



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, November 25, 2008 – 9:00 a.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

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

Members Absent: J. Ray Scott and Deedra Climer Bass.

1. **CALL TO ORDER:** Namatevs called the meeting to order at 9:05 a.m. Motion by Peoples to table Item 8.K until the next Board meeting. Support by Doe. In favor: All. Opposed: None. (Motion carried.) Larry R. Thomas introduced the new YCUA Information Technology Manager Stewart Carroll.
2. **MINUTES OF THE PREVIOUS MEETINGS:** Motion by Doe to receive and file the minutes of the October 28, 2008 meeting as presented. Support by Peoples. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **Request to Approve – 2009 YCUA Board Meeting Schedule** – Larry R. Thomas

Mr. Thomas reminded the Board that, each calendar year, the Board approves its regular meeting schedule for the coming year. He indicated that a draft schedule for next year has been prepared. Mr. Thomas also explained that for January through November, the meeting date is the fourth Tuesday at 9:00 a.m. He pointed out that staff has tentatively set the meeting in December for the third Tuesday since the fourth Tuesday is December 23rd, on which it may be difficult to obtain a quorum.

Mr. Thomas recommended approval of the 2009 YCUA Board of Commissioners Meeting Schedule as presented.

Motion by Peoples to approve the 2009 YCUA Board of Commissioners Meeting Schedule as presented. Support by Doe. In favor: All. Opposed: None. (Motion carried)
 - B. **Request to Approve – Revised YCUA Resolution No. 08-9 re:**

Retirement of C. Wayne Dudley – Larry R. Thomas

Mr. Thomas advised the Board that this is a revised retirement resolution for maintenance supervisor Wayne Dudley. He indicated that this was originally approved in September with a retirement date of September 30, 2008. Mr. Thomas also explained that Mr. Dudley was subsequently asked to consider staying on until an IT supervisor could be hired. He pointed out that Mr. Dudley elected to stay on for two more months with a new retirement date of December 19, 2008. Mr. Thomas explained that this resolution reflects that new date.

Mr. Thomas recommended approval of Revised YCUA Resolution No. 08-9 re: Retirement of C. Wayne Dudley.

Motion by Doe to approve Revised YCUA Resolution No. 08-9 re: Retirement of C. Wayne Dudley. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Customer Service Replacement Computer Purchases – T. Michael Jessee

Mr. Jessee advised the Board that the customer service departments needs 11 computers for customer service. He indicated that the computers are needed in order to more adequately run Clarity, which is the new upgraded Caselle system for utility billing applications. Mr. Jessee also explained that the IT department procured three quotes and checked with MITN to make sure YCUA received the government pricing receiving the state contract savings, which it did. He pointed out that staff is recommending the purchase of a total of 11 computers in the amount of \$16,869.71. Mr. Jessee explained that this is a budgeted item in the amount of \$16,900.

Mr. Jessee recommended approval of the Customer Service Replacement Computer Purchases in the amount of \$16,869.71.

Larry J. Doe inquired as to the age of the present computers and what will be done with them. Mr. Jessee responded that the current computers were purchased in 2004 and will be archived for use in other locations. Gwyn Belcher interjected that the computers are most likely to be used in a new in-house training facility for employees.

Mark Namatevs inquired as to whether any local vendors were contacted for this bid. Mr. Jessee responded that they were not but that the supplier has a contract with the State of Michigan.

Motion by Doe to approve the Customer Service Replacement Computer Purchases in the amount of \$16,869.71. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve – Bridge Road Water Storage Tank Project – T. Michael Jessee

Mr. Jessee advised the Board that there are two large tanks at the Bridge Road facility that will hold five million gallons each of water for storage. He indicated that the north tank is in need of repairs, cleaning, and painting inside and out. Mr. Jessee also explained that the south tank is in good shape as it was last painted in 1998. He pointed out that staff is presently painting the Holmes Road storage tank as well. Mr. Jessee explained that Dixon Engineering is deeply involved in the Holmes Road project, so they were contacted for the Bridge Road project. He further advised that Dixon came back with a proposal in the amount of \$17,450. Mr. Jessee stated that this amount includes the inspection and preparation of all bidding documents for the painting of the north tank and cleaning of the south tank as well as oversight of the project. He acknowledged that this does not include the painting and cleaning itself, for which \$691,000 has been budgeted.

