



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, December 19, 2012 – 4:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

Members Present: Brenda L. Stumbo, Michael Bodary, Andrew Cameron, Larry J. Doe, and Gregory A. Peoples.

Members Absent: None.

1. **CALL TO ORDER:** Ms. Stumbo called the meeting to order at 3:59 p.m.
2. **MINUTES OF THE PREVIOUS MEETING:** Motion by Doe to receive and file the minutes of the November 28, 2012 meeting as presented. Support by Peoples. In favor: All. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **Request to Approve - YCUA Resolution No. 12-15 re: Retirement for Gust Bovoletis – Jeff Castro**

Mr. Castro advised the Board that Mr. Bovoletis is a wastewater treatment operator for the Authority who has completed 29 years and four months of service and has requested retirement as of December 21, 2012. He directed the Board's attention to the resolution announcing Mr. Bovoletis's retirement and commending him for his service.

Motion by Doe to approve YCUA Resolution No. 12-15 re: Retirement for Gust Bovoletis. Support by Peoples.

Ms. Stumbo and Mr. Doe indicated that Mr. Bovoletis will be missed.

In favor: All. Opposed: None. (Motion carried)

B. Request to Approve – YCUA / DWSD Water Contract Amendment No. 2
– Jeff Castro

Motion by Doe to approve YCUA / DWSD Water Contract Amendment No. 2. Support by Cameron.

Mr. Castro directed the Board's attention to an amendment to the contract with DWSD that was signed in 2008. He indicated that, when that contract was signed, the Authority estimated its usage and peaking factors and DWSD committed to certain pressures at YCUA's three main connections. Mr. Castro explained that this contract also calls for a reevaluation of the estimated values after two- and five-year periods. He pointed out that this is an amendment to that requirement.

Mr. Castro also explained that, since the signing of the contract in 2008, the Authority usage has decreased due to economic and weather conditions. He further advised that the reduced usage of peaking factors is contained in Amendment No. 2. Mr. Castro stated that YCUA staff and counsel have been negotiating with Detroit since October 30th and that the parties have come to a fair and realistic agreement on new max. day, peak hour, and annual volume values, which are used to determine the rate that YCUA pays for its water. He acknowledged that the amendment also contains a number of language changes, including a removal of the references to Detroit City Council and reflecting the DWSD Board of Commissioners as the governing body. Mr. Castro confirmed that the bulk of the revisions are in Article Five and define target dates and timelines for resolution of contract exceedances.

Mr. Castro recommended approval of YCUA / DWSD Water Contract Amendment No. 2. He thanked YCUA counsel Thomas E. Daniels and Finance Director Dwayne Harrigan for their hard work and their roles in these successful negotiations.

Mr. Bodary inquired as to how the fluctuations in volume affect the rates YCUA pays. Mr. Castro and Mr. Harrigan explained the process in detail.

In favor: All. Opposed: None. (Motion carried)

C. Request to Approve - Change Order No. 3 re: Wastewater Treatment Plant Odor Control Modifications – Scott D. Westover

Motion by Peoples to approve Change Order No. 3 re: Wastewater Treatment Plant Odor Control Modifications. Support by Cameron.

Mr. Westover advised the Board that this change order reflects six items that increase the original \$1.8 million contract amount by just over

\$63,000 and also extends the duration of the contract by 69 days, moving substantial completion from November 3, 2012 to January 11, 2013. He indicated that the blowers are now online following a brief inspection on Friday morning.

Mr. Westover explained that the bulk of the items were added by the blower manufacturer after the project was designed and bid in order to assure that the system would work in YCUA's operating environment. He pointed out that there are negotiations ongoing between Tetra Tech and the blower manufacturer in an attempt to get them to pick up as much of these costs as possible. Mr. Westover also explained that YCUA staff feels that the manufacturer is 100% responsible, which they deny. He further advised that staff is currently attempting to recoup 50% of the cost from the manufacturer.

Several Commissioners inquired as to why the Board is being asked to approve the full amount of these expenses when it appears that they will be at least partial paid by the manufacturer. Mr. Westover responded that, while the negotiations continue, the contractor needs to be paid. He further advised that he is of the opinion that a credit will be forthcoming from the manufacturer, which will appear as a deduct item on a balancing change order.

After lengthy discussion, the Board requested that all future change orders come to them for approval prior to any material or labor costs being incurred.

In favor: All. Opposed: None. (Motion carried)

D. Request to Approve - Change Order No. 3 re: Snow Road Pump Station Improvements – Scott D. Westover

Motion by Doe to approve Change Order No. 3 re: Snow Road Pump Station Improvements. Support by Cameron.

Mr. Westover advised the Board that this change order extends the length of the contract by 45 days, moving the substantial completion date from January 20th to March 6, 2013. He indicated that there were a number of difficulties, primarily electrical in nature. Mr. Westover explained that the issues have been addressed and the pumps have been online since November 30th. He pointed out that these delays did not result in any additional costs.

Ms. Stumbo inquired as to whether this project will help with odors. Kevin Dupuis responded that a new odor unit was installed as part of the work, which was up and running in October.

In favor: All. Opposed: None. (Motion carried)

E. Request for Final Acceptance – Taco Bell Community Development Project as a Public Utility – Scott D. Westover

Motion by Bodary to accept the Taco Bell Community Development Project as a public utility. Support by Cameron.

Mr. Westover advised the Board that this is a formality that must be undertaken in order to close the project and receive the new water service.

In favor: All. Opposed: None. (Motion carried)

F. Request to Approve - Authorization to Seek Bids re: Wastewater Treatment Plant Utility Cart Purchase – Kevin G. Dupuis

Motion by Doe to approve the request for authorization to Seek Bids re: Wastewater Treatment Plant Utility Cart Purchase. Support by Bodary.

