



# Minutes

---

**YPSILANTI COMMUNITY UTILITIES AUTHORITY  
BOARD OF COMMISSIONERS MEETING  
Tuesday, April 27, 2010 – 9:00 a.m.  
YCUA Administration Building  
2777 State Road  
Ypsilanti, MI 48198-9112**

**Members Present:** J. Ray Scott, Mark Namatevs, Deedra Climer Bass, and Larry J. Doe.

**Members Absent:** Gregory A. Peoples.

1. **CALL TO ORDER:** Mr. Scott called the meeting to order at 9:09 a.m.
2. **MINUTES OF THE PREVIOUS MEETINGS:** Motion by Doe to receive and file the minutes of the March 23, 2010 meeting as presented. Support by Namatevs. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
  - A. **Request to Approve - YCUA Resolution No. 10-2 re: Retirement for Jacqueline R. Davis** – Larry R. Thomas

Mr. Thomas advised the Board that Jackie Davis was an employee of the Authority for 29 years. He indicated that she retired on April 16, 2010. Mr. Thomas explained that, at the time of her retirement, she was the administrative assistant in the wastewater office. He pointed out that this resolution commends her for her years of service to the Authority.

Mr. Thomas recommended approval of YCUA Resolution No. 10-2 re: Retirement for Jacqueline R. Davis.

Motion by Namatevs to YCUA Resolution No. 10-2 re: Retirement for Jacqueline R. Davis. Support by Doe. In favor: All. Opposed: None. (Motion carried)
  - B. **Request to Approve – Contract with Teamsters Local 214** – Larry R. Thomas

Mr. Thomas advised the Board that the Authority has signed a tentative agreement with the Teamsters union, which represents the supervisory personnel at YCUA. He indicated that a table containing the key contract

changes was included in their Board materials. Mr. Thomas explained that the union membership has voted to approve the agreement and that Gwyn Belcher was present to give a brief overview of those key changes.

Ms. Belcher advised the Board that management was very pleased with the cooperation that was received from the Teamsters. She indicated that there were some concessions agreed upon as well as some significant language changes.

Ms. Belcher explained that the biggest concession is similar to the language that was received in the AFSCME contract regarding no retiree health care coverage for new hires. She pointed out that, additionally, the Teamsters' time off was changed to PTO as opposed to sick, vacation, and personal time and the pay-off accrual amount was decreased. Ms. Belcher also explained that prep time was eliminated. She further advised that the big issue with the Teamsters is that they chose to pay an additional percentage (4% total) toward their pension instead of reducing their time off by three days per year.

Ms. Belcher stated that this is a four-year contract similar to the contract with AFSCME and similarly calls for raises of 0%, 1%, 2%, and 0% with a reopener for wages only in the fourth year.

Ms. Belcher recommended approval of the Contract with Teamsters Local 214.

Larry J. Doe commended YCUA management and the union for working together to come up with a positive contract. Mr. Scott echoed his sentiments.

Motion by Doe to approve the Contract with Teamsters Local 214. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**C. Request to Approve – YCUA Resolution No. 10-3 Increasing Teamsters MERS Employee Contribution – Gwyn Belcher**

Ms. Belcher advised the Board that this is the standard resolution that will allow the Board to approve the increase in the Teamsters contribution to MERS to 4%.

Ms. Belcher recommended approval of YCUA Resolution No. 10-3 Increasing Teamsters MERS Employee Contribution.

Motion by Doe to approve YCUA Resolution No. 10-3 Increasing Teamsters MERS Employee Contribution. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**D. Request to Approve – YCUA Resolution No. 10-4 re: User Fees Update – Larry R. Thomas**

Mr. Thomas reminded the Board that they approved the creation of a series of user fees and the adjustment of several existing user fees at last month's meeting. He indicated that YCUA attorney Tom Daniels has recommended that this is formalized by a resolution. Mr. Thomas explained that the resolution contained in their Board materials serves this purpose.

Mr. Thomas recommended approval of YCUA Resolution No. 10-4 re: User Fees Update.

Larry J. Doe inquired as to what is a typical amount transferred to the tax rolls for water bills. Dwayne Harrigan responded that they are usually in the \$200 - \$300 range.

Motion by Bass to approve YCUA Resolution No. 10-4 re: User Fees Update. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**E. Request to Approve – 2010 Road Repair Project – T. Michael Jessee**

Mr. Jessee advised the Board that this is the standard road repair project that is done every year. He indicated that the road repairs involve the cuts that are made during the past year wherein water and sanitary mains and leads were repaired.

Mr. Jessee explained that the low bid was from Al's Asphalt in the amount of \$119,925. He pointed out that staff is requesting a contingency of 8.4%, bringing the total project cost to \$130,000.

Mr. Jessee also explained that in the last 24 hours, one or two road cuts were discovered that were not on this list but that these are small and should not require too much of that contingency.

Mr. Jessee recommended approval of the 2010 Road Repair Project in the amount of \$130,000.

Ms. Bass inquired as to whether there were any local bidders on this project. Mr. Jessee responded that Cadillac Asphalt was the only local bidder but that their bid came in at \$270,000. Mr. Jessee commented that he is of the opinion that Cadillac bids on these kinds of smaller jobs but they don't really want the work.

Mr. Doe inquired as to whether Mr. Jessee has seen any decreases over the years in the cost of road repairs. Mr. Jessee responded that there has been a 50% cost reduction, attributable in part to the fact that contractors are hungry for work. He indicated that he would do some research on the cuts done over the last several years to see if there has been a decrease in the amount of water main breaks.

Ms. Bass inquired as to whether a change order can be expected once the projects not included in the initial list are underway. Mr. Jessee responded that there will indeed likely be a small change order.

