

Western Townships Utilities Authority
REGULAR MEETING
Monday, August 28, 2006
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, August 28, 2006 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 3:04p.m. by Chairperson, Thomas J. Yack.

Present:

Absent:

Thomas J. Yack
Mark J. Abbo
Richard Reaume

Also present were:

Aaron Sprague WTUA
Cindy Cezat WTUA
Jack Polhill OMI

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-06-08-74 Resolved to accept the agenda as presented.

Ayes: Yack, Abbo, Reaume`
Nays: None
Absent: None

The next order of business was minutes of the regular meeting of July 24, 2006. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-75 Resolved to accept the minutes of the regular meeting of July 24, 2006 as presented.

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

The next order of business was minutes of the study session of August 14, 2006. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-76 Resolved to accept the minutes of the study session of August 14, 2006 as presented.

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

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

R-06-08-77 Resolved to approve the schedule of disbursements for August 2006 of \$1,309,735.70 and pre-approved payroll for September, 2006 of \$27,673.44.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business was Operations and Maintenance Report for the month of July 2006. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-78 Resolved to receive and file the Operations and Maintenance Report for the month of July 2006.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business was Directors Report for the month of August 2006. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-79 Resolved to receive and file the Directors Report for the month of August 2006.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business was Financial Statements for the Nine Months Ended June 30, 2006: Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-80 Resolved to receive and file the financial statements for the nine months ended June 30, 2006.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business was OMI Service Contract Renewal: Since 1994, OMI has been providing contract operations and maintenance services to WTUA. This renewal period, OMI has requested an increase of 7% to bring the contract amount in line with increased costs. OMI has also requested that the term be increased to ten (10) years. The current OMI Contract will be terminated effective September 30, 2006 (with a 90 day termination notification clause), with a new contract being drafted by the WTUA attorney, incorporating the new changes, along with Amendment 1 and Amendment 2 into the current contract.

Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-81 Resolved to concur with the recommendation of the Director of Operations to terminate the current OMI Service Contract, effective September 30, 2006; and

Further, that the WTUA Attorney draft a new service contract, incorporating

- The previous amendments between OMI and WTUA;
- The proposed seven (7%) percent increase;
- The modifications to the schedule of vehicles; and
- The term of ten (10) years; and

Further, that upon its completion, the new service contract be executed by the WTUA Chairman.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

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

R-06-08-82 Resolved to concur with the recommendation of the Director of Operations to approve the WTUA Schedule of Meetings as amended, adding months October 2007 through December 2007 and in the future presenting the schedule of meetings based on the calendar year rather than fiscal year; and

Further, to direct WTUA staff to post the Schedule of Meetings within the three member communities and on the WTUA web site.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business was WTUA Proposed Budget; Fiscal Year 2006/2007: Article X of the WTUA Articles of incorporation states "The Commission shall prepare, adopt and submit to the legislative bodies of the constituent municipalities an annual budget covering the proposed expenditures to be made for the organizing and operating of such Authority, and for the next fiscal year beginning October 1st, such budget to be submitted on or before September 1st of each calendar year. Following discussion and upon motion by Abbo supported by Reaume; it was resolved that

R-06-08-83 Whereas, the Michigan Uniform Budgeting and Account Act, being Act 621 of the 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, 2007;

Therefore, be it resolved that the budget for the Authority for the fiscal year ending September 30, 2007 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 Supplemental Information of the Budget Document; and

Further, be it resolved that the Director of Operations of the Authority is hereby authorized to submit the budget during the September 2006 meetings of the Board of Trustees of the Charter Townships of Canton, Northville and Plymouth.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business Capital Improvement Program: In August of 2003, the first Capital Improvement Program (CIP) was approved. The CIP will be updated on an annual basis at the time the Operations Budget is approved. The current year CIP was presented at the WTUA Budget Study Session held on August 14, 2006. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-84 Resolved to concur with the recommendation of the Director of Operations to adopt the WTUA Capital Improvement Program dated August 2006 as presented.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

The next order of business Pump #3 Emergency Repairs; Lower Rouge Pump Station: On Friday, August 11, 2006, Forcemain Pump #3 at our Lower Rouge Pump Station tripped due to motor overload. Upon physical examination by OMI, it was discovered that the bearings were not allowing the rotating element to rotate freely. As such, Kennedy Industries was called out to pull the pump, take it to their shop for assessment of the bearings/rotating element. Following discussion and upon motion by Abbo supported by Reaume; it was

R-06-08-85 Resolved to concur with the recommendation of the Director of Operations to approve the purchase order to Kennedy Industries of Milford, Michigan for emergency repairs to pump #3 in an amount not to exceed \$16,984.00; and.

Further, to authorize the Chairperson to sign the purchase order.

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

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

R-06-08-86 Resolved to receive and file the report on the YCUA expansion project from the Director of Operations .

Ayes: Yack, Abbo, Reaume

Nays: None

Absent: None

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

The next order of business was Commissioners' Comments:

There being no further business to come before the Board, the regular meeting was adjourned at 3:48 p.m.

Respectfully submitted,

Thomas J. Yack
Chairperson