

DOWNRIVER UTILITY WASTEWATER AUTHORITY
August 14, 2025 MEETING MINUTES
CITY OF TAYLOR COUNCIL CHAMBERS

1. Roll Call and Introductions

Chairperson McLeod (Allen Park) called the meeting to order at 9:00 AM and asked for roll call to be taken. At the time of roll call, voting representatives were in attendance from 10 communities: Allen Park, Belleville, Brownstown, Dearborn, Riverview, Romulus, Southgate, River Rouge, Taylor, Van Buren. A quorum (at least 7 members) were present. Absent: Ecorse, Lincoln Park, Wyandotte.

a. DUWA Commissioners

The DUWA Board Commissioners present at the time of roll call introduced themselves as follows: Mayor Gail McLeod (Allen Park), Melissa Frierson (Belleville), Roxie Fairchild (Brownstown), Mariana Hernandez (Dearborn Heights), Jeff Dobek (Riverview), Roberto Scappaticci (Romulus), Mayor Joseph Kuspa (Southgate), Melissa Collins (River Rouge), Mayor Tim Wooley (Taylor), Ron Akers (Van Buren).

b. Other Meeting Attendees

Board meeting attendees present in the audience at the time of roll call introduced themselves as follows: Jim Fausone (Fausone & Grysko), Jim Taylor (DUWA), Angela Mannarino (Taylor & Van Buren), Rumzei Abdallah (Plante Moran), Gerald Barr (Allen Park), Kerry Morgan (Riverview), Stephen Hitchcock (Romulus), Jason Nash (Veolia CPM), Nicholas LaPorte (Veolia O&M), Travis Tuma (Veolia O&M), Dan Alford (Fishbeck), Sarah Rutkowski (Fishbeck), Lauren Fath-Azam (Secretary), Doug Drysdale (DNS Services).

2. Approval of Agenda

Copies of the Agenda were made available prior to the meeting. Motion by Southgate and supported by Brownstown to approve the agenda. The motion passed unanimously by all attending members.

3. Approval of Minutes from July 10, 2025 Board Meeting

Copies of the meeting minutes from the July 10, 2025 Board meeting were included in the pre-meeting Board packet. Motion by Riverview and supported by Romulus, to approve the minutes. The motion passed unanimously by all attending members.

4. Legal Update

Attorney Jim Fausone of Fausone & Grysko, provided the Legal Update.

a. General Counsel Monthly Report

Mr. Fausone highlighted the various items from the legal update, which are included in the meeting packet. The Amended Articles of Incorporation have been published and filed with the State of Michigan. Bylaw changes which were approved are being finalized and will be posted on the website. A status meeting will occur soon with the appropriate parties to finalize the fiscal year change requirements.

5. Contract Operator Update

a. Monthly Operating Report

Travis Tuma introduced Nicholas LaPorte who was recently promoted to Operations Manager. He will oversee the liquids side of the plant. Mr. Tuma continued to report that 1.2 billion gallons were treated for the month of June with a peak of 85 million gallons per day (MGD). Ferric dosing continues as well as a minimal amount of peroxide for odor control. Seven odor complaints were received for the month of June. Ferric dosing was increased during Wyandotte's street fair to avoid any odor issues.

Larger jobs included the installation of the remote grease lines for the leveling screw bearings on top of the dryer cake to enhance safety. Also replaced broken media in the North and South condensing towers. Veolia assisted Seaway Mechanical with the removal of Seepex cake pumps #3 and #4, then installed Rotopump pumps in their place. Jim Fausone asked how much runtime was on the new Rotopump pumps. Mr. Tuma said these pumps are operating well and have been running for around a month. Annual PM's on all tunnel pump station pumps were done. A short was found in one of the motors on one of the pumps. Quotes will be obtained with electrical companies to fix the problem. These quotes will be reviewed at the technical meeting. Dan Alford added that the tunnel pump station is designed to pump 75 MGD but capable of 100 MGD. With each pump at 25 MGD and this being the 4th pump it is not required to meet capacity.

All PMs were completed in the secondary treatment area. A RAS pump is back from the repair shop and was put back into service this past Monday. The secondary treatment is fully capable of hitting its design capacity per day. The last RAS pump is still at Kennedy Industries as more work is needed on the motor. The motor and pump are expected in late September. Routine monthly maintenance was performed on all flow metering devices, level sensors and rain gauges through the Collection System. All Seasons Pest Control was utilized to remove and relocate many groundhogs from the plant grounds due to their

destructive burrowing nature. Many confined space permits were completed by the plant O&M and the collection system groups in order to complete normal PM and flow meter maintenance work. 18 of the 204 monthly MISS DIG tickets were Emergencies.