Mr. Jessee recommended tabling the Bridge Road Water Storage Tank Project item due to several Board members making the suggestion that something decorative be painted on the tank in question. Mr. Jessee responded that he would look into having Dixon rebid the project to include some murals.

Motion by Doe to table the Bridge Road Water Storage Tank Project item. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

E. Request to Approve – DWSD Water Connection Valve Replacement – T. Michael Jessee

Mr. Jessee advised the Board that this is the YT01 connection. He indicated that this is the original connection to DWSD and has been in operation since the early 1970s. Mr. Jessee also explained that staff would like to replace this valve and the associated pipework. He pointed out that staff would like to purchase this valve directly rather than allow a contractor to do, which would result in a 10% markup. Mr. Jessee explained that staff's preference is the Rodney Hunt Roto Cone Valve. He further advised that this type of valve is also used in the YT02 connection to Detroit and consistency with the valves throughout the system is desirable. Mr. Jessee stated that Hamlett Engineering Sales Company (HESCO) is the only supplier in the area and has provided a bid in the amount of \$56,620.

Mr. Jessee recommended approval of DWSD Water Connection Valve Replacement bid from HESCO in the amount of \$56,620.

Motion by Peoples to approve the DWSD Water Connection Valve Replacement bid from HESCO in the amount of \$56,620. Support by Doe. In favor: All. Opposed: None. (Motion carried)

F. Fund Balance Report - Larry R. Thomas

Mr. Thomas directed the Board's attention to the Fund Balance Report for October 31, 2008. 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.

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

Mr. Thomas directed the Board's attention to the Financial Report – Authority Net Assets Report for October 31, 2008. 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.

H. 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 report and answered questions from the Board.

Informational only; no motion from the Board required.

I. Attorney's Report – Thomas E. Daniels

Mr. Daniels advised the Board that he has four items to report on this month, one of which will drop off and will not be reported again.

He indicated that reminded the Board that, last month, the case evaluation in the C.A. Hull matter was discussed rather cryptically. Mr. Daniels also explained that he did not share the numbers with the Board at that time due to the fact that they were still within the 21-day acceptance / rejection period and staff wanted to be cautious about what the minutes reflected in that regard. He pointed out that, since that time, the claim that YCUA filed against URS has been settled for \$20,000 and URS will now be released from the litigation. Mr. Daniels explained that the litigation will continue to move forward against C.A. Hull. He further advised that the case evaluation award relative to C.A. Hull was that it will pay YCUA \$145,000, which the Authority and C.A. Hull both rejected. Mr. Daniels stated that the parties will now move forward through a settlement conference and trial process on that particular claim. He acknowledged that YCUA rejected the award because it did not feel it was adequate and that it can do better at trial. Mr. Daniels confirmed that the claim is in the amount of \$272,000 including all overhead. He explained that the Authority decided to isolate URS and extract what it could from them now so that it can focus on C.A. Hull exclusively at the time of the settlement conference and trial. Mr. Daniels pointed out that the settlement conference will take place on December 8th and he will be there with Larry Thomas and / or Mike Jessee. He also stated that he does not anticipate

that the case will settle through that process since it could not be accomplished through the case evaluation process.

Mr. Daniels advised the Board that the status of the Meade Westvaco matter has not changed over the last two reports. He indicated that the case is still in pre-trial discovery, which concludes at the end of February. Mr. Daniels also explained that this includes document exchanges as well as meetings with witnesses. He pointed out that, after the first of the year, YCUA will engage approximately one-half dozen depositions of Meade Westvaco and Bioclimatic representatives.

