Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Board of Directors

Wednesday, February 27, 2019 | **2:00 PM** | **Water Board Building 5th Floor**

Public Hearings
RE: FY 2020 and FY 2021 Biennial Budget Request and Proposed FY 2020 Schedule of Revenues and Charges and

1. Call to Order

Chairman Baker called the meeting to order at 2:03 p.m.

2. Quorum Call

Present: 6 - Chairman Brian Baker, Vice Chairman Abe Munfakh, Secretary Robert Daddow, Director Gary Brown, Director Freman Hendrix, and Director Craig Hupy

Note: Vice Chairman Munfakh and Director Hupy's attendance via teleconference.

3. Approval of Agenda

Chairman Baker requested a Motion to approve the Agenda.

Motion By: Robert Daddow
Support By: Gary Brown
Action: Approved
The motion carried by a unanimous vote.

4. Approval of Minutes

A. 2019-081 **February 13, 2019 Board of Directors Workshop Meeting Minutes.Draft**

Sponsors: Rechanda Willis

Attachments: February 13, 2019 Board of Directors Workshop Meeting Minutes

Chairman Baker requested a Motion to approve the February 13, 2019 Board of Directors Meeting Minutes.

Motion By: Robert Daddow
Support By: Gary Brown
Action: Approved
The motion carried by a unanimous vote.

5. Public Comment

Cindy Darrah addressed the Board regarding GLWA's contracting procedures.

Michelle George addressed the Board regarding the history and formation of the Great Lakes Water Authority.

Saulius Simolinas addressed the Board regarding GLWA's Capital Improvement Program.

JoAnn Warwick addressed the Board regarding City of Detroit drainage fees and customer service.

6. Communications

A. 2019-079 Receipt of Correspondence

Attachments: Public Comment to GLWA Board Mtg on Feb. 27, 2019
GLWA Third Party Facilitation - Board Presentation
January 2019 Member Outreach Requests Packet
2019 Capital Planning Committee Schedule and Content Discussion
OMID Only Projects Status and Planning
First Status Report on Procedures Implementing Board Resolution
Board Communication - February 27, 2019

Motion By: Robert Daddow
Support By: Craig Hupy
Action: Received and Filed
The motion carried by a unanimous vote.

7. Public Hearings

Chairman Baker opened the Public Hearings regarding the Proposed Fiscal Year 2020 and Fiscal Year 2021 Biennial Budget and the Proposed Fiscal Year 2020 Water and Sewerage Service Charges at 2:22 p.m., followed by a PowerPoint Presentation of the Proposed FY 2020 and FY 2021 Biennial Budget Request and the Proposed FY 2020 Charges, by Nicolette Bateson, Chief Financial Officer/Treasurer, and Bart Foster of The Foster Group, and a recap of how the FY 2020 through FY 2024 Capital Improvement Plan has been rolled out publicly, by Suzanne Coffey, Chief Planning Officer.

A. 2019-077 **Public Hearing on Proposed Fiscal Year 2020 & Fiscal Year 2021 Biennial Budget**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: Proposed-FY-2020-FY2021-Biennial-Budget-2.15.2019 -final

FY 2020-2024 Budget One Pager as of 1.3.2019

B. 2019-076 **Public Hearing on Proposed Fiscal Year 2020 Water And Sewerage Service Charges**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: Proposed-FY-2020-Schedule-of-Water-and-Sewer-Service-Charges-2.15.2019 -Final

C. 2019-098 **Presentation: February 27, 2019 Public Hearings Regarding Proposed FY 2020 & FY 2021 Biennial Budget Request and FY 2020 Charges**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: Public Hearings Presentation.February 27, 2019

Motion By: Robert Daddow
Support By: Freman Hendrix
Action: Received and Filed
The motion carried by a unanimous vote.

Chairman Baker asked if there was anyone in the audience that would like to make comments regarding the Proposed FY 2020 and FY 2021 Biennial Budget, the Proposed FY 2020 Water and Sewerage Service Charges, or the FY 2020 through FY 2024 Capital Improvement Program.

Cinday Darrah addressed Directors Brown and Hendrix, representatives for the City of Detroit, regarding a reduction in rates for City of Detroit residents.

Michelle George addressed the Board regarding rate increases for the City of Detroit residents.

Saulius Simoliunas addressed the Board regarding Great Lakes Water Authority debt.

JoAnn Warwick addressed the Board regarding concerns relating to contaminates leaking into the water system by demolition sites, and the notification process when there is a problem with the water.

Chairman Baker asked if there was anyone else in the audience that would like to make comments.

There were no further comments by the audience, however, Director Brown responded to public comments made regarding rate increases and contaminates leaking into the water system.