Motion by Namatevs to approve the 2010 Road Repair Project in the amount of \$130,000. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**F. Request to Approve – 2010 WWTP Building Improvements Project – T. Michael Jessee**

Mr. Jessee advised the Board that most of the buildings at YCUA were built in 1979 – 1980. He indicated that, over the years, the concrete and the mortar between the bricks has begun to deteriorate. Mr. Jessee explained that there are also multiple coping issues on some of the buildings. He pointed out that the grit screen building has 100 feet of roofing coping that needs duck pointing and repair. Mr. Jessee also explained that the blower building also has 420 feet that needs to be repaired along with a wing wall. He further advised that the filter building needs some masonry work on the north side of the wall itself as well as a joint control issue and some roofing coping problems.

Mr. Jessee stated that the low bid was from G.A. Frisch in Troy and the second lowest bid was from Duke Roofing. He acknowledged that after applying the 3% consideration to Duke Roofing as a local vendor, their bid became the lowest at \$57,483. Mr. Jessee confirmed that staff is requesting a 5.7% contingency for a total project budget of \$65,000.

Mr. Jessee recommended approval of the 2010 WWTP Building Improvements Project in the amount of \$65,000.

Mr. Namatevs commented that it is nice to see the 3% consideration result in the award of a contract to a local vendor.

Motion by Namatevs to approve the 2010 WWTP Building Improvements Project in the not-to-exceed amount of \$65,000. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**G. Request to Approve - Mansfield Water Main Installation Project – T. Michael Jessee**

Mr. Jessee advised the Board that staff would like to replace 700 feet of 8-inch water main on Mansfield between Westmoreland and Congress. He indicated that this project is a coordinated effort between the City of Ypsilanti, MDOT, and YCUA. He indicated that the water portion of the project comes to a cost of \$198,700. Mr. Jessee explained that this is significantly less than the \$270,000 that engineering estimated for this construction cost. He pointed out that staff is also requesting a \$19,300 contingency because of the maturity of the neighborhood for a total project budget of \$218,000. Mr. Jessee also explained that Paymar is the

contractor for MDOT on this project and that YCUA has had prior satisfactory experience with them.

Mr. Jessee recommended approval of the Mansfield Water Main Installation Project in the amount of \$218,000.

Mr. Thomas interjected that he is recommending that this project be paid with City Division Reserve for Construction funds, which requires a motion from the YCUA Board to make a recommendation to City Council relative to the same.

Motion by Namatevs to approve the Mansfield Water Main Installation Project in the not-to-exceed amount of \$218,000 as well as a recommendation to Ypsilanti City Council that this project be paid with City Division Reserve for Construction funds. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**H. Request to Approve - College Place Water Main Installation Project – T. Michael Jessee**

Mr. Jessee advised the Board that this project involves the abandonment of a six-inch water main in College Place and the assumption of ownership of a 12-inch water main that currently belongs to EMU. He indicated that this action will allow YCUA to avoid the necessity of installing a new water main, however, there are six to eight connections that will have to be transferred from the old six-inch line to the new 12-inch line.

Mr. Jessee explained that staff also wishes to install a double-check valve assembly for this area of EMU. He pointed out that this part of the project has been ongoing for several years and that MDEQ is highly recommending that YCUA take these steps to isolate its system from that of EMU.

He further advised that the low bidder on this project was Al's Asphalt with a construction cost of \$61,525. Mr. Jessee stated that staff is requesting an \$8,475 contingency for a total budget of \$70,000.

Mr. Jessee recommended approval of the College Place Water Main Installation Project in the amount of \$70,000.

Mr. Thomas interjected that he is recommending that this project be paid with City Division Reserve for Construction funds, which requires a motion from the YCUA Board to make a recommendation to City Council relative to the same.

Mr. Namatevs inquired as to why it is necessary to use City Division Reserve for Construction funds for these projects. Mr. Thomas responded that the Authority did not qualify for DWRF funds this year.

Ms. Bass inquired as to why it is important to keep YCUA's system isolated from EMU's. Mr. Jessee responded that EMU's system has not

been accepted as a public utility and therefore YCUA must limit its liability for the maintenance of their system. He indicated that YCUA does maintain EMU's fire hydrants each winter as a public service.

Motion by Namatevs to approve the College Place Water Main Installation Project in the not-to-exceed amount of \$70,000 as well as a recommendation to Ypsilanti City Council that this project be paid with City Division Reserve for Construction funds. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**I. Request to Approve - OHM Engineering Proposal re: Mansfield Water Main Construction Project – T. Michael Jessee**

Mr. Jessee advised the Board that this is the engineering construction portion of the Mansfield water main project. He indicated that OHM is requesting \$52,400 to take care of administration, engineering issues in the field, and verification that construction specifications are met. Mr. Jessee explained that it should be noted that up to \$30,000 of this amount may be eligible for the ARRA, which will serve as a grant rather than part of a loan.

Mr. Jessee recommended approval of OHM Engineering Proposal re: Mansfield Water Main Construction Project in the amount of \$52,400.

Mr. Scott inquired as to how much work YCUA has done through the ARRA program. Mr. Jessee responded that there have been numerous DWRP and SRF projects including Martz Road and Willow Run. Mr. Scott indicated that he would like to see a report on the benefits of the ARRA program to date. Mr. Namatevs concurred, indicating it would be nice to see something documented for public relations purposes regarding the savings realized by the Authority through the reinvestment act.

Mr. Doe inquired as to whether engineering costs equaling 25% of the total project budget is normal. Mr. Jessee responded that it is a little high in his opinion, however, because this is a very mature neighborhood, costs increase because you never know what you're going to run into. He indicated that OHM has served YCUA well in similar situations in the past.

Mr. Jessee explained that a positive side note is that the engineering for the College Place project will be done in-house.