Mr. Daniels explained that WTUA filed a Motion for Summary Disposition in the WTUA arbitration matter, which was scheduled for a hearing on November 13th but postponed due to a family emergency of one of the panel members. He further advised that, since then, a conference call with the panel has been moved to December 8th and oral arguments and case hearing is scheduled for January.

Mr. Daniels stated that the appeal period for ABC Paving has now expired and they did not file an application to appeal to the Supreme Court, so the case is officially closed. He acknowledged that this will be the last report on this matter. Mr. Daniels confirmed that this matter closed in YCUA's favor with a successful result in the trial court which was affirmed in the Court of Appeals.

Informational only; no motion from the Board required.

J. Director's Report - Larry R. Thomas

Mr. Thomas advised the Board that the YCUA Personnel Committee met recently and approved the plan for reorganization within the Authority, which includes two points of interest.

He indicated that a new information technology department has been created which included the hiring of the new IT Manager Stewart Carroll. Mr. Thomas also explained that, previously, all of the IT related items were handled out of the maintenance department. He pointed out that the new IT Manager will report to Mike Jessee rather than through the maintenance department.

Mr. Thomas explained that the second change involves the moving of the customer service department from the Director of Administrative Services chain of command to the Finance Director. He further advised that this is a more naturally occurring organization which also gives the Director of Administrative Services time to be out in the field more often.

Mark Namatevs commended the Administrative Services Director for her willingness "to get out there and get (her) hands dirty."

Informational only; no motion from the Board required.

4. OLD BUSINESS:

There was no other 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 \$2,968,876.77 with an addendum in the amount of \$10,576.84. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

7. PUBLIC COMMENTS:

Angela Tabor, AFSCME staff representative addressed the Board in order to inform them of labor union matters. She indicated that the atmosphere has improved and commended Gwyn Belcher, Director of Administrative Services, for being out in the field among the AFSCME members. Ms. Tabor stated that Gwyn's presence was making a difference.

- 8. ADJOURNMENT:** Motion by Doe to adjourn the meeting at 9:36 a.m. Support by Peoples. In favor: All. Opposed: None. (Motion carried)



Respectfully submitted,

DEEDRA CLIMER BASS, Secretary/Treasurer

**YCUA REVISED RESOLUTION NO. 08-9 ANNOUNCING
THE RETIREMENT OF C. WAYNE DUDLEY AND
COMMENDING HIM FOR HIS SERVICE**

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 25th day of November 2008 at 9:00 o'clock a.m., Eastern Standard Time.

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

ABSENT: Commissioners J. Ray Scott and Deedra Climer Bass

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

WHEREAS, C. Wayne Dudley, an employee of the Ypsilanti Community Utilities Authority, has completed thirty (30) years of service to the Authority; and

WHEREAS, C. Wayne Dudley has requested retirement as of December 19, 2008 and

WHEREAS, C. Wayne Dudley demonstrated probity, loyalty, dependability, and dedication to his employment; and

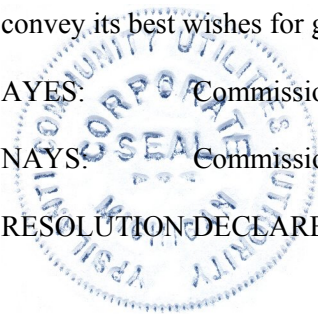
NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends C. Wayne Dudley for his accomplishments and years of service to the Authority and expresses its appreciation to him.


BE IT FURTHER RESOLVED THAT a suitably inscribed copy of this Resolution of Retirement be sent to C. Wayne Dudley as an expression of the Board's sincere appreciation for his years of service and the desire to convey its best wishes for good health and happiness in his retirement.

AYES: Commissioners Mark Namatevs, Larry J. Doe, and Gregory A. Peoples

NAYS: Commissioners None

RESOLUTION DECLARED ADOPTED.




MARK NAMATEVS, Vice-Chair

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 25th day of November 2008 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, Vice-Chair