Director Brown stated that prior to the Great Lakes Water Authority being established in January 2016, DWSD saw double digit rate increases for 20 straight years; one year it was as high as 17%, and our rates are now capped by 4% of revenue, and DWSD has not increased rates any higher than 4% for the last two years, and DWSD is being very diligent about keeping rates as low as possible.

Director Brown also responded to the comments made regarding the demolition issues and contaminated soil and stated that DWSD does not have a well system, it has enclosed pipes, so there is little to no chance that any dirt that is contaminated could seep into our system.

There being no further public comments, Chairman Baker adjourned today's Public Hearings at 2:50 p.m. and advised the public that if the Budget, Charges

and Capital Improvement Plan are not approved today, the Public Hearings will remain open, and members of the public may submit written comments until such time as the Budget, Charges and Capital Improvement Plan are approved by the Board of Directors.

8. Old Business

None

9. New Business

A. 2019-084 Resolution Adopting the FY 2020 & FY 2021 Biennial Budget

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: Possible Budget Mods TFG 022519.pdf
Budget Resolution with Two Alternatives 2.27.2019.pdf
1B Budget Resolution 022719 as Proposed (004)

Motion By: Robert Daddow
Support By: Gary Brown
Action: Postponed to March 7, 2019 Board of Directors Workshop Meeting
The motion carried by a unanimous vote.

B. 2019-085 Resolution Regarding Approval of FY 2020 Schedule of Service Charges

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: Executive Summary Review of DWSD Preliminary Budget.pdf
Proposed FY 2020 Schedule of Charges 2.15.2019 Two Alternatives.pdf

Motion By: Robert Daddow
Support By: Gary Brown
Action: Postponed to March 7, 2019 Board of Directors Workshop Meeting
The motion carried by a unanimous vote.

C. 2019-062 Approval of FY 2020 through FY 2024 Capital Improvement Plan

Sponsors: Suzanne Coffey

Indexes: Planning Services

Attachments: Resolution 2019-062
FY 2020-2024 Capital Planning Committee Presentation
FY2020-2024 Capital Improvement Plan
FY2020-2024 CIP Appendix A - BCE's Water
FY2020-2024 CIP Appendix B - BCE's Wastewater
FY2020-2024 CIP Appendix C- Centralized Services

Motion By: Robert Daddow
Support By: Gary Brown
Action: Postponed to March 7, 2019 Board of Directors Workshop Meeting
The motion carried by a unanimous vote.

D. 2019-080 Discussion of format, if necessary, for March 2019 Special Meetings on Budget and Charges

Sponsors: William Wolfson

Indexes: Administration & Compliance

No Action Taken - Discussion Only

Note: The next Board of Directors Workshop Meeting will be held on Thursday, March 7, 2019, at 1:00 p.m., and the agenda will consist of the Budget (Proposed FY 2020 and FY 2024), Charges (Proposed FY 2020 Water and Sewerage Service Charges), CIP (FY 2020 through 2024 Capital Improvement Plan), and the OMIDDD agreement, if it has been finalized and approved.

E. 2019-078 **Contract No. GLWA-CS-272**
Capital Improvement Program Delivery

Sponsors: Suzanne Coffey

Indexes: Planning Services

Attachments: CIP Delivery Contract scope only
CS-272 Capital Program Board Letter - Overall Report FINAL
GLWA-CS-272 Procurement Report
GLWA-CS-272 -Cost Evalutaion

Motion By: Robert Daddow
Support By: Gary Brown
Action: Postponed to March 13, 2019 Board of Directors Workshop Meeting
The motion carried by a unanimous vote.

Note: Director Brown will submit questions and comments in writing to GLWA administration.

F. 2019-043 **Proposed Change Order No. 2**
GLWA-CON-183
Detroit River Interceptor Construction
(CIP# 222002)

Sponsors: Cheryl Porter

Indexes: Water Operations

Motion By: Freman Hendrix
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

G. 2019-044 **Proposed Change Order No. 2**
GLWA-CON-109
Emergency Refurbishment of Storm Pumps 5 and 7, Upgrade of Pump 5 and Motor Control Center Upgrade for Eight Storm Pumps for Freud Sanitary Pump Station
(CIP# 232002)

Sponsors: Cheryl Porter

Indexes: Water Operations

Motion By: Freman Hendrix
Support By: Abe Munfakh
Action: Approved
The motion carried by a unanimous vote.

H. 2019-045 **Proposed Amendment No. 1**
GLWA-DB-150
Design-Build Repair for Portions of the Pennsylvania, Springwells and Northeast Raw Water Tunnels
(CIP# 116002)

Sponsors: Cheryl Porter

Indexes: Water Operations

Motion By: Freman Hendrix
Support By: Craig Hupy
Action: Approved
The motion carried by a unanimous vote.

