



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, December 18, 2007 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

Members Present: Larry J. Doe, Gregory A. Peoples, and Deedra Climer Bass.

Members Absent: Mark Namatevs and J. Ray Scott.

1. **CALL TO ORDER:** Doe called the meeting to order at 4:19 p.m. Mr. Doe asked that everyone keep J. Ray Scott in their thoughts regarding the death of his mother.
2. **MINUTES OF THE PREVIOUS MEETINGS:** Motion by Peoples to receive and file the minutes of the November 27, 2007 meeting. Support by Bass. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **AWWA Safety Recognition Award to YCUA – Larry R. Thomas**

Mr. Thomas advised the Board that YCUA Health and Safety Supervisor Scott E. Robinson recently applied for the American Water Works Association Safety Award on behalf of the Authority. He indicated that YCUA received an Award of Recognition for its program. Mr. Thomas also explained that Mr. Robinson was present to address the Board and present the AWWA Safety Award of Recognition to the Authority.

Mr. Robinson advised the Board that the 2007 AWWA Utility Safety Recognition Award is presented to the entire YCUA family by the AWWA's Michigan Section Safety Practices Committee. He indicated that the purpose of the Safety Practices Committee of the AWWA is to promote safety consciousness and encourage safe work practices in the waterworks industry. Mr. Robinson also explained that this award is given to YCUA to recognize the water utility for having a distinguished

safety program and for showing dedication and progress in providing a safe work place. He pointed out that it is the goal of the safety office and the entire YCUA family to continue to build upon the safety-conscious culture that is YCUA. Mr. Robinson explained that, by continuing on this path, the YCUA family shall not only provide for a safe environment for its employees but also continue to deliver the quality service that its customers deserve.

Mr. Thomas accepted the award on behalf of the Authority and all of its employees. He thanked Mr. Robinson for all of his hard work and dedication to the Authority's safety program. The acceptance met with applause from the assembly.

Informational only; no motion from the Board required.

B. Request to Approve – Director's Contract – Deedra Climer Bass

Ms. Bass advised the Board that, after a highly successful performance evaluation for the year, she recommended approval of Larry R. Thomas's contract extension for the period of September 1, 2009 through August 31, 2013.

Mr. Doe commented that he is extremely pleased with Mr. Thomas's performance and that he looks forward to the continuing excellence over the next four years of his contract. Mr. Peoples stated that there is much to be said about stability in an organization and that Mr. Thomas certainly adds that to the operation of YCUA. Mr. Thomas thanked everyone for their support.

Motion by Bass to approve the director's contract extension as presented. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve - Final Change Order No. 2 re: Midway Water Main Replacement Project – T. Michael Jessee

Mr. Jessee advised the Board that this project is complete and the final change order in the amount of \$6,723.31 is before them for their consideration and approval. He indicated that the change order addresses two items. Mr. Jessee also explained that the first item is \$875 for the installation of a cut and cap for the old water main and a thrust block for a connection into the new water main. He pointed out that after staff isolated the old water main, it was discovered that there were customers without water. Mr. Jessee explained that the second item is for a connection at 1725 Holmes Road. He further advised that, after the old water main was cut off, it was discovered that this address did not have

water service. Mr. Jessee stated that staff assumed that the service was tapped off at the Holmes Road main but it was not. He acknowledged that the contractor was required to put in a new short main and reconnect the building. Mr. Jessee confirmed that this resulted in a cost of \$5,848.31. He explained that, with the approval of this change order, the total project cost will come in under budget by \$6,975.24.

Mr. Jessee recommended approval of Final Change Order No. 2 re: Midway Water Main Replacement Project in the amount of \$6,723.31.

Ms. Bass inquired as to what controls are in place to make sure these types of assumptions are avoided. Mr. Jessee responded that there is documentation regarding this infrastructure but that this documentation is often very old and not always completely accurate. He added that the documentation is updated, corrected, and archived electronically by the consulting engineering once these discrepancies are discovered.

Motion by Peoples to approve Final Change Order No. 2 re: Midway Water Main Replacement Project in the amount of \$6,723.31. Support by Bass. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve - Change Order No. 2 re: Hewitt / Valley / Congress Water Main Replacement Project – T. Michael Jessee

Mr. Jessee advised the Board that this change order reflects a reduction in cost of \$68,087.22. He indicated that it addresses 58 items and that 30 items reflect an increase of \$156,550.28 and 28 items reflect a reduction of \$224,637.50.

Mr. Jessee recommended approval of Change Order No. 2 re: Hewitt / Valley / Congress Water Main Replacement Project in the credit amount of \$68,087.22.

Motion by Bass to approve Change Order No. 2 re: Hewitt / Valley / Congress Water Main Replacement Project in the credit amount of \$68,087.22. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

E. Request to Approve - Change Order No. 1 re: Sanitary Relining Project – T. Michael Jessee

Mr. Jessee advised the Board that there is only one item on this change order in the amount of \$1,100. He indicated that a second change order is presently being drafted for a small decrease in the contract price. Mr. Jessee also explained that this change order deals with the Lowell Street

portion of the project. He pointed out that the water main was installed as a part of the city project in conjunction with the Lowell Street pavement replacement. Mr. Jessee explained that, when the sanitary sewer was being relined in that area, it was discovered that the down end-stream of the pipe went from an 8-inch pipe to a 10-inch pipe. He further advised that this resulted in a 1-inch void all the way around the lining. Mr. Jessee stated that this was determined to be unacceptable and the contractor was asked to inject grout in order to fill in that void. He acknowledged that the \$1,100 cost for this work represents 4.25% of the \$25,832 contingency budget for the project.