b. Chemical and Sludge Price - Monthly Updates

Reconciliation for the month totalled \$227,294.74. One thing to note is that higher costs are still being seen due to having the dryers down and sending a higher percentage of biosolids to landfills. The table on page 17 showcases permit compliance and parameters that need to be met on a monthly basis. The plant was in full compliance for the month of June. Mr. Alford noted that by extending the permit compliance table everyone is able to see what we report to the State and our current operating status. For example, when a plant is running well the effluent total suspended solids number will be in the single digits. Jeff Dobek asked if target limits could be incorporated into the table. Mr. Tuma said he would include select Veolia working targets in the future. Kerry Morgan asked about PFAS limits. Mr. Fausone said we are still waiting for the revised draft NPDES permit from the State. Mr. Alford said pollutant limits tend to decrease over time, so waiting for the draft permit is in DUWA's favor. Mr. Tuma continued to report only one bypass was needed in January/February earlier this year. There have been no real changes to the commodity costs for chemicals, oxygen, etc. For sludge hauling and disposal a surcharge fee was applied from LaSalle as the plant was only able to get 11 to 15 trucks out. The fee totals \$4,235 with the addition of weekend trailer rentals. Mr. Tuma believes that the next couple of months will look similar. Veolia proactively plans to utilize Piedmont Technical Services to help in giving the UV system a refresh soon.

6. System Manager Update

Dan Alford provided a verbal summary of activities since the last meeting. A written summary was provided in the pre-meeting Board packet for the System Manager Report.

a. System Manager Report

Mr. Alford notified the board that our response to the NPDES draft permit was sent in January of last year.

The Collection System was completed in mid-May. All interceptor sewers in the DSDS have now been televised by DUWA, with only the tunnel sewer remaining. HRC will be reviewing the sewer system inspection reports and will be making recommendations. The main goal is to optimize PMs and prioritize areas for repair.

Cleaning has been completed in the Riverdrive Interceptor through River Rouge and we have been invoiced for around \$270,000. The large amount of roots and grit removed were not expected, but pipes are now free and flowing smoothly. A root control preventative maintenance plan will be followed to avoid another similar situation. The emergency cleaning costs have been discussed with the System Accountant. A budget line item is present for sewer maintenance and repair but has not been funded so it's something that will be proposed going forward. This year, a negative balance will be shown in the line item and as the year goes on remaining funds will be utilized to clear this balance so that no new funds will be required. Roberto Scappaticci asked if a grit chamber for grit removal can be considered. Mr. Alford said they can review the sewer layout from the River Rouge basin to see if it's feasible. Mayor McCleod asked if there are any local regulations for street sweeping. Mr. Alford said they would look into it. Jim Fausone asked when this sewer section was last cleaned. Mr. Alford noted it was cleaned in 2010s. Mayor Kuspa inquired as to where we are at in assessing all of the sewers. Mr. Alford noted that 100% of the collection system sewers are now completed, only the tunnel needs to be inspected but it is much newer. HRC will start reviewing this year's sewer inspection footage and give us a broad summary report. The goal would be to focus on areas that are of the biggest concerns. The tunnel will be inspected in the next couple of years. An authorization request will be brought later to this Board to rehabilitate the brick sewer via cured in place lining per HRC's recommendation. Currently there are two unknown connections in the upstream reinforced concrete pipe. One has a failing bulkhead which was a source of major root intrusion into the interceptor. The City of River Rouge has selected a contractor to repair the bulkhead. We have been working with the City on completing a Class B permit application to repair the bulkhead and confirm insurance requirements before that work can commence. The city is still investigating the second connection further downstream, which is open without a bulkhead very near the high school.

The BASF North Works facility in Wyandotte is being mandated by the EPA to install a new required PFAS groundwater remediation system to reduce contaminated flows to the Detroit River. They are requesting to discharge treated flows from the new system to DUWA. The BASF North Works site already has existing groundwater remediation systems onsite that discharge to DUWA through current IPP permits. Veolia IPP is drafting a letter for conditional approval of the new connection. The draft letter has been reviewed and revisions are being made with Veolia. The major contributors of PFAS have been identified and will be asked to provide a plan to lower their contribution of PFAS to the

plant. Our limit currently from the State of Michigan is 11 parts per trillion (PPT) and we most recently tested at 9 PPT. The plan is to stay ahead of PFAS so DUWA will consistently meet our PFAS limits. Kerry Morgan expressed concern in asking for PFAS reduction beyond concentrations listed in DUWA's sewer use ordinance. Mr. Alford points out that DUWA's NPDES permit uses both concentration and pounds loading for our compliance, so we may need to address total pounds of PFAS from our industrial customers if that is required to meet DUWA's permit limits.

Mr. Alford has yet to hear from Veolia that there has been an increase in PACL and ferric to lower the additional phosphorus that is being added to the drinking water. The South Huron Valley Utility Authority has seen a 20% increase in ferric usage recently due to the additional phosphorus. Theoretically, there would be a 30% increase in Ferric and PACL for the additional phosphorus.

Very few odor complaints were received over summer. Typically, a spike will occur in late summer and early fall when rainfall is below normal. Veolia's team has done a good job to mitigate odors and have tweaked ferric in anticipation of Wyandotte's recent street fair. As it relates to carbon odor control; the carbon has been replaced in the dryer unit and seems to be working well. Due to the uncertainty of the dryer system performance, the DWTF has been at a higher risk for not using our reserved natural gas from Constellation. Bi-monthly meetings have been conducted to review usage and sell back the appropriate gas volumes. Constellation has been very good to work with and their contract will expire at the end of the year. Meetings with DTE and Constellation have been initiated to discuss pricing and contract structures. Mr. Alford continued, the Technical Committee Meetings have been going well. The next technical meeting is August 21st at 9:30am. Mr. Alford appreciates everyone's attendance.