I. 2019-046 **Proposed Change Order No. 1 (Final)**
WS-681
42-Inch Parallel Water Main in 24 Mile Road, Romeo Plank to Rochester Station
(CIP# 122002)

Sponsors: Cheryl Porter

Indexes: Water Operations

Attachments: 2019-02-11 WS-681 Internal Memo Final Change Order

Motion By: Freman Hendrix
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

J. 2019-047 **Proposed Amendment No. 1**
CS-1656
Professional Engineering Services for Water Plant Production Flow Measurement and Related Facility Improvements
(CIP# 114003)

Sponsors: Cheryl Porter

Indexes: Water Operations

Motion By: Freman Hendrix
Support By: Gary Brown
Action: Approved
The motion carried by a unanimous vote.

K. 2019-048 **Contract No. 1802448**
Engineering, Design and Construction Assistance Services for the 14 Mile Transmission Main
(CIP# 122013)

Sponsors: Cheryl Porter

Indexes: Water Operations

Attachments: 1802448 Procurement Report
1802448 Review Committee Score and Business Case Evaluation

Motion By: Freman Hendrix
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

L. 2019-010 **Proposed Change Order 1**
GLWA Contract No. GLWA-CON-223
Facilities Maintenance Services Contract

Sponsors: Navid Mehram

Indexes: Wastewater Operations

Motion By: Freman Hendrix
Support By: Craig Hupy
Action: Approved
The motion carried by a unanimous vote.

M. 2019-051 **Contract No. 1802543**
Rehabilitation of Ferric Chloride Feed System at PS-1 and Complex B Sludge Lines (CIP# 211008)

Sponsors: Navid Mehram

Indexes: Wastewater Operations

Attachments: Pricing Summary2 1802543
Procurement Board Summary RFP 1802543 (1)

Motion By: Craig Hupy
Support By: Gary Brown
Action: Approved
The motion carried by a unanimous vote.

N. 2019-052 **Contract No. 1803227**
Dewatering Complex II Roofing Replacement
(CIP # 331002)

Sponsors: Navid Mehram

Indexes: Wastewater Operations

Attachments: 1803227 Dewatering Complex II Roof Replacement Bid Summary
1803227 Procurement Report
1803227 Vendor No Response

Motion By: Freman Hendrix
Support By: Craig Hupy
Action: Approved
The motion carried by a unanimous vote.

O. 2019-039 **Proposed Transfer of 24-Inch Water Main from City of Trenton to Great Lakes Water Authority**

Sponsors: Randal Brown

Indexes: General Counsel

Motion By: Abe Munfakh
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

P. 2019-040 **Proposed Settlement and Release Agreement with City of Southgate**

Sponsors: Randal Brown

Indexes: General Counsel

Attachments: Southgate re Aug 2018 main break claim settlement

Motion By: Abe Munfakh
Support By: Freman Hendrix
Action: Approved
The motion carried by a unanimous vote.

Q. 2019-041 **Proposed Settlement and Release Agreement with Village of South Rockwood**

Sponsors: Randal Brown

Indexes: General Counsel

Attachments: South Rockwood re Aug 2018 main break claim settlement

Motion By: Freman Hendrix
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

R. 2019-053 **Corrective Action Plan and Procedures for Implementation of Resolution 2019-003 "Board of Directors Policy on Implementation of The Procurement Policy with Regard to Retroactive Contracts on Which Work has been Performed Without Prior Authorization"**

Sponsors: William Wolfson

Indexes: Administration & Compliance

Attachments: Procedures Implementing Board Resolution Regarding Retroactive Contracts

Motion By: Robert Daddow
Support By: Gary Brown
Action: Received and Filed
The motion carried by a unanimous vote.

The Board will also discuss such other matters.

10. Reports

None

11. Remarks

A. Chairperson's Remarks

There were no Chairperson's remarks.

B. Board Members' Remarks

Director Hendrix gave remarks regarding the Northeast Pump Station and OMIDDD.

12. CEO's Report

A. 2019-083 CEO's Report - February 2019

Sponsors: Sue F. McCormick

Indexes: Office of the Executive

Attachments: CEO Report - February 27, 2019 and General Counsel Report

Motion By: Robert Daddow
Support By: Freman Hendrix
Action: Received and Filed
The motion carried by a unanimous vote.

13. Other Matters

There were no other matters.

14. Adjournment

Chairman Baker requested a Motion to Adjourn.

Motion By: Craig Hupy
Support By: Robert Daddow
Action: Approved
The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 4:40 p.m.