Mr. Jessee recommended approval of Change Order No. 1 re: Sanitary Relining Project in the amount of \$1,100.

Motion by Peoples to approve Change Order No. 1 re: Sanitary Relining Project in the amount of \$1,100. Support by Bass. In favor: All. Opposed: None. (Motion carried)

F. Request to Approve - Purchase of Security Cameras for Water Distribution – T. Michael Jessee

Mr. Jessee advised the Board that there is a water distribution control office located in a facility separate from the wastewater treatment plant. He indicated that this facility controls the distribution of approximately 5 billion gallons of water per year through the YCUA system. Mr. Jessee also explained that this facility maintains all of the pumping, pressures, valve operation of the storage tanks. He pointed out that this facility is currently being monitored by five or six security cameras that monitor the outside of the building, the gates, and some internal areas. Mr. Jessee explained that these cameras have been online for 12 to 15 years and that their obsolete technology is resulting in increasingly poor quality and reliability. He further advised that the maintenance department prepared the specifications for a new security system that includes nine new cameras, a joystick for the control of the cameras, the installation of a digital recorder, two 19" monitors, labor for installation, and training on the system. Mr. Jessee stated that three bids were received and that the low bidder was SER in the amount of \$17,860. He acknowledged that staff is also requesting a contingency budget of \$2,140 for a total budget of \$20,000.

Mr. Jessee recommended approval of the Purchase of Security Cameras for Water Distribution from SER in the amount of \$20,000.

Motion by Peoples to approve the Purchase of Security Cameras for Water Distribution from SER in the amount of \$20,000. Support by Bass. In favor: All. Opposed: None. (Motion carried)

G. Request for Final Acceptance - Green Farms Phase III Community Development as a Public Utility – T. Michael Jessee

Mr. Jessee advised the Board that Green Farms is located on Whittaker Road between Martz and Bemis. He indicated that Phase III is the western edge of that large subdivision.

Mr. Jessee also explained that OHM has notified the Authority that this project is complete and constructed within all specifications outlined by YCUA. He pointed out that this developer has met all requirements.

Mr. Jessee recommended acceptance of the Green Farms Phase III Community Development project infrastructure as a public utility.

Motion by Peoples to accept the Green Farms Phase III Community Development project infrastructure as a public utility. Support by Bass. In favor: All. Opposed: None. (Motion carried)

H. Request for Final Acceptance - Pollard Banknote as a Public Utility - T. Michael Jessee

Mr. Jessee advised the Board that this office building is located on James Hart Drive off of Huron Street just south of I-94.

Mr. Jessee also explained that OHM has notified the Authority that this project is complete and constructed within all specifications outlined by YCUA. He pointed out that this developer has met all requirements.

Mr. Jessee recommended acceptance of the Pollard Banknote project infrastructure as a public utility.

Motion by Bass to accept the Pollard Banknote project infrastructure as a public utility. Support by Peoples. In favor: All. Opposed: None. (Motion carried)

I. 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.

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

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

K. 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.

L. Attorney's Report – Thomas E. Daniels

Mr. Daniels advised the Board that the same items as discussed in November deserve a brief mention again this month.

Mr. Daniels also explained that the situation with IDI continues to move forward slowly to the extent that the shutdown of the incinerator has been delayed until January 30 or 31 with inspection on February 11th. He pointed out that the Christman Company has given IDI a non-negotiable date that the shut-down will occur. Mr. Daniels explained that if IDI does not have its confined space arrangements made and their people in place at that time, YCUA will move forward with the shut-down and IDI will be back charged against what had been settled. He further advised that this has all been set forth in a letter from the Christman Company to IDI that went out the day previous.

Mr. Doe inquired as to the nature of the delay. Mr. Daniels responded that his information comes from John Herrygers who has been dealing the IDI's representative Kelly Froelich. He also stated that IDI claims to have lost money on the project and no longer has the financial incentive to get the job done once and for all. Mr. Daniels advised the Board that another explanation is that IDI had a lot of difficulty scheduling their people relative to the holidays and commitments to other projects.

Mr. Daniels stated that there are no big changes in the Meade Westvaco litigation. He acknowledged that it is moving forward and that the opposing party has retained counsel located in Ann Arbor.

Mr. Daniels confirmed that that the WTUA arbitration is moving forward. He explained that the C.A. Hull issue is still being litigated and that the ABC Paving case remains in the Court of Appeals.

Informational only; no motion from the Board required.

M. Director's Report - Larry R. Thomas

Mr. Thomas wished the Board a Merry Christmas and happy and safe New Year.

Informational only; no motion from the Board required.

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 \$2,344,424.43 with an addendum of \$5,830.32. Support by Bass. In favor: All. Opposed: None. (Motion carried)

7. PUBLIC COMMENTS:

There were no public comments for the month.

- 8. ADJOURNMENT:** Motion by Peoples to adjourn the meeting at 4:49 p.m. Support by Bass. In favor: All. Opposed: None. (Motion carried)



Respectfully submitted,

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

MARK NAMATEVS, Secretary/Treasurer