



GREAT LAKES WATER  
AUTHORITY AUDIT  
COMMITTEE  
AND  
BOARD OF WATER  
COMMISSIONERS FINANCE  
COMMITTEE



JOINT MEETING  
MAY 1, 2015

MINUTES

1. Call to Order

Chairperson Forte and Chairman Baker called the meeting to order at 9:00 A.M.

2. Roll Call

Finance Committee: Commissioners Linda Forte and J. Bryan Williams

Audit Committee: Board Members Brian Baker, Robert Daddow, and Joseph Nardone

3. Approval of Agenda

Chairperson Forte requested approval of the agenda.

MOTION BY:	COMMISSIONER WILLIAMS
SUPPORT:	COMMISSIONER FORTE
ACTION:	APPROVED

Chairman Baker requested approval of the agenda.

MOTION BY:	BOARD MEMBER DADDOW
SUPPORT:	BOARD MEMBER NARDONE
ACTION:	APPROVED

4. Approval of Minutes

Chairperson Forte requested approval of the minutes from the meeting of April 7, 2015.

MOTION BY: COMMISSIONER WILLIAMS  
SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED

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Chairman Baker requested approval of the minutes from the meeting of April 1, 2015.

MOTION BY: BOARD MEMBER DADDOW  
SUPPORT: BOARD MEMBER NARDONE  
ACTION: APPROVED

5. Public Participation

Ms. Cindy Darrah came before the committees to question the layoff of three engineers (architectural, electrical, and mechanical) from the Water Department and cautioned the Board to not rely on contractors for the best design.

6. Old Business

A. Benefits Broker/Benefits Consultant Selection

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners and authorizes the Director to **execute a contract for Employee Benefits Broker/Benefits Consultant services from Aon Consulting, Inc. for three-years commencing May 15, 2015, for a fee of \$435,000.00**, and also authorizes the Director take such other action as may be necessary to accomplish the intent of this vote.

SUPPORT: COMMISSIONER FORTE  
APPROVED: APPROVED as recommended

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B. Property & Casualty Insurance Brokerage Services

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners and authorizes the Director to **execute a contract for Property & Casualty Insurance Brokerage Services from Aon Risk Services Central, Inc., for three-years commencing May 15, 2015, for a fee of \$608,000.00**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED as recommended

C. Human Resources Information System (HRIS)

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners and authorizes the Director to **execute a contract for Human Resource Information System Software as a Service (HRIS SAS) with Ceridian (Consultant) to provide HRIS SAS at a cost not-to-exceed \$1,328,993.00 for a duration of three (3) years with three (3), one (1) year renewal options**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

SUPPORT: COMMISSIONER FORTE

The Finance Committee recommends to the Board of Water Commissioners and authorizes the Director to **execute a contract for Human Resource Information System Software as a Service (HRIS SAS) with Ceridian (Consultant) to provide HRIS SAS at a cost not-to-exceed \$3,217,779.00 for a duration of three (3) years with two (2), one (1) year renewal options**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

FRIENDLY AMENDMENT BY THE MAKER OF THE MOTION AND  
SECONDED

ACTION: APPROVED as recommended

D. FY 2014 Audit and Draft Financial Report

Nicolette Bateson, Chief Financial Officer - Verbal update

E. Five-Year Financial Plan Update

F. History of Asset Write-Offs

Bart Foster of the Foster Group presented a preliminary summary of items 6E and 6F.

G. Bondholder Consent Process and Refunding Timeline

Ann Fillingham of Dykema accompanied by Lee Dohner and Anne Burger of First Southwest presented to the committees a presentation on the timeline, integrations and assumptions of the City of Detroit and Detroit Water and Sewerage Department Cloud ERP.

H. Appointment of Technical Financial Advisor for 2015 Bond Transactions

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners to **engage Mr. Ted Sobel of Ramirez & Company as technical financial advisor to the Board of Water Commissioners for the 2015 proposed bond transactions and authorize staff to execute a contract through the Office of the Chief Compliance and Administrative Officer and General Counsel.**

SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED as recommended

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I. Appointment of Securities Legal Advisor for 2015 Bond Transactions

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners to **engage Mr. D. Richard McDonald of Dykema as securities law advisor to the Board of Water Commissioners for the proposed 2015 bond transactions and authorize staff to execute a contract through the Office of the Chief Compliance and Administrative Officer and General Counsel.**

SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED as recommended

J. Resolution of Interagency Activity between City of Detroit and DWSD

MOTION BY: COMMISSIONER WILLIAMS

The Finance Committee recommends to the Board of Water Commissioners and authorize the Chief Financial Officer of the Water and Sewerage Department to **clear aged interagency activity with the City of Detroit, including an allocation of \$8,162,024.00 for FY 2011 for the purchase of the WorkBrain payroll and timekeeping system which will be recorded in FY 2014 and also authorizes other action necessary to resolve this matter.**

SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED as recommended

K. Chapter 9 Update and Fees

No update to report.

L. GLWA/DWSD-R Update

No update to report.

7. Adjournment

Chairperson Forte requested a motion to adjourn.

MOTION BY: COMMISSIONER WILLIAMS  
SUPPORT: COMMISSIONER FORTE  
ACTION: APPROVED

There being no further business, the Finance meeting adjourned at 11:27 A.M.

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8. New Business Chairman Baker lead the continued Audit Committee discussion

A. Ernst & Young Oracle Fusion Overview

Tim Hughes of Ernst & Young presented a brief overview.

9. Reports

A. Customer Service Report

Darryl A. Latimer, Chief Customer Service Officer/Deputy Director provided the committees with a written update and reported that the Department will begin residential delinquent shutoffs.

B. CFO Report

No update to report.

10. Look Ahead Schedule

Scheduled Meetings

GLWA Audit Committee June 5, 2015  
GLWA Board Facility Tours TBD  
BOWC Finance Committee TBD

11. Adjournment

Chairman Baker request a motion to adjourn.

MOTION BY: ROBERT DADDOW  
SUPPORT: JOSEPH ARDONE  
ACTION: APPROVED

There being no further business, the Audit meeting adjourned at 11:45 A.M.