Mr. Dupuis advised the Board that the wastewater utility plant's utility cart has been in service for 12 years and is in need of replacement. He indicated that the Authority has spent several thousand dollars since 2008 to keep it in operation. Mr. Dupuis explained that the cost of a new unit is being estimated at approximately \$18,000.

Mr. Doe inquired as to what the blade will be used for. Mr. Castro responded that it will be used for plowing between the clarifiers and the tanks.

Mr. Bodary inquired as to whether YCUA makes consideration for American-made products. Mr. Dupuis responded that he does whatever he can to buy domestic products from local dealers.

In favor: All. Opposed: None. (Motion carried)

G. Fund Balance Report – Dwayne Harrigan

Mr. Harrigan directed the Board's attention to the Fund Balance Report for November 30, 2012. 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. Financial Report – Authority Net Assets – Dwayne Harrigan

Mr. Harrigan directed the Board's attention to the Financial Report – Authority Net Assets Report for November 30, 2012. 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. Usage Report – Consumption Report – Jeff Castro

Mr. Castro 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.

J. Attorney's Report – Thomas E. Daniels

There was no attorney's report for the month.

K. Environmental Report – Perry M. Thomas

Mr. Thomas advised the Board that YCUA submitted its monthly discharge monitoring and operating reports for November 2012 and that the Authority was in compliance with all permit requirements and limitations.

He indicated that the contested case petition for the NPDES permit has been filed and that another meeting is expected before moving into a more formal arena.

Mr. Thomas explained that the 2012 incinerator emissions report was submitted to MDEQ in a timely manner and that the two pollutants that were required to be measured came back within compliance levels. He pointed out that staff is continuing to investigate the cause of the fluctuations in the level of sulfur dioxide emissions. Mr. Thomas also explained that the Authority will be required to obtain a different kind of permit if those levels are not brought back down.

He further advised that the odor control equipment was put online on December 11th and is expected to be completed by January 11, 2013. Mr. Thomas stated that the system seems to be abating odors successfully at the aeration basins.

He acknowledged that the Huron Street sanitary sewer overflow issue has now been fully resolved and that staff has requested that the notice of violation be terminated.

Mr. Thomas confirmed that, as previously reported, the Snow Road pump station project will be completed by March 2013.

He explained that discussions regarding the septage receiving system have resulted in the roll-out of a method of charging by capacity using a meter and a user log.

Ms. Stumbo inquired as to the origin of the septage. Mr. Thomas responded that YCUA only accepts domestic septage and tests two samples each month.

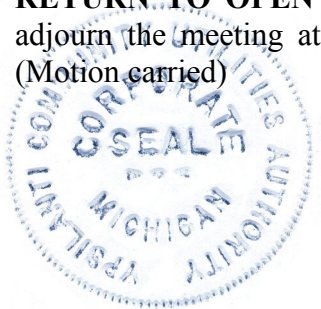
Informational only; no motion from the Board required.

L. Director's Report - Jeff Castro

Mr. Castro advised that Mr. Peoples has announced that he will remain on the Board until his position is filled.

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 Cameron to pay the bills in the amount of \$2,981,297.81. Support by Peoples. In favor: All. Opposed: None. (Motion carried) A discussion took place regarding the energy costs at the pump stations.
7. **PUBLIC COMMENTS:** There were no public comments for the month. The Board wished staff a Merry Christmas and thanked them for their hard work throughout the year.
8. **EXECUTIVE SESSION:** Jeff Castro recommended adjourning the open session and calling to order a closed session in order to discuss Union negotiations. Motion by Doe to accept Mr. Castro's recommendation for adjourning the open session and calling to order a closed session in order to discuss Union negotiations. Support by Bodary. By roll call vote: Ayes: Michael Bodary, Andrew Cameron, Brenda L. Stumbo, Gregory A. Peoples, and Larry J. Doe. Nays: None. (Motion carried)
(Board then met in closed session.)
9. **RETURN TO OPEN SESSION AND ADJOURNMENT:** Motion by Cameron to adjourn the meeting at 5:15 p.m. Support by Doe. In favor: All. Opposed: None. (Motion carried)



Respectfully submitted,

ANDREW CAMERON, Secretary - Treasurer

**YCUA RESOLUTION NO. 12-15 ANNOUNCING
THE RETIREMENT OF GUST BOVOLETIS AND
COMMENDING HIM FOR HIS SERVICE**

Minutes of a special meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 19th day of December 2012 at 4:00 o'clock p.m., prevailing Eastern Time.

PRESENT: Commissioners Brenda L. Stumbo, Michael Bodary, Andrew Cameron,
Larry J. Doe, and Gregory A. Peoples.

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Peoples and supported by Commissioner Cameron.

WHEREAS, Gust Bovoletis, an employee of the Ypsilanti Community Utilities Authority, has completed twenty-nine (29) years and four (4) months of service to the Authority; and

WHEREAS, Gust Bovoletis has requested retirement as of December 21, 2012.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Gust Bovoletis 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 Gust Bovoletis 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 Brenda L. Stumbo, Michael Bodary, Andrew Cameron,
Larry J. Doe, and Gregory A. Peoples.

NAYS: Commissioners None.

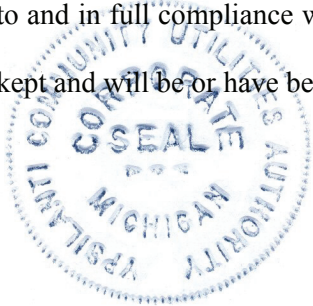
RESOLUTION DECLARED ADOPTED.





ANDREW CAMERON, 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 special meeting held on the 19th day of December 2012 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.



ANDREW CAMERON, Secretary - Treasurer