Matt Parks of OHM addressed the Board and advised that the first \$30,000 of the grant money from the ARRA will go through the city books and be tied in with the building inspection, so, toward the end of the project, when the work on the as-builts and the final punch-list work begins, the Authority will start seeing bills. He indicated that, toward the end of the summer, he will set the budget for the \$22,400 difference and YCUA will

be invoiced on an hourly not-to-exceed basis. He further indicated that he hopes the Authority only gets billed \$15,000 to \$17,000 of that.

Mr. Parks explained that there are indeed contingencies in mature neighborhoods like this but that OHM based its budget close to what they saw in the north part of Mansfield even though this part of the project is a little more complicated because of a major transmission main coming out of a large storage tank, there is a little bit more sewer work that needs to be done including five or six open cut repairs, and because coordinating with the school is always challenging. He pointed out that the reason they are able to potentially put \$30,000 toward YCUA's inspection is because they negotiated with MDOT, who agreed because the bids came in so favorably.

Mr. Parks also explained that one of the reasons the bids were so good is because the contractor knows the area and how to work with YCUA well and because everything is so competitive right now. He further advised that he is 99.9% sure that YCUA will be eligible for the ARRA funds.

Motion by Namatevs to approve the OHM Engineering Proposal re: Mansfield Water Main Construction Project in the amount of \$52,400. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**J. Request to Approve - Change Order No. 3 re: Martz Road Project – T. Michael Jessee**

Mr. Jessee advised the Board that this change order is for both Martz Road and Willow Run pump stations. He indicated that both pump stations suffered a victory in the DTE allowance in the contract for the installation of the new services. Mr. Jessee explained that Martz Road came up with a deduction of \$27,671.64 and Willow Run came up with a deduction of \$26,288.36. He pointed out that there was also a deduction on the channel monster of \$10,995 because, when the job was bid, YCUA discovered that the hydraulic unit required to run the channel monster would not be acceptable to put in the wet well and an electrical motor installation for the drive was improvised, bringing the overall cost down by \$10,995.

Mr. Jessee recommended approval of Change Order No. 3 re: Martz Road Project for a deduction of \$64,955.

Motion by Doe to approve Change Order No. 3 re: Martz Road Project for a deduction of \$64,955. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**K. Request to Approve – Willow Run HVAC Replacement Project – T. Michael Jessee**

Mr. Jessee advised the Board that, as this project began to develop, staff noticed that an HVAC unit had not been included in the project. He indicated that this work has not been done. Mr. Jessee explained that staff

required a proposal from J.F. Cavanagh Company, the contractor on this project, and asked them for a price to replace that unit. He pointed out that this includes the ventilation unit and ductwork for the wet well and the heating and ventilation unit for the dry well.

Mr. Jessee also explained that J.F. Cavanagh Company responded with a lump-sum price of \$23,576. He further advised that staff feels very strongly that this will be eligible for the State Revolving Fund, which includes a 40% forgiveness on that figure.

Mr. Jessee recommended approval of the Willow Run HVAC Replacement Project in the amount of \$23,576.

Mr. Namatevs inquired as to how the ductwork was damaged. Mr. Jessee responded that it had become deteriorated due to hydrogen sulfide gasses. Mr. Namatevs also inquired as to why it is necessary to install air conditioning in this area. Mr. Jessee responded that the HVAC unit is actually only providing heat and ventilation.

Motion by Doe to approve the Willow Run HVAC Replacement Project. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**L. Request to Approve - Martz Road Masonry Project – T. Michael Jessee**

Mr. Jessee advised the Board that this is the same type of scenario in that this work has not yet been done. He indicated that, after the bid was let out, the engineers discovered some additional work that needed to be done to the masonry. Mr. Jessee explained that there are six wing walls in this area and only three of them were included in the bid process. He pointed out that those six wing walls are beginning to separate from the wall itself as much as 1¼ inches in some places. Mr. Jessee also explained that these areas need to be drilled, stainless steel anchors installed and pulled back into place by jacking them up from the bottom, and everything mortared in. He further advised that there are quite a few places on that building that need tuck point work. Mr. Jessee stated that this will prolong the life of that building by 10 to 15 years without any kind of additional repairs to the masonry. He acknowledged that this will fall under the SRF reimbursement.

Mr. Jessee recommended approval of the Martz Road Masonry Project in the amount of \$17,423.10 for that portion of the project.

Ms. Bass inquired as to whether there would have been less money spent had these items been included in the original bid and asked why these items weren't spotted when it seems they would have been obvious. Mr. Jessee responded that this was a failure on YCUA and Tetra Tech's part and that a full-blown inspection was not done prior to the job. He indicated that they were so consumed with the other aspects of the job that



this was simply overlooked. Mr. Jessee explained that he accepts full responsibility and that he will make every effort to increase attention to detail in the future. Ms. Bass commented that it seems to her that this amount could have been better negotiated considering that this project has a \$4 million overall budget.

Motion by Doe to approve the Martz Road Masonry Project in the amount of \$17,423.10. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**M. Request to Approve - Change Order re: Arc Flash Project – T. Michael Jessee**

Mr. Jessee reminded the Board that they approved this item two months ago. He indicated that this is being mandated by MIOSHA and OSHA and that it is a program that evaluates all of the Authority's electrical switch gears and its large electrical components and comes up with training and identification for those pieces of equipment to allow YCUA personnel to work on them safely and to identify and label them with the prescribed Personal Protective Equipment. Mr. Jessee explained that, as the project progressed, staff realized that YCUA needed some more employees trained in the 16-hour qualified positions and it also wanted a second class to accommodate employees with conflicting schedules. He pointed out that Power Plus responded with a cost of \$1,800.

Mr. Jessee also explained that he will be included in this class since he recently took over the responsibilities of the maintenance department. He further advised that there will be 25 employees total in the qualified personnel class and another 18 in the two-hour awareness class.

