

**Western Townships Utilities Authority**  
**REGULAR MEETING**  
Monday, December 19, 2016  
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, December 19, 2016 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 Chairperson, Pat Williams.

Present:

Pat Williams  
Robert Nix  
Kurt Heise

Absent:

Also present were:

Aaron Sprague	WTUA
Suzanne Reel	WTUA
Jack Polhill	CH2M

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

R-16-12-77 Resolved to accept the agenda as presented.

Ayes: Williams, Nix, Heise  
Nays: None  
Absent: None

The next order of business was the minutes of the regular meeting of November 28, 2016. Following discussion and upon motion by Nix supported by Heise; it was

R-16-12-78 Resolved to accept the minutes of the regular meeting of November 28, 2016 as presented.

Ayes: Williams, Nix, Heise  
Nays: None  
Absent: None

The next order of business was Approval of WTUA Bills. Following discussion and upon motion by Nix, supported by Heise; it was

R-16-12-79 Resolved to approve the schedule of disbursements for December 2016 of \$11,619,305.86, and pre-approved payroll for January 2017 of \$20,027.23.

Ayes: Williams, Nix, Heise  
Nays: None  
Absent: None

The next order of business was the Operations and Maintenance Report for the month of November 2016. Following discussion and upon motion by Nix supported by Heise, it was

R-16-12-80 Resolved to receive and file the Operations and Maintenance Report for the month of November 2016.

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was the Directors Report for the month of December 2016: Following discussion and upon motion by Heise supported by Nix; it was

R-16-12-81 Resolved to receive and file the Directors Report for the month of December 2016.

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was Financial Statements for the Twelve Months Ended September 30, 2016: Following discussion and upon motion by Heise supported by Nix, it was

R-16-12-82 Moved that the Financial Statements for the Twelve Months Ended September 30, 2016 be received and filed.

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was Wayne County Annual Permit: Each year WTUA completes a permit application to the County of Wayne for activities that may take place within the County's road right-of-way. Following discussion and upon motion by Heise supported by Nix; it was

R-16-12-83 Resolved to concur with the recommendation of the Director of Operations for conditional approval of the Wayne County Permit application, incorporating the changes by the WTUA Attorney; and

Further, that the Director of Operations be authorized to sign the permit application on behalf of WTUA, but that the Director not be authorized to accept the County's insurance & Indemnification requirements on behalf of WTUA

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was 2016 Truck Purchase: WTUA utilizes two (2) pick-up trucks in performing the O&M activities for the collection system and the YCUA force mains. The CIP provides for replacement of each of these vehicles once every ten (10) years, with a new truck being purchased every fifth year. As such, the 2016 CIP included \$50,000 for the purchase of a new truck to replace the 2006 GMC 2500 HD 4x4 pick-up truck. The purchase will be made

through the MiDEAL Purchasing Program from Gorno Ford (Woodhaven). A 2017 Ford F250 4x4 extended cab pick-up truck has been selected, with a utility box in place of the standard bed, for a price not to exceed \$40,000, which includes a light bar and bed liner. In addition, the truck will be equipped with a light-weight crane and back-up alarm. Upon receipt of the new truck, the 2006 GMC truck will no longer be needed. As such, I would like approval to attempt to sell the 2006 GMC pick-up truck. Following discussion and upon motion by Nix supported by Heise, it was

R-16-12-84 Resolved to concur with the recommendation of the Director of Operations to approve the purchase of the 2017 Ford 250 4x4 cab pick-up truck with utility box and crane from Gorno Ford (Woodhaven, MI) for a cost not to exceed \$40,000; and

Further, that the Director of Operations attempts to sell the 2006 GMC 4x4 pick-up truck.

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was CH2M/OMI Service Contract Amendment: Since 1994, OMI has been providing contract operations and maintenance services to WTUA. Each year an amendment to the Agreement is made to address the agreed upon increase in the contract service fee, as well as any other changes that may be agreed upon. In 2006, the renewal period for the service agreement was increased from five (5) years to ten (10) years. In 2011, the multiple amendments to the 2006 Agreement were incorporated into a new base contract and a new ten (10) year term was established (10/1/11 until 9/30/21). In 2013, a new ten (10) year term was once again established, but with the beginning of the term shifted from 10/1/12 to 1/1/13. The contract language includes an ECI/CPI based escalation clause for an annual fee increase, should the parties not reach agreement on the fee increase. For calendar year 2017, the contractual ECI/CPI calculation for an increase came to approximately 2.2%, with a budgeted increase of 3%. I am recommending an increase of three (3%) percent, which results in an increase of \$15,160 for the base contract, to a new base fee of \$520,481; and increases of \$218.00 each for the Janitorial Services and Country Acres Pump Station fees, to an annual cost of \$7,492.00 each. Following discussion and upon motion by Heise supported by Nix, it was

R-16-12-85 Resolved to concur with the recommendation of the Director of Operations to approve the proposed changes to the CH2M/OMI Service Contract, effective January 1, 2017; and

Further, that the Director of Operations sign Amendment No. 5.

Ayes: Williams, Nix, Heise

Nays: None

Absent: None

The next order of business was Director of Operations Contract Renewal: Aaron Sprague has served as Director of Operations since November 27, 2004. Annually, the Board evaluates his performance, determines his salary for the upcoming year and renews the contract incorporating the salary. This year, it is recommended that the annual salary be adjusted to \$92,354.60, an increase of three (3%) percent. The contract has been modified reflecting the increase. Following discussion and upon motion by Nix supported by Heise; it was

R-16-12-86 Resolved to approve that the annual salary of the Director of Operations be increased by three (3%) percent to \$92,354.60 based on a 26 week pay cycle, effective with the pay period beginning December 19, 2016, to be paid on January 6, 2017; and

Further, that a \$1,000 bonus is to be paid to Aaron Sprague before the end of the 2016 calendar year; and

Further, that the Chairperson sign the employment contract on behalf of the Authority.

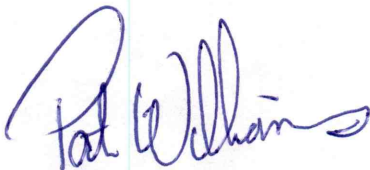
Ayes: Williams, Heise, Nix  
Nays: None  
Absent: None

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 3:46 p.m.

Respectfully submitted,



Pat Williams,  
Chairperson

1/23/2017