



Detroit Water and Sewerage Department Meeting Minutes - Final Board of Water Commissioners

735 Randolph
Detroit, Michigan 48226

Wednesday, April 22, 2015

2:00 PM

5th Floor Board Room, Water Board Building

Regular Meeting

1. CALL TO ORDER

Chairman Fausone called the meeting to order at 2:00 PM.

2. ROLL CALL

Present: 7 - Commissioner James Fausone, Commissioner Fred Barnes, Commissioner Mary Blackmon, Commissioner Linda Forte, Commissioner J. Bryan Williams, Commissioner John Henry Davis and Commissioner Michael Einheuser

Also Present: Sue F. McCormick, Director; William M. Wolfson, Chief Administrative and Compliance Officer/General Counsel; Darryl A. Latimer, Chief Customer Service Officer/Deputy Director

3. APPROVAL OF AGENDA

Chairman Fasuone requested approval of the agenda.

Amendments:

- Item 5 Public Comments moved to Item 6
- Item 6 Presentation moved to Item 5
- Common Interest Agreement may require action; added to the end of the agenda for possible action.

A motion was made by Commissioner Blackmon, seconded by Commissioner Williams that the agenda be approved. The motion carried by the following vote:
approved as amended

4. APPROVAL OF MINUTES

A motion was made by Commissioner Williams, seconded by Commissioner Blackmon that the minutes be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

5. PUBLIC COMMENTS (3 minutes per speaker)

Mr. Peter Hicks of 9664 Coyle came before the Board regarding a water shut off. Mr. Hicks was referred to a customer care representative.

Mr. Creighton Rippi of 20062 John R St. came before the Board regarding a service reduction and smaller meter installation. Mr. Rippi was referred to a customer care representative.

Mr. Anthony Zander of 600 N. Eastlawn Court with members of the Victoria Park Community came before the Board concerning basement flooding as a result of the May 25, 2011 and August 11, 2014 rain events.

Ms. Denna Calles of 2639 Wing Place came before the Board regarding a restoration issue due to water main shut. Ms. Calles was referred to a field services representative.

Ms. Erma Leaphart representative of the Sierra Club came before the Board regarding customer assistance programs.

Ms. Lucile Williams of 18606 Oak Drive came before the Board regarding a restoration concern. Ms. Williams was referred to a field services representative.

Mr. Vincent Davis of 14801 West Seven Mile Road came before the Board regarding a huge water bill. Mr. Davis was referred to a customer care representative.

6. PRESENTATION - EMPLOYEE RECOGNITION

The Commissioners applauded and stood to salute 29 employees in recognition of outstanding service in making repairs beyond the call of duty at DWSD Wastewater and Water Works Park Treatment Plants.

Wastewater Treatment Plant

Timothy Allen, Joseph Alexander, John Lokosis, Kim Spicer, Alfred Teasley, Jay Lewis, Michelle Sutton, Frank Cxyz, Russell Rader, Stephen Shuk, Douglas Higgins, Derek Bennett, Melvin Murphy, Majid Khan, Jeffrey Morrison, Ron Nelson, and Bobby Davis

Water Works Park

Wayne Hardaway, Bradford Grant, Reginald Bryant, Wayne Thomas, Joe Twiggs, Charles Huskey, Otis Butler, Gerald Murphy, Freddie Walker, Ronnie Jordan, Darrin Rasch, and Fred Smith

7. ITEMS FROM THE COMMISSIONERS

None.

8. OLD BUSINESS

None

9. NEW BUSINESS

[15-1016](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. CS-1644, “Office 365 Migration Professional Services” with HP Enterprise Services (Consultant), at a cost not to exceed \$296,840.00 for a duration of one (1) year**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Rainey

A motion was made by Commissioner Blackmon, seconded by Commissioner Forte that this Contract be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1019](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into RFQ No. 50126 “Filter Alum Syrup, Aluminum Sulfate” with Chemtrade Chemicals US LLC (Vendor), in the amount of \$3,668,960.00 for a duration of two (2) years, with two (2) - one (1) year renewal options at a cost of \$1,834,480.00 for each renewal year option**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Porter and Daniel

Attachments: [RFQ 50126 Bid Tabulation](#)
[RFQ 50126 Statements of No Bid](#)
[RFQ 50126 MITN - Vendors Solicited](#)

