



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, January 24, 2024 – 3:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112**

Members Present: Michael Bodary, Jon R. Ichesco, Larry J. Doe, Gloria C. Peterson, and David Ostrowski.

Members Absent: None.

1. **CALL TO ORDER:** Mr. Bodary called the meeting to order at 3:00 p.m.
2. **MINUTES OF THE PREVIOUS MEETING:** Motion by Doe to receive and file the minutes of the December 20, 2023, meeting as presented. Support by Ostrowski. In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:**
 - A. **Request to Approve – YCUA Resolution No. 24-01 Approving Contract Relating to Not-to-Exceed \$5.0 Million 2024 Water Supply System Bonds for Sugarbrook Neighborhood Water System Improvements (Charter Township of Ypsilanti) – Tom Colis and Luther Blackburn**

Motion by Doe to approve YCUA Resolution No. 24-01 Approving Contract Relating to Not-to-Exceed \$5.0 Million 2024 Water Supply System Bonds for Sugarbrook Neighborhood Water System Improvements (Charter Township of Ypsilanti). Support by Ichesco.

Mr. Blackburn reminded the Board the engineering proposals were brought before the Board at the November meeting. Mr. Blackburn stated the project will be completed in two phases and YCUA was not awarded funds with the State Drinking Water Fund for the first phase of this project. Mr. Blackburn advised that YCUA does not know if we will have eligibility for phase 2 of this project with state funding.

Mr. Colis advised the open market bond process requires a contract between YCUA and the Township. Mr. Colis advised that the Resolution approves the contract and the contract with the Township provides the financing of the bonds by the Authority. Mr. Colis stated the Township will consider the Resolution and Contract at their February 6, 2024, meeting. Mr. Colis advised that Mr. Blackburn, Mr. Harrigan, and himself met with Township officials last week to answer any questions from Township officials.

Mr. Colis stated this will be a twenty-year financing with annual payments providing the opportunity to payoff or refinance the bonds after the first ten years. Mr. Colis advised the Township will need to publish the Notice of Intent to enter into a Contract in the next month with an anticipated closing in early May and bond pricing set in April.

Mr. Doe inquired when the construction would begin if the bonds are approved. Mr. Westover advised construction bids would be solicited in March or April with the construction likely starting about the time the bonds close. Mr. Colis advised the IRS has a requirement that at least 5% of the bond proceeds be spent within six months of the bond sale.

Mr. Bodary inquired for further questions and there were none.

In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion carried.)

B. Request to Approve - Award of Contract re: WWTP UV Disinfection System 72” Meter Repairs in the Approximate Amount of \$100,000.00 (O & M Expense Account No. 592-550-815-000) – Scott Westover and Ryan Stetler

Mr. Blackburn requested the motion be amended to reflect “repairs not-to-exceed amount of” instead of “repairs in the approximate amount of.” Mr. Bodary called for a vote to accept the amended agenda item “Award of Contract re: WWTP UV Disinfection System 72” Meter Repairs in the Not-to-Exceed Amount of \$100,000.00.” In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion amended.)

Motion by Doe to approve Award of Contract re: WWTP UV Disinfection System 72” Meter Repairs in the Not-to-Exceed Amount of \$100,000.00. Support by Ichesco.

Mr. Westover advised in the packet there was a memo dated January 19th documenting the need for the repairs including the firm quote from Hesco. Mr. Westover stated the quote does not include the cost of required

performance and payment bonds which is a state requirement for public repair work over \$50,000. This is expected to add about \$1,200 to the total cost, for a total cost of approximately \$91,000.

Mr. Stetler advised that trouble shooting indicated that eight transducers had become delaminated inside the flow tube or the cabling is bad. Mr. Stetler advised that Hesco allows all repair work to happen on the outside of the flow tube and minimizes disruption to the WWTP operation.

Mr. Bodary inquired as to how long the repair would take. Mr. Stetler advised the quote states one day. Mr. Bodary inquired for further questions and there were none.

In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion carried.)

C. Request to Approve – Purchase of Vehicles in the Amount of \$334,940 (Motor Pool Expense Account No. 901-597) – Ryan Stetler

Motion by Ichesco to approve Purchase of Vehicles in the Amount of \$334,940. Support by Peterson.

Mr. Stetler advised in the packet there is a memo dated January 16th documenting the sealed bid opening on December 29, 2023. Mr. Stetler advised one dealership, Bob Maxey Ford, submitted bids on all seven vehicles and that one dealership in Georgia submitted a bid on the two Ford one ton trucks.

