

Western Townships Utilities Authority
REGULAR MEETING
Monday, October 25, 2004
WTUA MIDDLE ROUGE CONFERENCE ROOM
40905 Joy Road, Canton, MI 48187

The regular meeting of the Western Townships Utilities Authority Board of Commissioners was held on Monday, October 25, 2004 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 3:12 p.m. by the Chairperson, Thomas J. Yack.

Present:
Thomas Yack
Steve Mann
Mark Abbo

Absent:

Also present were:

Robert Biga	WTUA
Aaron Sprague	WTUA
Jack Polhill	OMI
Richard Reaume	Plymouth Township Resident

The first item of business was public comment, non-agenda items: There was none.

The next order of business was acceptance of the agenda: Following discussion and upon hearing no objections; it was

R-04-10-109 Resolved to approve the agenda as presented.

Ayes: Yack, Mann, Abbo
Nays: None
Absent: None

The next order of business was acceptance of the minutes of the regular meeting of September 27, 2004: Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-110 Resolved to approve the minutes of the regular meeting of September 27, 2004 as presented.

Ayes: Yack, Mann, Abbo
Nays: None
Absent: None

The next order of business was Treasurer's Report. Following discussion and upon motion by Mann, supported by Abbo; it was

R-04-10-111 Resolved to approve the schedule of disbursements for September 2004 of \$1,914,468.52 and pre-approved payroll for November of \$28,616.23.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Operations and Maintenance Monthly Report. Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-112 Resolved that the Operations and Maintenance Report for the month of September 2004 be received and filed.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Directors Report for the month of October 2004. Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-113 Resolved to receive and file the Directors report for the month of September 2004.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Fiscal Year 2003/2004 Audit Engagement Letter. WTUA is preparing for the annual audit for the past year. The audit is conducted in December for the benefit of the WTUA member townships budget year. Plante and Moran have audited the Authority's financial statements since incorporation. This year there is an increase in the cost due to a 3% inflation increase and a charge of \$750.00 for the extra time involved for the new fraud auditing standards of SAS 99. Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-114 Resolved to concur with the Director of Operations that;

Whereas, Public Act II of 1968 requires an annual audit of the Authority's financial statements; and;

Whereas, Plante & Moran has offered to provide such a service under generally accepted standards; and

Whereas, Plante and Moran has agreed to perform such work and send directly to the State of Michigan three (3) copies of the financial report along with Plante & Moran's official letter of comments; and

Therefore, be it resolved that Plante & Moran is authorized to perform such work as outlined in their letter of September 22, 2004 at a cost not to exceed \$9,230.00; and

Further, that the Director of Operations sign the engagement letter on behalf of the Authority.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was OMI Service Contract Renewal. In July 2004 the Board approved a 1.37% increase in compensation to OMI, who has been providing operations and maintenance services to WTUA since 1994. The contract has a renewal clause each year during the five (5) year term. The language of the contract provides a standard CPI based escalation clause as a maximum increase unless a major scope of services change is otherwise negotiated. For the upcoming term, there were minor changes made to the agreement. Following discussion and upon motion by Abbo, supported by Mann; it was

- R-04-10-115 Resolved to concur with the recommendation of the Director of Operations to approve the OMI Service Contract as presented; and
Further, to authorize the Chairperson to sign the agreement on behalf of the Authority.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Computer Technologies, Inc., Contract Renewal. Computer Technologies, Inc (CTI) of Troy, Michigan has been WTUA's support contractor since 1996. The support is split between three areas; networks, applications and communications. CTI is offering a two (2) year renewal contract, which would guarantee the same hourly rates that are included in the current contract for the next two years. Following discussion and upon motion by Abbo, supported by Mann; it was

- R-04-10-116 Resolved to concur with the recommendation of the Director of Operations to approve the computer support renewal agreement with Computer Technologies, Inc., of Troy, Michigan for the period October 1, 2004 and ending September 30, 2006; and
Further, that the Director be authorized to sign the contract on behalf of the Authority; and
Finally, that the Director of Operations research to ensure the prices being charged are comparable.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Blue Cross/Blue Shield Health Insurance; Decrease In Costs. The new rates for Blue Cross/Blue Shield are less than last year's rates. The decrease is a result of state insurance laws pertaining to small employers. Following discussion and upon motion by Abbo supported by Mann; it was

R-04-10-117 Resolved to receive and file the update on the Blue Cross/Blue Shield report by the Director of Operations.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Employee Dental Coverage Change. Pat Short of Benefit Services Group presented a proposal for Blue Cross dental coverage, which is less expensive than our current provider (GE Financial), provided we have at least 5 employees covered. Jim Grau (who is a W-2 employee) currently is covered under a dental reimbursement program with WTUA and has agreed to become part of the dental program, provided the Board agrees to accept the proposal. Following discussion and upon motion by Abbo supported by Mann; it was

R-04-10-118 Resolved to concur with the recommendation of the Director of Operations to accept the proposal to provide Blue Cross Plan 3 Dental Insurance coverage and authorize the Director of Operations to sign any contracts on behalf of the Authority.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Award of Contract – Instrumentation and Controls Upgrade. The panels at both Lower Rouge and Middle Rouge are in need of upgrade as they are over ten (10) years old and the hardware and equipment are outdated. These panels operate all of the pumps, valves and gates within the pump stations, and as such, are critical components in the operations of the facilities. The Capital Improvement Plan (August 2004) included budgets for these repairs. Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-119 Resolved to concur with the recommendation of the Director of Operations to complete negotiations with and engage the services of Aggressive Systems, Inc., (ASI) for the upgrade of the Instrumentation and Controls Panel at the Middle Rouge and Lower Rouge facilities for a not to exceed contract in the amount of \$281,240.00; and

Further, if ASI does agree to the not to exceed contract, to waive the requirement to advertise for proposals for these services, given the anticipated savings and expertise of using the firm that designed, implemented and has updated/maintained the existing system; and

Further, if ASI does not agree to the not to exceed contract, that this item be brought back to the Board at the November 2004 regular meeting for further discussion.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was Amendment To Instrumentation and Controls Design Budget: At the September, 2003 Board meeting, a design budget of \$5,000 was established for Ayres, Lewis, Norris & May, Inc., (ALNM) to modify the as-built drawings for the existing instrumentation and controls (I&C) panels for the Middle Rouge facility. These upgrades were necessary to allow for ASI to prepare a proposal for the upgrade of the I&C panel at Middle Rouge. The Capital Improvement Plan amended and approved in 2004 called for design budgets of \$6,000 for each facility (for a total of \$12,000). Due to the timing issues, it has become necessary to increase the previously approved budget for ALNM. We are recommending that ALNM's budget be increased to \$10,000 (an increase of \$5,000). Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-120 Resolved to concur with the recommendation of the Director of Operations to amend the previously approved budget for Ayres, Lewis, Norris & May, Inc., for the design of the pump station instrumentation and control upgrade project to a not to exceed amount of \$10,000.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was YCUA Plant Expansion Update: Following discussion and upon motion by Abbo, supported by Mann; it was

R-04-10-121 Resolved to receive and file the update report on the YCUA plant expansion project from the Director of Operations.

Ayes: Yack, Mann, Abbo

Nays: None

Absent: None

The next order of business was public comments: There were none.

The next order of business was Commissioners' Comments: There were none.

There being no further business to come before the Board, the meeting was adjourned at 4:15 p.m.

Respectfully submitted,

Thomas J. Yack
Chairperson