A motion was made by Commissioner Barnes, seconded by Commissioner Blackmon that this Contract be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1020](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Contract No. WS-686 “Water System Improvements: Various Streets Throughout the City of Detroit” with Major Cement Company (Contractor), at a cost not to exceed \$7,898,454.00 for a duration of 820 calendar days**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Porter and Olson

A motion was made by Commissioner Davis, seconded by Commissioner Barnes that this Contract be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1021](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **execute a resolution pertaining to securing low interest loan assistance through the Drinking Water Revolving Fund (DWRf) for Water Main Replacement as detailed in the FY16 DWRf Project Plan**, and also authorizes the Director to take such action as may be necessary to accomplish the intent of this vote.

Sponsors: Porter, Edwards and Olson

Attachments: [BOWC Resolution - FY16 DWRf Project Plan TOC & Source of Info DWRf Writeup \(Draft\) - 03-18-2015](#)

A motion was made by Commissioner Forte, seconded by Commissioner Blackmon that this Resolution, BOWC be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1022](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **grant an increase of \$104,000.00 in the contract amount and an extension of one (1) year in contract time for DWSD Contract No. PS-1567 “Individual Personal Services Contract” to Anthony Alston (Consultant)**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Porter and Daniel

A motion was made by Commissioner Davis, seconded by Commissioner Barnes that this Contract Amendment be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1023](#)

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **enter into Small Capital Project No. SCP-PC-010 “Replacement of Air Distribution Equipment for the Grit and Screening Facilities at Pump Station No. 2 at the Detroit Wastewater Treatment Plant (WWTP)” with Toolles Contracting Group, LLC (Contractor), at the cost not to exceed \$937,466.64, for a duration of 570 calendar days**, and also authorizes, the Director to take such other action as may be necessary to further accomplish the intent of this vote.

Sponsors: Porter and Barrott

A motion was made by Commissioner Williams, seconded by Commissioner Barnes that this Contract be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1027](#)

The Board of Water Commissioners for the City of Detroit Water and Sewerage Department authorizes the Director to **execute the Settlement Agreement and Mutual Release with the City of Inkster**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Wolfson

Attachments: [Draft Settlement Agreement](#)
Board Memo Settlement

A motion was made by Commissioner Williams, seconded by Commissioner Barnes that this Case Settlement, Other be approved. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1028](#)

The Board of Water Commissioners for the City of Detroit Water and Sewerage Department authorizes the Director to **enter into a Thirty (30) day Emergency Contract Purchase Agreement with Chemtrade Chemicals US LLC to purchase Aluminum Sulfate in the amount of \$228,160.00** and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Johnson

A motion was made by Commissioner Blackmon, seconded by Commissioner Barnes that this Procurement, Goods be approved. The motion carried by the following vote:

approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

10. DIRECTOR'S REPORT

[15-1047](#)

Director's Report

Sponsors: McCormick

Attachments: [Director's Report April 22 2015](#)

11. COMMENTS BY COMMISSIONERS

Commissioner Williams stated there has been a delay in the preparation of the City's audit financial statements for the FY ending June 30, 2014. The bond holder consent context is not available. It is likely that an official statement to profit by the BOWC will be required and that refunding will be necessary in order to push the approval over 50 percent. The staff has not regularly briefed the Board on the status of activities and this is due to issues to standing order of the Court of confidentiality. The Board is going to be asked to approve an official statement within the next 30 days which will include information in the official statement related to transition activity and GLWA and the Board does not have direct access or been briefed historically. His concern is that the Board has not been directly involved in the transition and the official statement without due-diligence. He suggested that the Board retain Counsel to advise them through the process. Commissioner Williams also said that the Board has two new members that have not been briefed on security law issues and liability concerns. William Wolfson, Chief Administrative and Compliance Officer/General Counsel replied that the Department would seek retainage of a independent advisor for the Board. Mr. Wolfson also stated that briefing will be provided to Commissioners Davis and Einheuser and other members if needed. Chairman Fausone suggested that retainage of an Independent Legal Advisor and Financial Advisor are sought. Mr. Eric Rothstein of Galardi Rothstein Group added that the concerns raised have been communicated to the lease negotiation team and efforts are underway to develop a revision to the schedule to accommodate the appropriate briefing.