Mr. Jessee stated that the employees receiving the 16-hour class are trained to actually work on the equipment even if it is live. He acknowledged that the two-hour awareness class is designed simply to explain to the employees what it is there, how to read the signs, and how to know what to do when.

Mr. Jessee confirmed that the original contract was in the amount of \$48,000 and this change order takes the contract amount to \$50,300.

Mr. Jessee recommended approval of Change Order re: Arc Flash Project in the amount of \$1,800.

Mr. Namatevs inquired as to how much money is likely to be saved by this in the long run. Mr. Jessee responded that it is impossible to know for sure but that, if the training is not done, MIOSHA and OSHA will mandate that YCUA hire outside contractors to work on the equipment involved. He indicated that the return on investment is potentially huge and that this allows the Authority to continue to be self-sufficient in doing its own work, 480-volt, three-phase and down.

He further advised that this training is the result of a new mandate by MIOSHA and OSHA and that YCUA is head and shoulders above most communities in this area.

Motion by Doe to approve the Change Order re: Arc Flash Project in the amount of \$1,800. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

**N. Request to Approve - Change Order No. 1 re: YT-03 PRV Upgrades – T. Michael Jessee**

Mr. Jessee advised the Board that this is the only change order for this project. He indicated that YT-03 was built three or four years ago. Mr. Jessee explained that, after it was put into operation, it would not function as designed and there were multiple meetings between Superior Township, YCUA, and OHM that resulted in an agreement to share the cost of a renovation to that pit with Superior Township. He pointed out that the project has now been completed with the exception of this change order.

Mr. Jessee also explained that this change order addresses two items: a \$1,500 allowance for the installation of natural gas to the generator which came in at \$1,906, for a \$406 increase as well as the replacement of 11 bolts inside the pit that resulted in an additional cost of \$842 because the removal of the bolts became a full-blown confined space. He further advised that the water pressure was approximately 80 to 100 psi in that area and the flanges of each bolt had to be replaced individually and a new bolt put in.

Mr. Jessee recommended approval of Change Order No. 1 re: YT-03 PRV Upgrades in the amount of \$1,248.

Mr. Namatevs inquired as to why it cost \$842 to replace 11 bolts. Mr. Jessee responded that the crew was in a pit with 80 -100 psi of water and, if those flanges were to separate, there could be a major issue and someone could get hurt. Mr. Jessee stated that they had a man on top and a man on the bottom and they took out one bolt at a time and inserted each new bolt. He acknowledged that it took fours to complete the job.

Motion by Bass to approve Change Order No. 1 re: YT-03 PRV Upgrades in the amount of \$1,248. Support by Doe. In favor: All. Opposed: None. (Motion carried)

**O. Request for Final Acceptance – Oaks of Ypsilanti as a Public Utility – T. Michael Jessee**

Mr. Jessee advised the Board that these subdivisions are located at Tuttle Hill and Textile Roads. He indicated that they are four-unit, multiple-family residences. Mr. Jessee explained that the development contains 640 feet of 12-inch water main and 800 feet of 10-inch sewer main that YCUA will take over and operate. He pointed out that there was a balance

of \$1,660.93 in the escrow but that the developer had trouble finishing the punch-list for the water and sanitary issues so YCUA did the job on their behalf and will recoup the cost of \$1,268.93 out of that retainage of the escrow. Mr. Jessee also explained that YCUA will refund \$392 to the developer.

Mr. Jessee recommended acceptance of Oaks of Ypsilanti as a Public Utility.

Motion by Doe to accept Oaks of Ypsilanti as a Public Utility. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**P. Fund Balance Report - Larry R. Thomas**

Mr. Thomas directed the Board's attention to the Fund Balance Report for March 31, 2010. 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.

**Q. Financial Report – Authority Net Assets - Larry R. Thomas**

Mr. Thomas directed the Board's attention to the Financial Report – Authority Net Assets Report for March 31, 2010. 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.

**R. 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.

Mr. Doe inquired as to when WTUA's pumps are likely to be back online at full strength. Mr. Thomas responded that it is hard to say because presently they have their manufacturer's reps onsite trying to troubleshoot a vibration issue in one of their big pumps. He indicated that the percentages that YCUA is down are slowly improving as the year progresses.

Mr. Scott inquired as to whether there are any new businesses anticipated to move into the community. Mr. Doe responded that one of the plants in the township is coming up for a 328 new tax abatement wherein they pay no taxes on their property for a number of years and new facilities include one called Code Blue that brings with it 80 jobs as well as another small plant near industrial airport that should be in place within the next year. Mr. Thomas interjected that the Ford plant in the city has been sold to be refurbished for another use.

Mr. Doe added that the Visteon plant that was demolished is now owned by a company that took a lot of the Ford parts out and is rebuilding them down in Southfield. Mr. Namatevs commented that he heard that this was bringing 400 jobs to the Detroit area and that they were pulling a facility out of Mexico to use a portion of the plant, which leaves some of that space possibly open to development.

Informational only; no motion from the Board required.

**S. Attorney's Report – Thomas E. Daniels**

Mr. Daniels advised the Board that he has three items to report on.

Mr. Daniels advised the Board that, in the WTUA matter, the court granted YCUA's motion for attorney fee sanctions on the appeal that they took to circuit court. He indicated that WTUA then filed a motion for reconsideration, which was denied by the judge. Mr. Daniels explained that the judge also issued an order that WTUA pay sanctions of \$37,795. He pointed out that the appeal period on that expired yesterday and he is not aware of anything further being filed.

