



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, June 22, 2010 – 9:00 a.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

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

Members Absent: J. Ray Scott and Gregory A. Peoples.

1. **CALL TO ORDER:** Mr. Namatevs 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 May 25, 2010 meeting as presented. Support by Bass. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **Request to Approve – Change Order No. 1 re: Duncan Street and Emerick Street Pumping Stations – T. Michael Jessee**

Mr. Jessee advised the Board that this project, which involves the Duncan station near East Middle School, will be completed upon delivery of the check valves for the valve vault. He indicated that, at that time, the new gravity main and the force main can be connected and put into operation.

Mr. Jessee explained that this change order includes seven items, the first being a deduct in the amount of \$46,744.20. He pointed out that the old force main that runs through the greenbelt and into a manhole at Tyler Road was originally going to be force filled, in other words, concrete would be pumped into it until it reached a certain pressure and then allowed to dry.

Mr. Jessee also explained that YCUA staff discussed this with the Washtenaw County Road Commission and it was decided that the force filling would not be necessary and that flow filling would be sufficient. He further advised that flow filling refers to dropping the concrete into the main and let it flow until it stops naturally. Mr. Jessee stated that this decision resulted in the deduct of \$46,744.20.

He acknowledged that the silt fence used around the school in that area was not sufficient, resulting in additional expense of \$561.

Mr. Jessee confirmed that, when the station itself was installed, it was discovered that it was slightly below grade and required some concrete grade adjustment rings, resulting in an additional cost of \$763.

He explained that the amount of sidewalk required increased, resulting in an additional expense of \$1,200.

Mr. Jessee pointed out that the gas service allowance resulted in a deduct of \$2,453 and the electrical service was an additional \$2,500.

Mr. Jessee recommended approval of Change Order No. 1 re: Duncan Street and Emerick Street Pumping Stations in the credit amount of \$44,154.03.

Motion by Doe to approve Change Order No. 1 re: Duncan Street and Emerick Street Pumping Stations in the credit amount of \$44,154.03. Support by Bass. In favor: All. Opposed: None. (Motion carried)

B. Request to Approve – Whittaker and Stony Creek Roads Water Main Project – T. Michael Jessee

Mr. Jessee advised the Board that the Washtenaw County Road Commission is installing a roundabout at the intersection of Whittaker and Stony Creek Roads. He indicated that it was discovered that the water main there is too high and does not have enough cover. Mr. Jessee explained that, after discussions with the WCRC, it was determined that they would pay for the portion that was in the roundabout. He pointed out that there is another approximately 160 feet of water main that traverses west toward the Moose Lodge in front of the CVS and Chase Bank that must be lowered as well.

Mr. Jessee also explained that, when the facilities were built and the grading done, they graded too much away from over the water main. He further advised that YCUA must now put some dirt over the area and replace the bike path.

Mr. Jessee stated that the Authority piggy-backed with the road commission's contractor and the estimated cost is \$14,830. He acknowledged that staff is also requesting a contingency in the amount of \$1,170 for a total budget of \$16,000. Mr. Jessee confirmed that the road commission picked up the first 40 or 50 feet at a cost of \$3,750. He explained that the reason this cost is less than YCUA's is because they had to put the road over it anyway. Mr. Jessee pointed out that YCUA's cost is higher due to the demolition and replacement of the bike path.

Deedra Climer Bass inquired as to whether this work would have been required regardless of the construction of the roundabout. Mr. Jessee

responded affirmatively, that it would have been needed as soon as it was discovered.

Larry J. Doe inquired as to when and by whom the bike path was installed. Mr. Jessee responded that he is under the impression that the bike path was put in place by CVS at the time the facility was built.

Mr. Jessee recommended approval of the Whittaker and Stony Creek Roads Water Main Project in the amount of \$16,000.

Motion by Doe to approve the Whittaker and Stony Creek Roads Water Main Project in the amount of \$16,000. Support by Bass. In favor: All. Opposed: None. (Motion carried)

C. Request to Approve – Michigan Avenue Emergency Sanitary Main Repair – T. Michael Jessee

Mr. Jessee advised the Board that, on Michigan Avenue between Huron Street and the bridge over the Huron River is a 12-inch sewer main that was in very poor condition due to deterioration. He indicated that some top portions of the sewer main were actually missing and in danger of collapse, which would interrupt service to several customers including City Hall and possibly even collapse the road. Mr. Jessee explained that staff reviewed the situation and requested bids from four contractors. He pointed out that the low bid came from Tyger Excavation in the amount of \$121,300. Mr. Jessee also explained that this sounds high but that it must be considered that there is a large fiber-optic duct bank that runs along Michigan Avenue on the south side as well as some storm drain issues in the area.

He further advised that YCUA staff awarded the job to Tyger Excavation and also secured help from AT&T as digging began near the fiber-optic duct bank. Mr. Jessee stated that AT&T's cost totaled \$5,062.14. He acknowledged that YCUA also requested the topographical survey and design assistance from Stantec with a not-to-exceed cost of \$10,400.

