



**Regular Meeting
Minutes June 15, 2022**

The Board meeting was called to order by Chairman Tim Neighbors at 10:00 am at the Brownstown Township Hall.

Roll Call: Brownstown – Absent Flat Rock – Justin Danosky
 Gibraltar – Scott Denison Huron – Eric Scanland
 Van Buren - Sean Bellingham Woodhaven – Tim Neighbors
 S. Rockwood – Absent

Also present: Firooz Fath-Azam Randy Pentiuk, Attorney
 Mark Houle, Jacobs Noah Bednar, HRC
 Tim Sullivan, HRC Alisha Watkins, Plante Moran
 Dan Alford Lauren Fath-Azam

Agenda: As presented.

Minutes:

Motion by Gibraltar, second by Flat Rock, to approve the Meeting Minutes from the May 18, 2022, Monthly Board Meeting. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Expenditures:

Motion by Van Buren, second by Gibraltar, to approve the April 2022 expenditures of **\$1,836,600.22**. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Trial Balance & Budget to Actual as of June 30, 2022

Motion by Flat Rock, second by Van Buren, to file the Trial Balance and Budget to Actual as of June 30, 2022. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Jacobs Report:

Mark Houle reported that May was a good month. Education classes continue for all workers. All regulatory activities were performed. The plant received quite a bit of rain in May but handled all flows without issues. The EQ Basin was not utilized in May. Three Biodecks were used most of the month and only ramped up to four Biodecks for a short period. The 12-hour coverage continues without any issues. The plant is currently caught up on Biosolids.

Mr. Houle continued to report that Flat Rock Metals was sampled with no lab issues. Sludge storage tank cells #3 and #4 contain untreated sludge. Firooz Fath-Azam inquired what Jacobs's current schedule is for the Lystek process. Mr. Houle noted that they are running 24 hours, five days per week, and 12 hours, two days per week. Jacobs will be able to absorb a short break in production, but the storage tanks are almost full. Jacobs is producing 210 dry tons per month using the Lystek process, and all fecal samples have not been detectable.

Upon analyzing all chemical purchases, we discovered that there would be a \$30,000 cost savings in the State of Michigan sale taxes by having invoices sent directly to the Authority. Mr. Houle will review them and pass them on to Mr. Bellingham for payment.

The maintenance schedule and other maintenance activities have been going well. The 5th operations position has been filled, but the 3rd position remains vacant. Jacobs continues to involve itself in the community. Mr. Houle added that he is working on the FOG language. It will look different than it has in the past to stay up to date with today's standards.

CDM Smith Billable Flow Report for May

Motion by Gibraltar, second by Woodhaven, to receive the CDM Smith Billable Flow Report for May. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

System Manager Report

New System Manager Recommendation Resolution

Firooz Fath-Azam reminded the Board that they had received three proposals to fill the upcoming System Manager vacancy. The Executive Committee decided that all three were responsive but decided to shortlist two proposals. On May 11th, interviews were conducted for the two shortlisted proponents. Following the May 11th interview, Dan Alford was ranked first. The Executive Committee recommends hiring Dan Alford as Mr. Fath-Azam's replacement when he retires at the end of the year.

Mr. Alford introduced himself to the Authority. He noted his certifications, licenses, prior experience, thoughts, and work philosophy.

Randy Pentiuk added that Mr. Alford resembles Firooz Fath-Azam in his professional background, expertise, and work style. He is confident that Mr. Alford will undoubtedly be an excellent replacement for Mr. Fath-Azam. Mr. Pentiuk added that Mr. Alford would be paid the same hourly rate. He suggests that instead of the System Manager coming to the board every year for a raise, there should be an agreed-upon raise not exceeding 4% and not less than 1.5% on an annual basis. Mr. Fath-Azam noted that the System Managers contract would not expire when Jacobs's contract expires.

Motion by Woodhaven, second by Gibraltar to approve the Executive Committees June 8th, 2022, recommendation to retain Daniel Alford as the new System Manager, replacing Firooz Fath-Azam upon retirement. The SHVUA authorizes the Chairman to execute the attached contract for Mr. Alford. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Chemical Purchases for the Plant

Mr. Fath-Azam continued to report that we expect to save approximately \$30,000 per year in Michigan sale taxes by paying the vendor directly. Mr. Houle will receive invoices for reviewing and then forwards them to Sean Bellingham for payment.

HRC Report

Priority 1 & 2 Plant Improvement Project

Noah Bednar updated the Board on the progress of the Capital Improvement project. Standard administrative work continues with more RFIs. Odette pump station is still under bypass and construction. Due to shipping issues, final clarifier parts are ten weeks out from when they were expected to arrive.

Outstanding long lead items include receiving submittal on the loading platform. HRC is working on HVAC renovation issues for the Headworks Building and will update the Authority once resolved. Regarding the Administration Building, the VFDs needed to run the pumps have not arrived yet on site.

Lystek Process Completion

Mr. Bednar continued to report that Lystek is fully operational. HRC has not signed off on substantial completion as there are items they would like to ensure are in working order beforehand.

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There is a change order for Heaney, which includes:

1. Sump pit to cell 2 of the sludge storage tank. When drilling to put the pump base in, Heaney misjudged the depth of the cell and drilled through. Patchwork will need to be done.
2. Power pack. Additional modifications will be needed.
3. Additional repairs in the pipe gallery. The rot went deeper than expected.

The total amount is \$18,898.17.

Mr. Fath-Azam added that there were a few additional items that we decided to defer for now, but these three items included in the change order are noncontroversial issues.

Motion by Woodhaven, second by Flat Rock, to approve the Heaney change order #2 for \$18,898.17. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Attorney Comments

Randy Pentiuk explained the PFOS Michigan House Bill in Congress, which is currently in the Senate and before the Committee. This bill attempts to push the financial liability to innocent municipal utility ratepayers who did not create the PFOS. Mr. Pentiuk believes the bill has a defect and asks the Board to adopt a resolution opposing it.

Motion by Woodhaven, second by Flat Rock to adopt the resolution in opposition to PFOS Action Act of 2021. All Communities are present besides Brownstown and S. Rockwood. Motion carried unanimously.

Mr. Pentiuk inquired when it was an ideal time to view the upgrades at the Plant. Mr. Houle noted that it makes sense to wait a few months to be able to see more. Mr. Bednar added that September would be an ideal time to visit the new construction at the Plant.

Mr. Fah-Azam also recommended that Jacobs plan their annual plant picnic in September.

Other Business

Mark Houle announced that the Michigan Water Environment Association (MWEA), at their annual conference, awarded Andy Mechel the Maintenance Professional of the year.

Adjournment:

There being no further business to come before the Authority, the meeting was adjourned at 10:44 a.m.

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Respectfully submitted,

A handwritten signature in blue ink that reads "Firooz Fath-Azam". The signature is written in a cursive style with a large initial 'F'.

Firooz Fath-Azam
System Manager

Attachments:

- a. Minutes from the May 18, 2022, SHVUA Board Meeting
- b. Expenditures for May 2022
- c. Trial Balance & Budget to Actual as of June 30
- d. Jacobs Monthly Operating Report for May 2022
- e. CDM Smith Billable Flow Report for May 2022
- f. Board Resolution 6-3-2022, Action Act of 2021 Opposition
- g. HRC Report