Mr. Daniels advised the Board that, in the MeadWestvaco matter, the joint motion for a jury trial was denied. He indicated that the judge issued an opinion and order to that effect last week. Mr. Daniels explained that, contrary to his prediction that there would not be any serious settlement offers received from MeadWestvaco now that the case has been set for trial in October, YCUA did receive an offer. He pointed out that they are using the process that was established by the court through Judge Cohn which was established to prompt the parties to continue their settlement discussions. Mr. Daniels also explained that the offer came in and required a response from Bioclimatic rather than YCUA and the Christman Company on the onset and, as of Friday of last week, Bioclimatic had submitted their response. He further advised that the offer that was received was consistent with the settlement proposal that had been recommended by the facilitated mediator.

Mr. Daniels advised the Board that the Clearwire discussions are ongoing and that some additional information was received yesterday regarding the Shadford Tower lease.

Informational only; no motion from the Board required.

**T. Director's Report - Larry R. Thomas**

Mr. Thomas advised the Board that he has two items to report on.

Mr. Thomas advised the Board that some positive news recently appeared in the *AnnArbor.com* publication. He indicated that the article was regarding the rate increases that went before the Ann Arbor City Council recently. Mr. Thomas explained that the article made the statement that

only Ypsilanti had a better value to their customers for the cost of their water.

Mr. Scott responded that this is a testimony to YCUA's employees for being proactive to the changes in the economic climate as opposed to being reactive. He commended the Authority's staff for the same.

Mr. Thomas advised the Board that there was another newspaper article recently in Canton Township, who recently received a 16.9% increase from DWSD for their water, the entire amount of which is being passed on to their customers.

He indicated that there was a memo recently received from an individual at the Ypsilanti Public Schools relative to some work done in conjunction with their staff, which congratulated YCUA and telling management of the fine work the Authority's staff had done.

Mr. Scott commented that it should be duly noted that, in the last couple of years, this type of exemplary work and reports of being an asset to the community have been occurring more and more.

Mr. Namatevs inquired as to what caused the recent sanitary backup. Mr. Jessee responded that he cannot prove it but that staff believes the apartments on Clark Road recently vacuored out their system and pushed it into YCUA's main. He indicated that YCUA worked in that area for an entire day removing grit and other debris from the Factory Street pump station.

Mr. Namatevs inquired as to whether this has happened before and, if so, how often. Mr. Jessee responded that it has occurred twice during his years as assistant director. He indicated that it was fortunate that this was discovered early, which prevented a major SSO.

Informational only; no motion from the Board required.

#### **4. OLD BUSINESS:**

##### **U. Request to Approve - Server Replacement – T. Michael Jessee**

Mr. Jessee reminded the Board that, last month, staff came to them with a request to IDSI as a sole-source provider for the server replacement project. He indicated that staff was recommending them because of their long-standing relationship with YCUA together with what was felt to be a very competitive price.

Mr. Jessee explained that the Board asked for formal pricing from other vendors, which has been done. He pointed out that Chesley Consulting provided a quote of \$69,646.13 that was close to IDSI's quote of \$66,238.16. Mr. Jessee also explained that another vendor, Dominant Systems, came in with a confusing bid of \$125,735. He further advised that Stew Carroll was on the phone with Dominant Systems on multiple

occasions for 8 – 10 hours trying to decipher their quote and trying to get them to rewrite it. Mr. Jessee stated that Dominant indicated that they would do so but that nothing has been received to date.

He acknowledged that this was discussed at the Finance Committee and that they are once again recommending the Board's approval of IDSI's quote and a contingency for a project cost of \$75,000.

Mr. Namatevs commented that this item was discussed by the Finance Committee and that he spoke personally with Stew Carroll. He confirmed that Dominant took a very different approach to configuring the system which was not a cost-effective or well thought-out plan. Mr. Namatevs indicated that the committee concurs with Mr. Jessee and Mr. Carroll in that the relationship with IDSI has paid dividends over the years and that most of the pricing is in line with the market rates for this type of equipment.

Mr. Doe interjected that he is still of the opinion that a 15% contingency is too high. He indicated that he is uncomfortable with the fact that the Board never knows what that money is spent on. Mr. Jessee responded that all contingency expenditures are presented to the Board in the form of a change order.

Mr. Doe indicated that he still wants to see these contingency amounts to come down. Mr. Scott responded that Mr. Doe's concerns will be taken under advisement.

Motion by Namatevs to approve the Server Replacement in the amount of \$75,000. Support by Bass. In favor: All. Opposed: None. (Motion carried)

**V. Request to Approve – Revisions to Sewer Use Ordinances – Perry M. Thomas**

Mr. Thomas advised the Board that, at the October 27, 2009 Board meeting, the Board approved the revisions to the sewer use ordinances. He indicated that, since then, there have been subsequent revisions proposed for the sewer use ordinances. Mr. Thomas explained that MDNRE has approved those revisions. He proceeded to summarize the revisions and the reasoning for them.

Mr. Thomas recommended approval of the Revisions to Sewer Use Ordinances.

Jeffrey L. Woolstrum, attorney with Honigman, Miller, Schwartz, and Cohn, LLP, addressed the Board on behalf of his client Republic Services. Mr. Woolstrum advised the Board that his client operates two municipal solid waste landfills that are within the YCUA's service area, one of which is a closed landfill and one of which is an operating landfill. He indicated that Republic is and would like to remain a good customer of

YCUA but has some concerns with the amendment to Section 62-179 in the sewer use ordinances regarding the discharge of leachate from municipal solid waste landfills.

Mr. Woolstrum explained that the genesis of this language change came from PCBs that were detected in low concentrations from Republic's closed solid waste landfill. He pointed out that that particular landfill is under a contract with YCUA to discharge to the sewer system. Mr. Woolstrum also explained that the other landfill that Republic operates is an open, operating landfill that also discharges to the YCUA system and that particular landfill has a permit with the municipality to discharge in the system. He further advised that their concern with this language is that, while it seems to address the situation with the closed landfill that does have the contract with YCUA, the language provides for the unfettered discretion for YCUA to impose contract terms on the continued discharge or future discharge of any landfill.