Commissioner Barnes' concern was that by signing the official statement could make the Board liable individually and/or collectively.

Chairman Daddow of the Great Lakes Water Authority stated that the Authority has to accept the document with the need of due-diligence and that he also has members in need of briefing and suggested some joint training.

Jonathan Wheatley, DWSD Public Finance Manager added that a draft proposal had been received for a financial advisor from Rameriz & Co. and is in process.

Commissioner Davis asked for an update on a request to provide the BOWC with information on what is approved by Council, DWSD Board and the Financial Review Board.

12. COMMENTS BY THE CHAIR

Chairman Fausone noted that Mr. Butler Benton had retired from the Department, and on behalf of the Board of Water Commissioners thanked him for his service at the Wastewater Treatment Plant and wished him all the best. He announced that the WAVE Annual Fundraiser event commence on April 29, 2015 at the Riverside Marina from 5-8pm sponsored by Tetra Tech. He also recognized Marian King-Bell, Board Secretary on this day " Professional Administrative Day" for all her administrative efforts. Chairman Fausone announced that on May 13, 2015, the Department's 20th Annual Drinking Water Week Science Project Awards Ceremony will commence at Water Works Park from 11am-12:30pm. He also noted that the Board should be in receipt of a schedule for BOWC meetings, GLWA meetings, joint meetings and/or workshops with topic discussions.

13. OTHER MATTERS

None.

14. CLOSED SESSION**15-1029**

Upon recommendation and opinion of William M. Wolfson, Chief Administrative and Compliance Officer/General Counsel, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department: 1) **Agrees to meet with legal counsel, in closed session, pursuant to Section 8(e) and (h) of the Michigan Open Meetings Act to discuss pending litigation in the matter of City of Detroit v City of Highland Park, WCC No. 14-001974 CK; and 2) Notes that an affirmative roll call vote of 2/3 of the Board Members appointed and serving is required for approval of this Motion; and 3) Authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.**

Sponsors: Wolfson

A motion was made by Commissioner Barnes, seconded by Commissioner Blackmon that this Request to enter into Closed Session at 4:00 P.M. be approved. The motion carried by the following vote:

approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

A motion was made by Commissioner Blackmon, seconded by Commissioner Barnes to adjourn the first Closed Session at 4:45 P.M.

approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

[15-1030](#)

Upon recommendation and opinion of William M. Wolfson, Chief Administrative and Compliance Officer/General Counsel, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department: **1) Agrees to meet with legal counsel, in closed session, pursuant to Section 8(h) of the Michigan Open Meetings Act which permits a Public Body to meet in Closed Session to “consider material exempt from discussion or disclosure by state or federal statute.” 2) Notes that an affirmative roll call vote of 2/3 of the Board Members appointed and serving is required for approval of this Motion; and 3) Authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.**

Sponsors: Wolfson

A motion was made by Commissioner Barnes, seconded by Commissioner Forte that this Request to enter into Closed Session at 4:45 P.M. be approved. The motion carried by the following vote:

approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

A motion was made by Commissioner Blackmon, seconded by Commissioner Forte to return from the Request for Closed Session at 5:33 P.M. The motion carried by the following vote:

approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

The only matters discussed were City of Detroit v City of Highland Park and an attorney/client privilege communication.

[15-1048](#)

Common Interest Agreement

Sponsors: Wolfson

Attachments: [DWSD General Counsel Common Interest Agreement](#)

A motion was made by Commissioner Barnes, seconded by Commissioner Williams that this Resolution, BOWC be approved. The motion carried by the following vote:

approved

Aye: 6 - Commissioner Fausone, Commissioner Barnes, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

Abstain: 1 - Commissioner Blackmon

15. ADJOURNMENT

A motion was made by Commissioner Blackmon, seconded by Commissioner Barnes that the meeting be adjourned. The motion carried by the following vote:
approved

Aye: 7 - Commissioner Fausone, Commissioner Barnes, Commissioner Blackmon, Commissioner Forte, Commissioner Williams, Commissioner Davis and Commissioner Einheuser

There being no further business, the meeting adjourned at 5:35 P.M.