

Western Townships Utilities Authority
REGULAR MEETING
Monday, May 20, 2024
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, May 20, 2024 in the WTUA Middle Rouge Conference Room, 40905 Joy Road, Canton, Michigan 48187. The meeting was called to order at 9:00 a.m. by the Chairperson, Kurt Heise.

Present:

Kurt Heise
Anne Marie Graham-Hudak
Chris Roosen

Absent:

Mark Abbo

Also present were:

Aaron Sprague
Suzanne Balan
DJ Kaminga

WTUA
WTUA
JACOBS/OMI

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

R-24-05-31 Resolved to accept the agenda as presented.

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

The next order of business was the minutes of the regular meeting of April 22, 2024. Following discussion and upon motion by Graham-Hudak, supported by Roosen; it was

R-24-05-32 Resolved to accept the minutes of the regular meeting of April 22, 2024.

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

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

R-24-05-33 Resolved to approve the schedule of disbursements for May 2024 of \$991,730.25 and pre-approved payroll for June 2024 of \$26,135.33.

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

The next order of business was the Operations and Maintenance Report for the month of April 2024. Following discussion and upon motion by Graham-Hudak supported by Roosen, it was

R-24-05-34 Resolved to receive and file the Operations and Maintenance Report for the month of April 2024.

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

Absent: Abbo

The next order of business was the Directors Report for the month of May 2024: Following discussion and upon motion by Graham-Hudak supported by Roosen; it was

R-24-05-35 Resolved to receive and file the Directors Report for the month of May 2024.

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

Absent: Abbo

The next order of business was Financial Statements For Three Months Ended March 31, 2024. Following discussion and upon motion by Graham-Hudak supported by Roosen; it was

R-24-05-36 Resolved to receive and file the financial statements for the three months ended March 31, 2024

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

Absent: Abbo

The next order of business was Middle Rouge Pump #1 Repair: Some time ago, Pump #1 at the Middle Rouge Pump Station alarmed and would not operate. After preliminary inspection and troubleshooting by on-site staff, the pump was removed and taken to Kennedy Industries for inspection and possible repair. Kennedy has inspected and identified several issues in need of repair. The pump was found not to rotate by hand (a pump impeller should freely rotate by hand), passed electrical testing, but exhibited bearing noise during a test run. The mechanical seal failed, allowing wastewater to come into contact with, and contaminate the bearings. In addition, the suction bell was bent and the lift sling was damaged beyond repair. Kennedy has provided a quote of \$58,245.00 to repair the pump by replacing the mechanical seals, bearings, O-rings, impeller (provided by WTUA) and lift sling. In addition, the suction bell will be repaired. Following discussion and upon motion by Roosen supported by Graham-Hudak; it was

R-24-05-37 Resolved to concur with the Director of Operations to authorize Kennedy Industries to proceed with the repair of Pump #1 for a cost not-to-exceed \$58,245.00.

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

Absent: Abbo

The next order of business was Lower Rouge NPS Switchgear Maintenance: The switchgears at each of WTUA's facilities (Lower Rouge South, Lower Rouge North and Middle Rouge) are critical components to the facilities, distributing the incoming power to the various facility equipment. Due to the age and critical nature of the switchgear, preventative maintenance and inspection is scheduled to occur once every three (3) years for each facility (one facility is completed each year). Utilities Instrumental Service, Inc., (UIS) of Dexter has provided this service for WTUA in the past. Because of the highly specialized skills required, local options for this work are very limited. Prior efforts at receiving alternate pricing have yielded non-competitive pricing and/or competitive pricing by less qualified firms. As such, we typically request that UIS provide a quote for each year's semi-annual maintenance. UIS has provided a quote for preventative maintenance and inspection for the LRNPS switchgear for a cost of \$16,606. This is below the \$22,000 budgeted and represents an increase of 15.8% from the price three (3) years ago. While the increase is more than we typically see from UIS, it is not unexpected given the state of economy and inflation. Following discussion and upon motion by Graham-Hudak supported by Roosen; it was

R-24-05-38 Resolved to concur with the Director of Operations to award a purchase order contract to Utilities Instrumentation Service, Inc., of Dexter, Michigan in an amount not to exceed \$16,606.00 for the preventative maintenance and inspection services at the Lower Rouge North Pump Station; and

Further, that the normal bidding procedures be waived due to the limited number of service providers capable of performing this specialized work.

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

Absent: Abbo

The next order of business was Fiscal Year 2023/2024 Audit Engagement Letter: WTUA is preparing for the annual audit for the 2023/2024 Fiscal Year, which will be conducted in December. Plante & Moran have audited the Authority's financial statements since incorporation. The charge for the audit last year was \$20,975.00. This year Plante & Moran is asking for a fee in the amount of \$22,500.00. Following discussion and upon motion by Graham-Hudak supported by Roosen; it was

R-24-05-39 Resolved to concur with the recommendation of the Director of Operations that:

WHEREAS, Public Act II of 1968 requires an annual audit of the Authority's financial statements; and

WHEREAS, Plante & Moran has offered to provide such a service under generally accepted standards; and

WHEREAS, Plante & Moran has agreed to perform such work and send directly to the State of Michigan an electronic copy of the financial report along with Plante & Moran's official letter of comments, recommendations and their auditing procedures; and

THEREFORE, BE IT RESOLVED that Plante & Moran is authorized to perform such work as outlined in their letter of April 15, 2024 at a cost not to exceed \$22,500.00; and

FURTHER, that the Director of Operations sign the engagement letter on behalf of the Authority.

Ayes: Heise, Graham-Hudak, Roosen

Nays: None

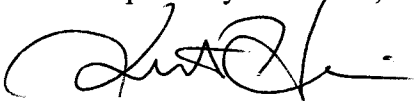
Absent: Abbo

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 9:24a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kurt L. Heise', written in a cursive style.

Kurt L. Heise,
Chairperson