Mr. Jessee confirmed that the total project cost came to \$137,062.14. He explained that staff is also requesting a contingency in the amount of \$8,700 due to some high pilings and some old foundations in the alleyways, restoration work for which has not yet been negotiated.

Mr. Jessee pointed out that this project was completed, with the exception of the restoration work, the weekend before last. He also stated that the restoration work will begin this coming weekend and will be completed according to MDOT specifications.

Mr. Jessee recommended approval of the Michigan Avenue Emergency Sanitary Main Repair in the amount of \$145,762.14.

Mark Namatevs inquired as to whether it is true that a section of the sewer was built into the bridge. Mr. Jessee responded affirmatively.

Motion by Bass to approve the Michigan Avenue Emergency Sanitary Main Repair in the amount of \$145,762.14. Support by Doe. In favor: All. Opposed: None. (Motion carried)

D. Fund Balance Report - Larry R. Thomas

Mr. Thomas directed the Board's attention to the Fund Balance Report for May 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.

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

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

F. 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. Namatevs inquired as to whether WTUA's consumption is still down by 30%. Mr. Thomas responded that WTUA is now down by about 5% and the area's other major industrial users are still down as well. Mr. Namatevs inquired as to the status of the construction at WTUA. Mr. Thomas responded that the work has been completed but that they are experiencing some vibration issues in their pumps.

Informational only; no motion from the Board required.

G. Attorney's Report – Thomas E. Daniels

Mr. Daniels advised the Board that he has two items to report on this month. He indicated that the Meade Westvaco matter has been set for non-jury trial on October 5, 2010. Mr. Daniels explained that settlement discussions are slow but ongoing.

Mr. Daniels also advised the Board that this will be the last report on the WTUA matter. He indicated that WTUA made its promised payment on the attorney fee sanctions, which closes out the matter.

Informational only; no motion from the Board required.

H. Director's Report - Larry R. Thomas

Mr. Thomas advised the Board that a bonding process has been initiated for the Holmes Road Phase III project in the Township Division, which involves both water main and sewer work. He indicated that YCUA staff met with Washtenaw County Road Commission last fall with a request to delay the phase III portion of the reconstruction work on Holmes Road that they have been doing for the past several years. Mr. Thomas explained that this was because the Authority could not qualify for DWRF funds for the water main portion of the project until the state's new fiscal year begins in the fall of 2010.

He pointed out that the road commission agreed to the delay but that it appears that the Authority will still not qualify for the DWRF funds at that time, at least not at the beginning of the state's new fiscal year, due to a higher than expected number of other projects on the priority list that have put this project out of the fundable range.

Mr. Thomas also explained that he anticipates that, when many of the other communities realize that there is no free money this year, they will probably back out of their plans, which may occur later next year and allow YCUA to qualify at that time. He further advised that the county and the township do not want to wait that long for the funding to become available due to the possible endangerment of their own grant money for the road work, making the issuance of a bond necessary.

Mr. Thomas stated that the interest rate on the bonds will be higher than that of DWRF but luckily interest rates overall are relatively low right now. He acknowledged that Tom Colis is presently in the process of drafting the required documents, which will be presented to the Board within the next few meetings.

Mr. Thomas advised the Board that YCUA has received an inquiry from Salem Township regarding about 1 mgd of capacity in the Authority's wastewater sewer system. He indicated that a housing and industrial park developer is presently doing a comparison study of the cost of building their own treatment facility versus sending sewage through a force main to the YCUA treatment plant. Mr. Thomas explained that community officials were not involved in the meeting but that the developer indicated that Salem Township would be behind whatever decision they made. He pointed out that there is nothing definite at this time but hopes that it is at least a good sign that the economy is turning around a bit.

Mr. Jessee interjected that Johnson Controls owns a portion of land in the southeastern corner of Salem Township near M-14 and Gotfredson and that they may be getting ready to develop it at this time.

4. OLD BUSINESS:

There was no old business for the month.

5. OTHER BUSINESS:

There was no other business for the month.

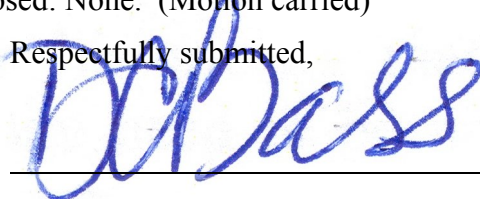
- 6. STATEMENTS AND CHECKS:** Motion by Bass to pay the bills in the amount of \$2,767,450.41 with an addendum in the amount of \$1,456.25. Support by Doe. In favor: All. Opposed: None. (Motion carried)

7. PUBLIC COMMENTS:

There were no public comments for the month.

- 8. ADJOURNMENT:** Motion by Doe to adjourn the meeting at 9:34 a.m. Support by Bass. In favor: All. Opposed: None. (Motion carried)

Respectfully submitted,



DEEDRA CLIMER BASS, Secretary - Treasurer