Mr. Woolstrum stated that the problem with having a written contract is that it requires the contract in every case where there have been no PCBs detected from any leachate from the landfill, such as is the case with Republic's operating landfill. He acknowledged that there are no specifics on the terms to the written contract, which leaves it open to the discretion of YCUA on what those terms will be including the length of the contract, the category of terms that may be authorized in the contract or that might be prohibited by the contract.

Mr. Woolstrum confirmed that it is their opinion that this unfettered discretion creates the opportunity for mischief in future contracts negotiated down the road and that they would like to see some limitations on either the terms that are allowed to be in those contracts or some limitations on when the contracts would be required, such as when a landfill is found to have detectible concentrations of PCBs.

Mr. Namatevs commented that he is not familiar with how landfills operate and asked for an explanation as to how these hazardous materials are finding their way into YCUA's wastewater system. Mr. Woolstrum responded that solid waste contains liquid and that there is also precipitation that falls on the landfill while the face is open, which migrates through the waste in place or falls into an open cell where there is no waste. He explained that the water is collected in pipes that are placed below the waste and that the contents of those pipes is pumped to a central sump location.

Mr. Namatevs inquired as to whether any of this water can find its way into the groundwater. Mr. Woolstrum responded that modern landfills are constructed with two liners and a leak detection system that prevent that from occurring. He pointed out that both of his client's landfills utilize this type of equipment.

Mr. Woolstrum also stated that he would suggest that the language be changed so that those landfills in which there have been no detectable levels of PCBs, which seems to be outside the scope of the reason for these changes, be allowed to continue to discharge under their existing permits without the requirement for a written contract.

Thomas E. Daniels advised the Board that he has spoken with Mr. Woolstrum briefly previously and told him that, subsequent to the Board's approval of the sewer use ordinances, the Ypsilanti Township Board members made it very clear to YCUA that their position is essentially that there be no leachate discharged to the YCUA system whatsoever and so, to that extent, this is a compromised position that considered the fact that YCUA has had a successful contractual relationship with Republic for a number of years. He indicated that Mr. Woolstrum acknowledges that, while there haven't been PCBs detected at the particular site that is referring to, it could occur in the future. Mr. Daniels explained that the focus was to combine this idea of a contract consistent with what has been done in the past with the idea that YCUA would have this specified level of detection relative to PCBs and that the Authority would enter into contracts that fit into those parameters and exercise control over what happens in the future.

He pointed out that there are permits that are issued under federal and state legislation that are issued to these landfills, which are subject to periodic renewal and revision and that some of these items could be addressed in the permitting process in addition to what is contained in the ordinance. Mr. Daniels also explained that he is confident that what is in the ordinance now is an expression of the intent of the top leadership team at Ypsilanti Township.

Perry M. Thomas concurred and indicated that the ordinance is actually a compromise in that it does allow for the Authority to take leachate.

Mr. Daniels stated that there is a certain level of good faith and trust and that, from Republic's perspective, this is recognized but the language doesn't say there will be a contract. He acknowledged that he has no doubt personally, based on the history that YCUA has with Republic, that there won't be contracts in the future because there will in fact be contracts in the future. Mr. Daniels confirmed that the reality of the situation is that YCUA has a permitting system for industrial users that are essentially contracts and that there are financial and economic factors from YCUA's perspective as well. He explained that the Authority wants to control the discharge but it wants to be paid for these services as well.

Ms. Bass inquired as to whether it is realistic to refuse to accept any and all leachate. Mr. Daniels responded that most recent discussions have concluded that this expectation is not reasonable. Mr. Doe interjected that the Ypsilanti Township Board is very concerned about leachate because of



its cancer-causing nature and that Ypsilanti Township and the City of Ypsilanti have disallowed leachate for years.

Perry M. Thomas responded that, in 1988, the BFI landfill in Salem Township that is part of Republic now was approved to send their leachate through Northfield Township and WTUA to YCUA. He indicated that the Board members were concerned and asked if the contract could be voided. Mr. Thomas explained that the matter wasn't pursued and the leachate was allowed but the thought was that no more would be permitted in the future. He pointed out that the matter has never been debated in court. Mr. Thomas also explained that, as a result, leachate is being accepted currently from two landfills.

Mr. Doe interjected that there is concern as to how YCUA entered into that original contract with Republic without discussing it with either city or township officials but that he recognizes all the hard work that has gone into making this an acceptable ordinance that will satisfy everyone to some level.

Mr. Namatevs inquired as to how often YCUA tests this leachate. Mr. Thomas responded it is tested in accordance with the level of a user's average daily discharge. He further advised that Veolia's average daily discharge is about 50,000 gallons, so their leachate is tested five times per year. Mr. Thomas stated that it is tested for heavy metals, mercury, organics and that it meets requirements well enough for YCUA to not issue a cease and desist. He acknowledged that it does not always meet the sewer use ordinance for every parameter because there are some parameters that are not considered toxic pollutants but rather compatible pollutants that the YCUA plant was designed to treat, such as suspended solids, ammonia, and phosphorous. Mr. Thomas confirmed that there have also been instances where Veolia has exceed mercury limits. He explained, however, that when the compliance evaluation is done, the overall exceedance level is not enough to issue a cease and desist order.

Mr. Thomas pointed out that the public landfill next to Veolia was given a cease and desist because they were sending YCUA detectible levels of PCBs, which they have since been trucking away instead of sending to the Authority.

Mr. Woolstrum advised the Board that Republic has established a very effective pretreatment program to remove the PCBs to below detectible levels and will meet YCUA's criteria.