Mr. Stetler advised this is the third time we have requested bids on these vehicles with the prior solicitations receiving no bids. Mr. Stetler recommended the vehicles be purchased from Bob Maxey Ford in Detroit.

Mr. Ostrowski inquired if YCUA has purchased vehicles from this dealership before. Mr. Stetler advised that to his knowledge, YCUA did not have prior purchases from this dealership. Mr. Ostrowski inquired to the ability of the dealership to deliver these vehicles. Mr. Stetler advised the dealership should be able to deliver all vehicles. Mr. Doe inquired if these new vehicles are replacing other vehicles. Mr. Stetler advised the fleet is evaluated with regards to condition, cost and safety, and once a vehicle is in the “red” condition, it must be replaced or reassigned. Mr. Stetler advised that replaced vehicles might be kept on site or auctioned depending on the condition of the vehicle.

Mr. Bodary inquired about the status of the Legacy Brother’s bid. Mr. Stetler stated Legacy Brother’s are out of state (Georgia) and appear to have several vehicles for resale.

Mr. Bodary inquired for further questions and there were none.

In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None.
(Motion carried.)

D. Fund Balance Report – Dwayne Harrigan

Informational only; no motion from the Board required.

E. Financial Report – Authority Net Assets – Dwayne Harrigan

Informational only; no motion from the Board required.

F. Usage Report – Consumption Report – Luther Blackburn

Mr. Blackburn advised the Board that the November month-to-month comparison shows water sales are down 2.9% and sewer sales are up 3.7%. Mr. Blackburn stated the year-to-date comparison shows water sales are down 3.6% and sewer sales are up 9.3%.

Mr. Blackburn advised the last page of the Consumption Report in the packet is incorrect. All Board members were provided a correct page.

Informational only; no motion from the Board required.

G. Attorney’s Report – Matthew T. Jane

Mr. Jane advised he had nothing to report.

H. Executive Director’s Report – Luther Blackburn

Mr. Blackburn advised the Board that a link to the new YCUA website had been sent to the Commissioners last week. Mr. Blackburn advised the project is getting close to being published. Mr. Blackburn advised most customers will never come into our building but will come to our website, our virtual house. Mr. Blackburn advised our goal was to make our new website customer friendly. Mr. Blackburn stated the website project has been going on about a year and the RFP was awarded to Revize (Troy, MI).

Ms. Groulx provided an overview of the draft version of the webpage. Mr. Bodary inquired about the “billing assistance” portion of the webpage and what type of assistance is available from the state. Mr. Blackburn advised that GLWA WRAP (Water Residential Assistance Program) and LIHWAP (Low Income Household Water Assistance Program) are two programs YCUA works with to help customers pay their water bill. Mr. Blackburn advised there is proposed state legislation to provide state-wide assistance with water bill payment, but nothing has been passed. Mr. Bodary requested any changes in the state programs be shared with the Board.

Ms. Peterson inquired if there was a staff directory included with the new webpage. Ms. Groulx advised that there is not a specific staff directory, but that instead the customer service page is broken down to specific areas for the customer to reach out directly to a specific department for assistance.

4. **OLD BUSINESS:** There was no Old Business for the month.
5. **OTHER BUSINESS:** Mr. Knapp advised the Service Department is focused on identifying the remaining unknown service lines. Initially, there were 4,783 unidentified service lines and now only 993 residences with unidentified service lines. These residents have been sent a letter requesting their response to assist in identifying the service lines.

Mr. Knapp advised YCUA has also applied for the Community Technical, Managerial, and Financial (TMF) Support for Lead Line Replacement grant from the State of Michigan which is available to help communities with service line identification. Mr. Knapp advised YCUA has submitted a grant application for \$600,000 which is the maximum allowed per community. Mr. Bodary inquired if we applied for multiple communities. Mr. Knapp stated YCUA has specifically applied for the City of Ypsilanti as all of the unknown service lines are inside the City. Mr. Blackburn advised YCUA is not responsible for service line identification in our contract service areas.

6. **STATEMENTS AND CHECKS:** Motion by Ichesco to pay the current month's bills in the amount of \$5,058,567.13. Support by Ostrowski.

In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion carried.)

7. **PUBLIC COMMENTS:** There were no Public Comments for the month.
8. **ADJOURNMENT:** Motion by Ichesco to adjourn the meeting at 3:38 p.m. Support by Ostrowski. In favor: Doe, Ichesco, Peterson, Ostrowski, and Bodary. Opposed: None. (Motion carried.)

Respectfully submitted,

MICHAEL BODARY, Chair