water mains within the M-17 road right-of-way; and

WHEREAS, YCUA has requested that MDOT incorporate the water main replacement project into their road improvements project; and

WHEREAS, MDOT has agreed to this arrangement.

NOW, THEREFORE, BE IT RESOLVED THAT, upon approval of the contract language by YCUA's legal counsel, Larry J. Doe, Chair of the YCUA Board of Commissioners, and Larry R. Thomas, Director of YCUA, be authorized to sign the contract with MDOT to replace the water main in the section of M-17 to be resurfaced with YCUA reimbursing MDOT.

AYES: Commissioners

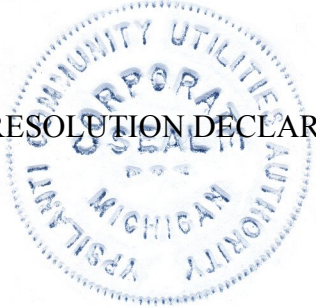
Larry J. Doe, Mark Namatevs, J. Ray Scott, and

Gregory A. Peoples

NAYS: Commissioners

None.

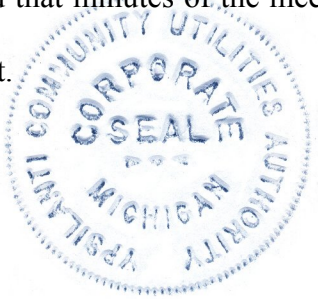
RESOLUTION DECLARED ADOPTED.



A handwritten signature in blue ink, appearing to read "Mark Namatevs", written over a horizontal line.

MARK NAMATEVS, Secretary/Treasurer

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a regular meeting held on the 27th day of March 2007 and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.



MARK NAMATEVS, Secretary/Treasurer