Christina Pierce, Engineer for Republic Services for Southeast Michigan, addressed the Board and advised them that while PCBs are detectible in their system, that is why these permits are in place. She indicated that the sampling criteria, procedures, and frequency are dictated in these permits with not only YCUA but also other discharge locations.

Ms. Pierce explained that some of these controls can be put in place through some of these permits and that the particular item in the ordinance revision that they have issue with is that there are no specific terms. She pointed out that Republic provides a necessary service to the public inasmuch as YCUA does and that the leachate is a natural byproduct of operating their facilities.

Ms. Pierce also explained that there are years of data on leachate and that the industry as a whole has a very good idea of what it produces and that, in general, some of the substances that Mr. Thomas had mentioned such as ammonia and suspended solids are more common items that the landfill leachate sees. She further advised that they wish to further their relationship with YCUA but as far as the leachate quality, there is a way to accomplish that through these permits because it is essentially what is being done right now.

Mr. Scott inquired as to whether Ms. Pierce has made a presentation to City Council and to the Township Board relative to these issues because it seems to him that that is where the objection is originating. Thomas E. Daniels interjected that these two bodies rely on YCUA to make a recommendation to them. Mr. Scott responded that that is all well and good but that the leachate objections are not coming from YCUA.

Ms. Bass indicated that she is not prepared to vote on this matter at this time without a better understanding of the context of what is being discussed.

Thomas E. Daniels interjected that this matter has been very carefully vetted at the staff level for several months now and it is the recommendation of staff that this be approved as is, that this objection from Republic be rejected, and that if there are issues in the future relative to the terms and conditions of a permit or a contract, the Republic's remedy would be to come to this Board at that time.

Perry M. Thomas interjected that YCUA staff has been working on these revisions for a couple of years and that some of the items are federal requirements. He added that MDNRE has been very patient while YCUA has worked through this process. Mr. Woolstrum stated for the record that Republic has no objection to meeting the federal requirements.

Mr. Thomas added that another thing that these revisions will accomplish is that, when a permit is issued, the Board is not notified but when a contract is issued, they will be informed before it is approved, thus providing a much greater level of transparency.

Larry R. Thomas recommended that the YCUA Board approve the request to make a recommendation to the Ypsilanti City Council and the Ypsilanti Township Board of Trustees regarding the Revisions to Sewer Use Ordinances as presented.

Mr. Woolstrum asked that the recommendation be revised in approve the revisions with the exclusion of the item upon which they have expressed their objections. Mr. Namatevs responded that he supports approving the request as presented because it best supports the interests of YCUA and its communities.

Motion by Namatevs to approve the request to make a recommendation to the Ypsilanti City Council and the Ypsilanti Township Board of Trustees regarding the Revisions to Sewer use Ordinances as presented. Support by Doe. In favor: Four. Opposed: None. Abstain: Bass. (Motion carried)

5. **OTHER BUSINESS:** Mr. Doe asked for follow-up from Mr. Daniels regarding Robert's Rules for abstentions. Ms. Bass also asked for follow-up from the most qualified individual to help her better understand why the Sewer Use Ordinances as approved are the best course of action for YCUA.
6. **STATEMENTS AND CHECKS:** Motion by Bass to pay the bills in the amount of \$5,158,143.47 with an addendum in the amount of \$15,587.88. Support by Doe. In favor: All. Opposed: None. (Motion carried)
7. **PUBLIC COMMENTS:** Bob Fry, Chief Stewart for the Teamsters Union at YCUA, addressed the Board and thanked them for approving their contract and also commended both bargaining teams for the job they did in bringing back a contract that was acceptable to all parties involved. Mr. Scott commended Mr. Fry for a job well done.

Pat Morris, YCUA employee and resident of Ypsilanti, addressed the Board and thanked them for approving the Sewer Use Ordinance Revisions because it concerns him that Republic and Veolia have exceeded level limits which means to him that he's not being poisoned all at once, just a little bit over time. He indicated that he appreciates the Board for being more restrictive of what goes into the community's water.

Mr. Woolstrum thanked the Board for the opportunity to address them.

8. **ADJOURNMENT:** Motion by Namatevs to adjourn the meeting at 11:05 a.m. Support by Doe. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,



  
J. RAY SCOTT, Chair

**YCUA RESOLUTION NO. 10-2 ANNOUNCING  
THE RETIREMENT OF JACQUELINE R. DAVIS AND  
COMMENDING HER FOR HER 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 27<sup>th</sup> day of April 2010 at 9:00 o'clock a.m., Eastern Daylight Time.

PRESENT: Commissioners J. Ray Scott, Mark Namatevs, Deedra Climer Bass, and Larry J. Doe

---

ABSENT: Commissioners Gregory A. Peoples

---

The following preamble and resolution were offered by Commissioner Namatevs and supported by Commissioner Doe.

WHEREAS, Jacqueline R. Davis, an employee of the Ypsilanti Community Utilities Authority, has completed twenty-nine (29) years of service to the Authority; and

WHEREAS, Jacqueline R. Davis has requested retirement as of April 16, 2010 and

WHEREAS, Jacqueline R. Davis demonstrated probity, loyalty, dependability, and dedication to her employment; and

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Jacqueline R. Davis for her accomplishments and years of service to the Authority and expresses its appreciation to her.

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

AYES: Commissioners J. Ray Scott, Mark Namatevs, Deedra Climer Bass, and Larry J. Doe

---

NAYS: Commissioners Gregory A. Peoples

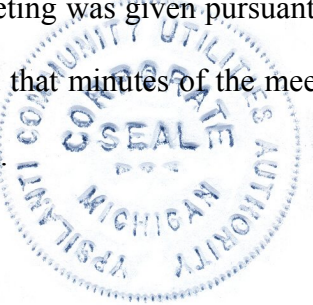
---

RESOLUTION DECLARED ADOPTED.



