



Detroit Water and Sewerage Department Meeting Minutes - Final Finance Committee

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Monday, October 12, 2015

8:00 AM

5th Floor Board Room, Water Board Building

Finance Committee Meeting

1. CALL TO ORDER

Co-Chairperson Forte called the meeting to order at 8:03 AM.

2. ROLL CALL

Present: 3 - Linda Forte, Michael Einheuser and Jody Caldwell

3. APPROVAL OF AGENDA

Co-Chairperson Forte requested a motion to approved the agenda.

A motion was made by Co-Chairperson Einheuser, seconded by Co-Chairperson Caldwell that this be approved. The motion carried by the following vote:

approved

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

4. APPROVAL OF MINUTES

Co-Chairperson Forte requested a motion to approve the minutes of August 26, 2015 and September 16, 2015.

August 26, 2015 (Page 2)

A motion was made by Co-Chairperson Einheuser, seconded by Co-Chairperson Caldwell that this be approved. The motion carried by the following vote:

approved

Aye: 2 - Co-Chairperson Forte and Co-Chairperson Einheuser

Abstain: 1 - Co-Chairperson Caldwell

September 16, 2015 (Page 5)

A motion was made by Co-Chairperson Caldwell, seconded by Co-Chairperson Einheuser that this be approved. The motion carried by the following vote:

approved

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

5. PUBLIC PARTICIPATION

This was none.

6. OLD BUSINESS

A. Bondholder Consent and 2015 Financing update (verbal)

Presenter: Lee Doner of First Southwest presented a verbal update. He reported that the GLWA approved the master bond ordinance. There was discussion with the workgroup regarding the reorganization. There was research of the POS disclosure document. A workgroup meeting is schedule to further advance the POS/disclosure document to near final form later in the week for distribution to the finance committee and the BOWC for review. No information from the rating agency. Moving forward with the disclosure documents and the bondholder consent. Updated the refunding analysis for both water and sewer.

B. Budget Schedule and FY2017-21 CIP Rollout update (Page 8)

Chief Financial Officer Nicolette Bateson presented highlights from the CIP schedule.

7. NEW BUSINESS

A. Bifurcated FY2016 Budget (Page 9)

Marcus Hudson, CFO of DWSD-R submitted and reported a verbal update of the DWSD-R O&M Budget Bifurcation.

A motion was made by Co-Chairperson Caldwell, seconded by Co-Chairperson Einheuser that this be recommended for approval. The motion carried by the following vote:

recommended for approval

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

B. Sewer System Bond Authorizing Resolutions - State Revolving Fund (Page 22)

A motion was made by Co-Chairperson Einheuser, seconded by Co-Chairperson Caldwell that this be recommended for approval. The motion carried by the following vote:

recommended for approval

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

C. Water System Bond Authorizing Resolutions - State Revolving Fund (Page 26)

A motion was made by Co-Chairperson Einheuser, seconded by Co-Chairperson Caldwell that this be recommended for approval. The motion carried by the following vote:

recommended for approval

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

8. REPORTS

A. Customer Service Division Report (verbal)

Deputy Director/Customer Service Officer Darryl Latimer reported keeping customers current in payment plans is crucial. In the month of September the Department executed 3,625 shutoffs of which 2,083 requested turn ons. Also in September the Department checked 5,231 accounts illegal service and found 2,461 services on and were re-shut. Approximately 41,450 customers in payment plans. There are 2,449 customers enrolled in Water Fund. Meeting with Wayne Metro to help customers.

City of Highland Park made various payments throughout the year. City of Melvindale has fallen behind of payments and has been referred to law.

B. CFO Report (verbal)

Nicolette Bateson, CFO provided an update.

- Technology Update

Chief Financial Officer Nicolette Bateson reported that the specifications for DWSD-R and GLWA regarding the Citywide oracle fusion project is being further defined. The oracle fusion project manager and implementer will provide the Department with costs for the modifications. The oracle fusion project is proceeding; testing for system set up.

C. Monthly Information Reports

- GLWA/ DWSD-R Project Implementation Team (P.I.T) and Bifurcation update
- Update- Wholesale Customers Assignments

- Attrition Chart (Page 30)

Nicolette reported that as of September 30, 2015 the attrition schedule is 1,313.

- GLWA/ DWSD-R Project Implementation Team (P.I.T) and Bifurcation update (Page 31)

Nicolette Bateson reported that the Project Implementation Team provided an update on the separation and start-up of the City of Detroit DWSD and GLWA.

- Update- Wholesale Customer Assignments (Page 33)

Jonathan Wheatley, Public Finance Manager reported that the Department has achieved 100 percent sewer contract assignments. The Department has made limited progress on water contract assignments 71 of 85 wholesale contracts. Twelve of the 14 contracts are Macomb County communities.

9. LOOK AHEAD SCHEDULE

Finance Special Meeting Monday, October, 19 at 7:30A.M.
Thursday, November 12 at 7:30 A.M.

10. OTHER MATTERS

This was none.

11. ADJOURNMENT

Chairperson Forte requested a motion to adjourn.

A motion was made by Co-Chairperson Einheuser, seconded by Co-Chairperson Caldwell that this be adjourned. The motion carried by the following vote:

adjourned

Aye: 3 - Co-Chairperson Forte, Co-Chairperson Einheuser and Co-Chairperson Caldwell

There being no further business, the meeting adjourned at 9:47 AM.