

**Western Townships Utilities Authority**  
**REGULAR MEETING**  
Monday, April 26, 2010  
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, April 26, 2010 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 3:06 p.m. by Chairperson, Philip J. LaJoy.

Present:

Phil LaJoy  
Richard Reaume  
Richard Henningsen

Absent:

Mark Abbo

Also present were:

Aaron Sprague	WTUA
Cindy Cezat	WTUA
Jack Polhill	OMI/CH2MHILL

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

R-10-04-29      Resolved to accept the agenda as presented.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was minutes of the regular meeting of March 22, 2010. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-30      Resolved to accept the minutes of the regular meeting of March 22, 2010 as presented.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

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

R-10-04-31      Resolved to approve the schedule of disbursements for April, 2010 of \$985,336.59 and pre-approved payroll for May, 2010 of \$17,118.20.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was Operations and Maintenance Report for the month of March 2010. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-32 Resolved to receive and file the Operations and Maintenance Report for the month of March 2010.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was Directors Report for the month of April 2010. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-33 Resolved to receive and file the Directors Report for the month of April 2010.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was Lower Rouge EQ Basin Quarterly Report. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-34 Resolved to receive and file the quarterly report on the Lower Rouge EQ Basin Project.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was 401(a) Plan Transfer/Merger to MERS: The Economic Growth and Tax Relief Reconciliation Act of 2001 requires that plan sponsors amend their documents for recent legislation and IRS guidance and submit for an IRS determination letter. There is a five (5) year reporting cycle for governmental plans and our plan was amended in January 2009. Because our current plan is very unique, the costs incurred to amend and restate the plan was \$7,700 plus \$1,000 paid to the IRS for the determination letter, plus we pay \$2,000 a year for investment counseling. We have reviewed our options and feel that it would be cost effective to merge our 401(a) plan into the MERS DC Plan. There will be no costs to the Authority on an annual basis with MERS and their administrator are paid through fees charged to the investment funds. This will remove the administrative and accounting and reporting that is currently done by staff and the need to make sure we are complying with any new regulations. It also gives the employee more investment choices, as well as being able to direct their accounts online. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-35 Resolved to concur with the recommendation of the Director of Operations to approve the amendment to the Western Townships Utilities Authority Pension Plan and Trust to merge the Plan into the MERS DC-Plan as of May 1, 2010; and

Further, to approve the MERS Membership Agreement, the MERS Revised Uniform Defined Contribution Resolution, the MERS Uniform Defined Contribution Adoption Agreement and the Administrative Services Agreement with ICMA Retirement Corporation; and

Further, to authorize the Chairman, Secretary and the Director of Operations to sign the Plan Amendment, Resolution and all of the required MERS documents, where required.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business 457 Eligible Plan - Termination: The 457 Plan was adopted by the Board on November of 1997 to provide a vehicle for employees to defer compensation. This is strictly an employee contribution plan; there are no employer contributions. This plan was administered as a mirror of the 401 plan investment options. Since the Board is adopting a merger of the 401 (a) plan into the MERS DC 401(a) Plan, the investment counseling that was used for the 401 will no longer be able to be used for 457 plan investments. Therefore, to avoid costs, we are recommending that the 457 plan be terminated to relieve the Authority of the costs of administering this plan, which has approximately \$42,000 of assets. Employees will be given the choice of rolling over their balances to the MERS DC 401 (a) Plan or setting up a rollover IRA on their own, and complete distribution of plan assets will be made as soon as administratively feasible. Currently MERS does not offer a 457 plan, although this will be an option sometime in the future. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-36 Resolved to concur with the recommendation of the Director of Operations to approve the amendment to the Western Townships Utilities Authority Eligible 457 Plan to terminate the plan effective April 26, 2010; and

Further, to authorize the Chairman and Secretary to sign the Plan Amendment and Resolution, respectively..

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

The next order of business was Middle Rouge EFSP Replacement (Phase III) Change Order #4: Phase III of the Enclosed Flight Screw Pump (EFSP) Replacement Project is essentially complete. All work is completed with the possible exception of a few punch list items. A “final” walk-through will need to be done. Change Order #4 changes resulted from our pricing request issued as Bulletin #4. These changes were required to enhance the final product. Change Order #4 totals \$24,866.10, which is 2.6% of the original contract amount. The total Change Orders to date total \$1,064,216.38 or 10.5% of the original contract price. There will be one final change order related to instrumentation and controls upon completion of the project. Following discussion and upon motion by Henningsen supported by Reaume; it was

R-10-04-37            Resolved to concur with the recommendation of the Director of Operations to approve Change Order No. 4 to the Middle Rouge Screw Pump Replacement Project (Phase III), increasing the Contract price by \$24,866.10, to a new Contract price of \$1,064,216.38; and  
Further, that the CIP be amended to increase the Installation and Materials line item from \$1,044,609.44 to \$1,069,475.54; and  
Finally, that the Director of Operations be authorized to execute Change Order No. 4 on behalf of the Authority.

Ayes: LaJoy, Reaume, Henningsen

Nays: None

Absent: Abbo

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 regular meeting was adjourned at 3:46 p.m.

Respectfully submitted,

Philip LaJoy  
Chairperson