

Western Townships Utilities Authority
REGULAR MEETING
Monday, August 23, 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, September 27, 2004 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 3:10 p.m. by the Chairperson, Thomas J. Yack.

Present:

Thomas Yack
Steve Mann
Richard Henningsen (Northville Township Alternate)

Absent:

Mark Abbo

Also present were:

Robert Biga WTUA
Aaron Sprague WTUA
Cindy Cezat WTUA
Jack Polhill OMI

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

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

R-04-08-84 Resolved to approve the agenda as presented.
Ayes: Yack, Mann, Henningsen
Nays: None
Absent: Abbo

The next order of business was approval of the minutes of the regular meeting of July 26, 2004. Following discussion and upon motion by Henningsen, seconded by Mann; it was

R-04-08-85 Resolved to accept the minutes of the regular meeting of July 26, 2004 as presented.
Ayes: Yack, Mann Henningsen
Nays: None
Absent: Abbo

The next order of business was approval of the minutes of the study session of August 13, 2004. Following discussion and upon motion by Henningsen, seconded by Mann; it was

R-04-08-86 Resolved to accept the minutes of the study session of August 13, 2004 as presented.
Ayes: Yack, Mann Henningsen
Nays: None
Absent: Abbo

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

R-04-08-87 Resolved to approve the schedule of disbursements for July 2004 of \$757,107.98 and pre-approved payroll for September of \$28,119.26.

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

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

R-04-08-88 Resolved that the Operations and Maintenance Report for the month of July 2004 be received and filed.

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

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

R-04-08-89 Resolved to receive and file the Directors report for the month of September 2004.

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

The next order of business was Financial Statements For The Nine Months Ended June 30, 2004 Following discussion and upon motion by Henningsen, supported by Mann; it was

R-04-08-90 Resolved to receive and file financial statements for the nine months ended June 30, 2004.

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

The next order of business was Office Equipment Disposal. Old equipment has been stored over the years in the storage room and is taking up space. The equipment has no significant value and should be disposed of as scrap. The member townships and surrounding schools have been contacted to see if anyone wanted the equipment, but nobody indicated an interest. Before the equipment can be disposed of, the Board must approve the disposal. Following discussion and upon motion by Henningsen, supported by Mann; it was

R-04-08-91 Resolved to approve the August, 2994 equipment disposal to be executed by the Director of Operations.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was WTUA Proposed Budget; Fiscal Year 2004/2005. Changes to the budget document for the 2004/2005 fiscal year includes a column added to show the variance to projected percentages.. Following discussion and upon motion by Henningsen, supported by Mann; it was resolved that

R-04-08-92 Whereas, the Michigan Uniform Budgeting Account Act, being Act 621 of Public Acts of 1978, requires that the Western Townships Utilities Authority adopt a budget for each fiscal year, said budget to include an estimate of all proposed expenditures and a proposed means of financing such expenditures; and

Whereas, the Authority has prepared a budget for the fiscal year ending September 30, 2005; and

Therefore, be it resolved that the budget for the Authority for the fiscal year ending September 30, 2005 is hereby approved in the amounts as presented on page 1 of the budget document; and

Further, that the quarterly reporting to the Board include the line item detail as presented in the budget document; and

Be It Further resolved that the Director of Operations of the Authority is hereby authorized to submit the budget for approval during the September 2004 meetings of the Board of Trustees of each of the Charter Townships of Canton, Northville and Plymouth.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was Capital Improvement Plan (CIP). The CIP is updated on an annual basis at the time the Operations Budget is approved for the next fiscal year. To facilitate budgeting, the fiscal year for the CIP has been changed to January 1st – December 31st to coincide with the fiscal years of the member communities. The Capital budget was revised to more accurately reflect the costs that will be incurred for capital improvements over the next five (5) years. Following discussion and upon motion by Henningsen supported by Mann; it was

R-04-08-93 Resolved to concur with the Director of Operations to adopt the WTUA Capital Improvement Program dated August 2004 as presented.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was Proposed WTUA Schedule of Meetings. Following discussion and upon motion by Henningsen supported by Mann; it was

R-04-08-94 Resolved to concur with the recommendation of the Director of Operations to approve the WTUA Schedule of Meetings for fiscal year 2004/2005; and

Further, to direct WTUA staff to post the Schedule of Meetings for the 2004/2005 fiscal year within the three member communities.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was Award of Contract; Installation of the Variable Frequency Drives (VFD's) at Lower Rouge. The Request For Bids was for the installation of three (3) owner furnished Allen-Bradley 600hp VFD's. The Lower Rouge Pump Station utilizes VFD's in order to regulate power efficiency as the force main and equalization pumps need it. The Capital Improvement Plan, as amended, has allotted adequate funds to cover the furnishing and installation of this expenditure. Following discussion and upon motion by Henningsen supported by Mann; it was

R-04-08-95 Resolved to concur with the recommendation of the Director of Operations to accept the proposal furnished by Shaw Electric Company of Livonia, Michigan for the installation of three (3) VFD's at the present time with the understanding that installation of another VFD will be required within 24 months, for a total amount not to exceed \$60,600; and

Further, that Ayres, Lewis, Norris & May, Inc., and the Director of Operations execute the necessary contract documents as soon as possible.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was Resolution – Indemnification and Defense of WTUA Authority Officers, Employees and Volunteers. Bob Biga explained to the Board that he first learned of this resolution at an MMRMA meeting, when Attorney Robert Tremp indicated his recommendation that public entities adopt such a resolution indemnifying officers and employees.

The resolution was sent to the WTUA attorney for review and after her revisions, is being presented to the Board. This indemnification is permitted by MCLA 691.1408. Following discussion and upon motion by Henningsen, supported by Mann; it was

R-04-08-96 Resolved to concur with the recommendation of the Director of Operations to adopt the attached resolution for officers, employees and volunteers indemnification, as modified by Nancy Kahn (WTUA legal counsel) except for her proposal to change the words "may, at its discretion" to "will, except to the extent the employee or officer is covered by other insurance, indemnify".

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

The next order of business was MMRMA Insurance Policy Renewal. WTUA has been insured with MMRMA since 1991. The current policy is for a duration of one year and will expire on July 1, 2005. Following discussion and upon motion by Henningsen, supported by Mann; it was

R-04-08-97 Resolved to concur with recommendation of the Director of Operations to approve the insurance policy with MMRMA for the 2004/2005 coverage period at an annual premium of \$95,536; and Further, that the Director of Operations sign the policy on behalf of the Authority, as the member representative.

Ayes: Yack, Mann, Henningsen

Nays: None

Absent: Abbo

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

R-04-08-98 Resolved to receive and file the update report from the Director of Operations.

Ayes: Yack, Mann, 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 meeting was adjourned at 4:05 p.m.

Respectfully submitted,

Thomas J. Yack
Chairperson