



Detroit Water and Sewerage Department Meeting Minutes - Final Finance Committee

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Tuesday, February 17, 2015

7:30 AM

5th Floor Board Room, Water Board Building

Finance Committee Meeting

1. CALL TO ORDER

Chairman Kenoyer called the meeting to order at 7:30 A.M.

2. ROLL CALL

Present: 3 - Linda Forte, Bradley Kenoyer and J. Bryan Williams

3. APPROVAL OF AGENDA

Chairman Kenoyer requested approval of the agenda.

A motion was made by Co-Chairperson Forte, seconded by Co-Chairperson Williams, that the agenda be approved. The motion carried by the following vote:
approved

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Kenoyer and Co-Chairperson Williams

4. APPROVAL OF MINUTES

Chairman Kenoyer requested approval of the minutes of January 12, 2015.

A motion was made by Co-Chairperson Williams, seconded by Co-Chairperson Forte, that the minutes be approved. The motion carried by the following vote:
approved

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Kenoyer and Co-Chairperson Williams

5. PUBLIC PARTICIPATION

None.

6. OLD BUSINESS - Nicolette Bateson, Chief Financial Officer provided verbal updates on the following:

A. Chapter 9 update (verbal)

The Financial Review Commission approved a resolution to proceed with financing for the Department's sewer system.

B. FY 2014 Audit update (verbal)

The audit is underway.

C. ERP update (verbal)

The City's Oracle Fusion process is underway. The project is nearing key decisions on the chart of account format and moving toward a cloud-base solution to implement best practices.

D. State Revolving Fund update (verbal)

The fund had received approval.

7. NEW BUSINESS

A. FY 2016-20 Preliminary Five-Year Forecast

Ms. Bateson reported that the five-year forecast is consistent with the official statements issued last year and this is the first public discussion draft. Mr. Bart Foster of The Foster Group reported on the preliminaries of the forecast.

B. GLWA/ DWSD-R update

Ms. Bateson reported that the Finance Division continues its effort in the stand up of the Great Lakes Water Authority (GLWA) and Detroit Water and Sewerage Department Retail (DWSD-R). The GLWA website, and posted on Michigan Intergovernmental Trade Network (MITN) are several procurements to assist in the GLWA's transition. Finance is working to transition the DWSD-R system and working with the City's administration.

8. REPORTS**A. Customer Service Report**

Darryl A. Latimer, Chief Customer Service Officer/Deputy Director reported that the Department had ceased its aggressive water shut-offs due to the weather but will resume its collection efforts in March. Our focus have been on illegal usage and re-checks. The Department is moving forward with the assistance program and the Detroit Water Fund is available to help customers in shut off status. The Department also partnered with Department of Human Services (DHS), The Heat and Warmth Fund (THAW), Wayne Metro, and Water Assistance Volunteer Effort (WAVE) that provide assistance. Mr. Latimer reported that the Department continues its effort of the stormwater drainage concerns and would submit options to the administration to forward for the Mayor's direction.

Mr. Latimer reported that there has been some delay between receiving payments and posting for the wholesale customers but the Department is working to correct the matter. The Department continue its effort in collections from larger entities that have outstanding balances. In addition, the Department is expanding its commercial collection capability which would entail providing accurate data and reporting.

B. CFO Report

Ms. Bateson reported that GLWA held its first Audit Committee meeting on February 6, 2015. Mr. Brian Baker was elected chairman of the committee. The other members are Joseph Nardone and Robert Daddow. Brian Baker will also serve as the liaison between the Board of Water Commissioner's Finance Committee and Audit Committee.

She also noted in attendance was Gary Brown, Vice Chairman of the GLWA Board of Directors and Carol O'Cleireacain Deputy Mayor of Economic Policy and Planning and Strategy who are assisting in the standup of the DWSD-R.

C. Monthly Information Reports

Ms. Bateson reported that General Council provided an update on the status of water and sewer contracts negotiations.

9. LOOK AHEAD SCHEDULE**Scheduled Meetings**

Finance Committee March 3, 2015, 7:30am Meeting
Annual Finance Committee Report to BOWC- TBD

10. OTHER MATTERS

Director McCormick reported that the Department received a \$10 million SAW grant to assist in the asset management implementation. We also received a \$10 million SAW loan award to assist with the design of the Rouge River Outfall (RRO 2). The Michigan Department of Environmental Quality (MDEQ) approved the alternative to the (RRO 2), to make permit modification for the implications of the alternative to be written into the National Pollutant and Discharge Elimination System (NPDES) permit.

11. ADJOURNMENT

A motion was made by Co-Chairperson Williams, seconded by Co-Chairperson Forte, that the meeting be adjourned. The motion carried by the following vote:
adjourned

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Kenoyer and Co-Chairperson Williams

There being no further business, the meeting adjourned at 8:50 A.M.