



**Regular Meeting
Minutes – June 16, 2021**

The Board meeting conference call was called to order by Chairman Jim Gorris at 10:00 am.

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| Roll Call: | Brownstown – Andrew Linko Gibraltar – Jim Gorris Van Buren - Sharry Budd S. Rockwood – Frank Wenzel | Flat Rock – Justin Danosky Huron – Jim Lancaster Woodhaven – Tim Neighbors |
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| Also present: | Firooz Fath-Azam Sean Bellingham Scott Mangold, Jacobs Andy Mechel, Jacobs Jim Taylor, Van Buren Kevin Dahl, Jacobs Lauren Fath-Azam | Randy Pentiuk, Attorney Stacey Reeves, Plante Moran Mark Houle, Jacobs Nekeeita Harris, Jacobs Tim Sullivan, HRC Noah Bednar, HRC Scott Denison, Gibraltar |
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Agenda: As presented

Minutes:

Motion by Woodhaven, second by Brownstown to approve the Meeting Minutes from the May 19, 2021, Monthly Board Meeting. All Communities are present. Motion carried unanimously.

Expenditures:

Motion by Brownstown, second by Flat Rock, to approve the May 2021 expenditures of **\$812,391.04**. All Communities are present. Motion carried unanimously.

Trial Balance as of June 30, 2021, & Budget to Actual as of June 30, 2021

Motion by Gibraltar, second by Woodhaven to receive and file the Trial Balance as of June 30, 2021, and the Budget to Actual as of June 30, 2021. All Communities are present. Motion carried unanimously.

Jacobs Report:

Mark Houle reported that Jacobs has an issue with waiting on data from their contract lab but is confident that they will work things out. All regulatory activities were completed in the month. The EQ Basin was not utilized, and no issues arose during the rain events. Although all phosphorus results are not currently in, Jacobs believes that they know that they are below limits due to all of the sampling. Due to the CIP, there will be a need for dewatering that was budgeted for and sufficient.

Andy Mechel reported that Inspections would begin again this Fall. The Pump stations are running as usual. The replacement suction piping on the Raw Sewage Pump continues and will be moving onto the last pump this coming Friday. LED lighting upgrades are moving along. Many old, rusted covers on the Primary Influent Channel have been replaced. The Water Tower filling pumps have been replaced. Cleaning and painting have begun on the Influent piping. CM's and Work Orders are moving along. Cleaning throughout the plant is ongoing. Jacobs put a hold on the rebuild for the main breakers on the Substations but will resume this coming month since DTE has notified them that they are now on two separate power lines. Improvement plans will be made for the Primary Clarifiers. The level sensor in the water tower will need to be replaced.

Mr. Houle continued to report that Jacobs continues to host training for their staff and sustainability efforts, including the addition of beehives, recycling of gloves, and usage of water fountains. Mr. Houle noted that he would be out of town next week for the board meeting.

Scott Mangold added that Jacobs's new Operations Manager would start this coming Monday.

CDM Smith Billable Flow Report for May

Motion by Van Buren, second by Flat Rock to receive the CDM Smith Billable Flow Report for May. All Communities are present. Motion carried unanimously.

System Manager Report

Priority 1 and 2 Plant Improvement Project Bids vs. SHVUA Construction Budget

Firooz Fath-Azam noted that all six bids received were over the amount that was budgeted for construction. The project is now scaled back 20% to stay within budget. Jacobs's maintenance budget will increase each year so that Jacobs will still be able to tackle the projects that were removed.

Future Board Meeting Format

Mr. Fath-Azam added that the Health Officer for Wayne County extended remote meetings for the Open Meetings Act until the end of December 2021. Mr. Fath-Azam asked Randy Pentiuik and Mayor Jim Gorris what their viewpoint was on having the meetings either in person or virtually. Jim Gorris prefers to have in-person meetings moving forward. In-person meetings will resume for July's Board meeting.

HRC Report

Priority 1 & 2 Plant Improvement Project Bids and Construction Contract Award

Tim Sullivan reported that HRC received all six bids. Heaney is the lowest bidder at \$24Million. HRC has met with Jacobs and Mr. Fath-Azam to review each of the items in the bid. Items were removed and quantities limited so that the budget can be upheld. Due to Heaney's inexperience in wastewater compared to other bidders, HRC has done extensive research into Heaney's prior work and experience. He added that he is very comfortable with the team. HRC recommends that the board award Heaney the contract for \$21,490,000.

Motion by Woodhaven, second by Huron for the South Huron Valley Utility Authority, to approve the construction contract award for the Priority 1 and 2 Plant Improvement Project to Heaney General Contracting Inc. in the amount of \$20,490,658.00. The Board hereby authorizes the Chairman to execute the contract subject to the concurrence of the System Attorney that all appropriate documentation, including insurance and other submittals required to comply with the Project Specifications, have been received and are acceptable. Upon executing the construction contract, the Chairman is authorized to issue the "Notice to Proceed" letter to Heaney General Contracting Inc. All Communities are present. Motion carried unanimously.

Lystek Design-Build Update

Mr. Sullivan continued to report that they are continuing to work on Lystek. Lystek is confident that they will still be able to hit the completion deadline. HRC is not as optimistic as they have been behind schedule. A meeting with EAGLE will take place to review the part 41 permit application as it has not been approved at this time. Mr. Gorris inquired if HRC anticipates any hiccups for the approval of the part 41 permit. Mr. Sullivan does not believe it should be a problem. Mr. Sullivan noted that his team is working on it now. A Part 41 permit might need to be submitted as well to move forward with the process.

Attorney Comments

Misc. Issues

Randy Pentiuk reported that his team is still trying to get their arms around gas consumption before bringing the Constellation Energy contract to the Board. Mr. Pentiuk is looking forward to the State of Michigan finally promising their response regarding SHVUA's application to the Pollution Exemption request. The MML has been dragging their feet slightly for cost recoveries for the elevator for the plant. He believes that they are back on track after having conversations with the claim adjuster.

Closed Session

Motion by Flat Rock, second by Van Buren to go into closed session to discuss the pending Suez litigation. All Communities are present. Motion carried unanimously at 10:45 am.

Open Session

At 11:15 am, the Board reconvened into open session. Upon roll call, all members were present.

Motion by Brownstown, second by Flat Rock, to pay Suez's unpaid invoices and accrued interest from 2018 in the amount of \$881,753.00.

Sharry Budd commented that a motion is needed to adjust the budget to cover the interest for Suez's disputed and unpaid invoices from 2018.

Motion by VanBuren, second by Huron, to increase the miscellaneous line item Misc Expenses for the 2021 budget by \$102,865 to cover the interest for Suez's disputed and unpaid invoices from 2018.

Stacey Reeves noted that since some of the deleted items from the Priority 1 and 2 construction project will be included in the future Capital Improvement budget or Maintenance budget line items, the Reserves should be revisited to assure that we have budgeted enough for the Reserve.

Other Business

No other business was presented at this time.

Adjournment

Motion by Huron, second by Gibraltar to adjourn. Motion passed unanimously.

Respectfully submitted,



Firooz Fath-Azam
System Manager

Attachments:

- a. Minutes from the May 15, 2021, SHVUA Board Meeting
- b. Expenditures for May 2021
- c. Trial Balance as of June 30, 2021, & Budget to Actual as of June 30, 2021
- d. Jacobs Monthly Operating Report for May 2021
- e. CDM Smith Billable Flow Report for May 2021
- f. System Manager Report
- g. HRC Report
- h. Attorney Comments