  
DEEDRA CLIMER BASS, 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 27<sup>th</sup> day of April 2010 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.



A handwritten signature in blue ink, reading "Deedra Bass", is positioned above a horizontal line. Below the line, the name "DEEDRA CLIMER BASS, Secretary - Treasurer" is printed.

DEEDRA CLIMER BASS, Secretary - Treasurer

**RESOLUTION FOR CHANGING MERS BENEFITS  
(OTHER THAN DB COMPONENT OF HYBRID PROGRAM)**



In accordance with the MERS Plan Document of 1996, the Ypsilanti Community Utilities Authority  
(Participating Municipality)  
8106 adopts the following benefits for: Division 12 - Teamsters  
(Municipality No.) (Reporting Unit No., MERS Division No. and Name)

A "division" is defined as an employee or group of employees covered by the same benefit programs and the same employee contribution program. Each division has a specific MERS number and name, such as "Div. 10, General-Admin.," and is part of a Reporting Unit, such as: "01."

Supporting Supplemental Valuation is dated N/A

**BENEFIT MULTIPLIER**

From \_\_\_\_\_ To \_\_\_\_\_ Effective Date \_\_\_\_\_  
(Current Benefit Multiplier) (New Benefit Multiplier)

**Provisions for Earlier Normal Retirement**

☐ F50/25 ☐ F50/30 ☐ F(N)-Years and Out (Specify number of years) \_\_\_\_\_  
☐ F55/15 ☐ F55/20 ☐ F55/25 ☐ F55/30  
Effective Date \_\_\_\_\_

**EMPLOYEE CONTRIBUTION RATE**

New Rate 4%  
Effective Date 01/01/2010

**ADDITIONAL BENEFITS  
AFFECTING FUTURE RETIREES**

☐ FAC 3 ☐ FAC 5 ☐ V-6 ☐ V-8 ☐ V-10 ☐ RS - 50%  
☐ D-2 ☐ E-2 ☐ DROP+ with \_\_\_\_\_ %  
Effective Date \_\_\_\_\_

**RETIREE COST-OF-LIVING BENEFIT PROGRAMS FOR CURRENT RETIREES**

☐ E Standard ☐ E-1  
☐ E - Other (Specify Factor \_\_\_\_\_ Adjustment Years \_\_\_\_\_)  
Effective Date \_\_\_\_\_

**WINDOW PERIOD (If applicable)**

From \_\_\_\_\_ To \_\_\_\_\_  
(Date) (Date)

I CERTIFY THAT THE ABOVE WAS ADOPTED BY YCUA Board of Commissioners 04/27/2010  
Governing Body Date of Meeting  
DC Bass Secretary - Treasurer April 27, 2010  
Authorized Signature Title Date

**NOTE: Standard/Nonstandard Benefit Provisions**—Attach page fully describing provision(s), and (1) a complete copy of the fully executed collective bargaining agreement and a certified copy of official minutes where the collective bargaining agreement or this Resolution was adopted, or (2) a copy of the arbitration or mediation decision. If further information is needed, please contact MERS Employer Services Division at 1 (800) 767-6377.

**YCUA RESOLUTION NO. 10-4**  
**RE: USER FEES UPDATE**

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 27<sup>th</sup> day of April 2010 at 9:00 o'clock a.m., Eastern Daylight Time.

PRESENT: Commissioners J. Ray Scott, Mark Namatevs, Deedra Climer Bass, and Larry J. Doe

---

ABSENT: Commissioners Gregory A. Peoples

---

The following preamble and resolution were offered by Commissioner Bass and supported by Commissioner Doe.

WHEREAS, the Ypsilanti Community Utilities authority provides certain services for individuals and entities for the benefit of the individual or entity; and

WHEREAS, these services do not provide benefit to the system as a whole; and

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority implements the following set of fees for certain services to cover the costs of these services.

<b><u>Customer Fees</u></b>	
Turn On	\$35.00
Turn Off	\$35.00
Missed Appt	\$30.00
Final Bill	\$20.00
Call Out/After Hours:	
Regular after hours	\$135.00
Holiday after hours	\$200.00
<b><u>Collection Fees</u></b>	

NSF/Ret'd Item	\$30.00
Tag Fee	\$10.00
Turn Off/Turn On	\$75.00
Transfer To Tax Roll	25% of transfer amount w/minimum of \$25
<b><u>Construction Related Fees</u></b>	
Demolition Permit	\$35.00
"Not Ready" Fee	\$50.00
Water Flat Fee - New Construction	\$50 + usage
<b><u>Meter Related Fees</u></b>	
Frozen Meters:	
3/4"	\$210.00
1"	\$265.00
1 1/2"	\$635.00
2"	\$835.00
Backwards Meter	\$15.00
Meter Test/Calibration	\$50.00
Missing Outside Readers:	
ECR	\$50.00
MXU	\$285.00
MTU	\$125.00



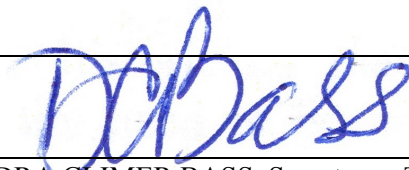
OSR	\$0.00
<b><u>Other Fees</u></b>	
Hydrant Fire Flow	\$200.00

AYES: Commissioners J. Ray Scott, Mark Namatevs, Deedra Climer Bass, and Larry J. Doe

NAYS: Commissioners Gregory A. Peoples

RESOLUTION DECLARED ADOPTED.



  
 DEEDRA CLIMER BASS, 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 27<sup>th</sup> day of April 2010 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.



---

DEEDRA CLIMER BASS, Secretary - Treasurer