

Western Townships Utilities Authority
REGULAR MEETING
Monday, July 25, 2022
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, July 25, 2022 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 3:00 p.m. by the Chairperson, Kurt Heise

Present:

Kurt Heise
Anne Marie Graham-Hudak
Mark Abbo

Absent:

Also present were:

Suzanne Balan
Jack Polhill

WTUA
JACOBS/OMI

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

R-22-07-40 Resolved to accept the agenda as presented.

Ayes: Heise, Graham-Hudak, Abbo
Nays: None
Absent: None

The next order of business was the minutes of the regular meeting of June 27, 2022. Following discussion and upon motion by Abbo, supported by Graham-Hudak; it was

R-22-07-41 Resolved to accept the minutes of the regular meeting of June 27, 2022.

Ayes: Heise, Graham-Hudak, Abbo
Nays: None
Absent: None

The next order of business was Approval of WTUA Bills. Following discussion and upon motion by Abbo, supported by Graham-Hudak; it was

R-22-07-42 Resolved to approve the schedule of disbursements for July 2022 of \$1,193,367.52 and pre-approved payroll for August 2022 of \$23,191.10.

Ayes: Heise, Graham-Hudak, Abbo
Nays: None
Absent: None

The next order of business was the Operations and Maintenance Report for the month of June 2022. Following discussion and upon motion by Abbo supported by Graham-Hudak, it was

R-22-07-43 Resolved to receive and file the Operations and Maintenance Report for the month of June 2022.

Ayes: Heise, Graham-Hudak, Abbo

Nays: None

Absent: None

The next order of business was the Directors Report for the month of July 2022: Following discussion and upon motion by Abbo, supported by Graham-Hudak; it was

R-22-07-44 Resolved to receive and file the Directors Report for the month of July 2022.

Ayes: Heise, Graham-Hudak, Abbo

Nays: None

Absent: None

The next order of business was HESCO Rate Increase: WTUA began an extensive metering program in 1994/1995, after an initial period with frequent meter failure and down time. WTUA entered into a contract with Martin Control Services (MCS, formerly of Plymouth) for routine maintenance of the meters. For a majority of the meters, this entails monthly cleaning, inspection and calibration. This maintenance has greatly improved the reliability of the meters, as well as the quality of the data. WTUA transitioned to billing based on the data obtained from these meters a number of years ago; therefore, the reliability and quality of the data is very important. MCS performed the meter maintenance from that time until the Autumn of 2017, at which point Hamlett Environmental Services Company (HESCO, Warren) acquired MCS. HESCO has continued the work of MCS, utilizing former MCS employees since the acquisition. WTUA and HESCO entered into a new agreement in 2018; that agreement included a clause allowing for an annual increase in fees based on CPI. However, the fees have not increased since the execution of that agreement. In that time prices have increased significantly due to COVID and very high inflation (CPI has increased by over 16%). Due to these increases, HESCO proposed fee increases, which in sum would have increased the monthly billings by more than 40% (as discussed at previous Board meetings). The proposed fees are the same as those billed to YCUA (which were the result of a bid process). The vast majority of HESCO's monthly billings to WTUA are for Hach/ISCO meters, for which a 46.67% increase was proposed from \$375.00 to \$550.00 (this was one of the fees we could not compare directly with those of YCUA). Through negotiations with HESCO of the Hach/ISCO fee, which will increase from \$375.00 to \$400.00 (rather than the \$550.00 proposed). This will result in a monthly increase between 16% and 20% (in line with CPI since their last increase). We will likely need to take another stepped increase for the Hash/ISCO meters in excess of CPI in 2023. Following discussion and upon motion by Abbo supported by Graham-Hudak; it was

R-22-07-45 Resolved to concur with the recommendation of the Director of Operations to approve the increased fee for the HESCO Meter Maintenance Agreement.

Ayes: Heise, Graham-Hudak, Abbo

Nays: None

Absent: None

The next order of business was Lower Rouge Pump 11 Emergency Repair: The lower Rouge North Pump Station utilizes three (3) pumps to send flow to YCUA; Pumps #9, #10 and #11. These pumps began operation in 2017 and are the primary pumps utilized to send flow to YCUA (two pumps in the South Pump Station; #4 and #5 can also deliver flow to YCUA. Pump #11 began exhibiting increased levels of vibration while operating, indicating a potential need for repairs. After making some adjustments to assess the vibration levels, we had Kennedy Industries pull the pump and take it to their shop for evaluation. Kennedy found several issues; including a crack in the shaft, worn impellar rings (wear item), heavily worn bearings, heavily worn mechanical seal, worn and eroded shaft sleeve and small cracks in the power frame. Kennedy prepared a quote to repair the pump for a cost of \$36,950, with a delivery time of 10 weeks. Because this is one of our day-to-day workhorse pumps, the repair was authorized as an emergency repair. Following discussion and upon motion by Abbo supported by Graham-Hudak; it was

R-22-07-46 Resolved to concur with the recommendation of the Director of Operations to authorize the repairs to the Lower Rouge Pump #11 by Kennedy Industries (Wixom) for a fee not to exceed \$36,950.

Ayes: Heise, Graham-Hudak, Abbo

Nays: None

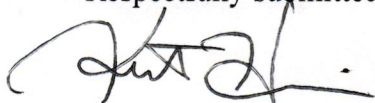
Absent: None

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 regular meeting was adjourned at 3:24 p.m.

Respectfully submitted,



Kurt Heise,
Chairperson