The last Capital Improvement Plan (CIP) for DUWA's facilities was completed in 2014. Recently Mr. Alford conducted a kickoff meeting with Fishbeck who has very good wastewater resources. Fishbeck will be developing a framework for the upcoming CIP, which would identify studies that would be assigned to as-needed engineers as necessary. The completed CIP would address plant-wide improvements looking over a 20-year span. Projects would be sequenced with bond retirement so that DUWA would not be stressed on costs.

Veolia solicited two quotes to repair the automatic switchgear for the emergency generators, and both quotes came in around \$600,000. The original generator controls by MI CAT have not worked well historically. We reached out to one of

the as-needed engineers to review the current system and provide a quote for a biddable scope of work for a new, simpler design that improves the overall reliability of the system. Following this effort, the system management team will request proposals from the remaining as-needed engineers or others.

The Articles of Incorporation have been completed and are posted on the website. The amended AOI also included other miscellaneous changes such as updating DUWA's official address from Taylor to Wyandotte and clarifying supermajority and weighted voting tallies. Mr. Alford said the address change will now be completed on DUWA documents and the website. In regard to the budget and rate development, DUWA's administrative and legal teams are assisting the financial team with planning out the transition for the upcoming fiscal year change. There will be periodic progress updates for the Board in future Board packets under the Treasurer's Report.

b. UV Disinfection Replacement Project

The UV disinfection replacement project is moving forward and moving in the right direction. The job has a chance to get done on time. DUWA has formally notified the contractor of our concerns that the project is behind schedule and DUWA is doing our due diligence in case the contractor and engineer do not meet the final completion date.

Mayor Kuspa inquired if Mr. Alford and his team could put together educational information on a quarterly basis to reinforce the value DUWA provides and what preventative actions residents can do to help. Mr. Alford replied he would be happy to assist in making that happen.

c. Biosolids Dryer Facility Project

Jason Nash reported that the Huber Strainpress discharge auger was impacted, preventing the discharge of material. A photo of the stuck material is shown on page 27. Cleaning was completed with the strainpress now running smoothly. Veolia plans to perform a PM on it in September to observe its state. The dryer has been operating 50% of the time. Down time of the dryers has been mostly due to auxiliary equipment issues. Two of the three SFE Pumps are now installed and able to operate. A major SCADA issue arose where it shut down every process throughout the solids building. This issue was identified as a power issue that took several days to locate and resolve. Additionally, a centrifuge 3 bearing has failed for the 5th time. Centrifuge 1 control panel touch screen failed as well. Mayor McLeod asked for clarification on why the bearing has failed five times thus far. Mr. Nash confirmed that the bearing failed because this new model they

received wasn't getting greased and his understanding that this unit model has been an issue at multiple locations. Mr. Tuma added that Veolia is pushing back on Alfa Laval to find a final solution since this part is under warranty.

Mr. Nash continued to report that the odor study was received from Brown and Caldwell. As the report was more technical in nature and difficult to understand without elaborate education in odor issues Mr. Nash requested that it be changed to be more clear and concise. Mr. Nash will be reviewing the most recent report received this morning before sharing it with everyone. Mayor Kuspa expressed concern that the odor report hasn't been issued or provided real guidance.

7. Requests for Authorization and Approval

Sarah Rutkowski notified the board the DWTF operates a screened final effluent (SFE) pump skid system made of three installed pumps. The plant recently had two of the three SFE pumps fail simultaneously, which dropped the SFE system below capacity to operate both dryers.

a. Spare Screened Final Effluent Pump Purchase

Mrs. Rutkowski presented the proposal that a spare skid mounted pump be purchased to have as a backup. An on-the-shelf spare pump would reduce the risk of an extended dryer production stoppage, since the spare pump could be installed in a few hours. The pump would need to be a Patterson Pump brand since the SFE pump skid was designed and plumbed around those pumps. Veolia has committed to perform all manufacturer's recommended PMs on the pump while in storage. Veolia received one quote from Kennedy Industries, who is the local representative for Patterson Pump. Kennedy's quote including tax and Veolia's markup totals \$41,046.10. This fee will be paid from DUWA's Capital Outlay line item of the budget. This request was reviewed by the Technical Committee during the July 24, 2025 meeting and was recommended for approval.

Motion by Southgate, second by Van Buren to authorize Veolia to contract with Kennedy Industries for the spare SFE pump for a total cost not to exceed \$41,046.10. This fee will be paid from DUWA's Capital Outlay line item of the budget. The motion passed unanimously by all attending members.

Roberto Scappitici asked if Veolia's 10% mark-up is applicable to this purchase since it's only going on the shelf. Jim Fausone says the Administration team will research the contract's mark-up provisions.

b. Riverdrive Interceptor Sewer Rehabilitation

Heavy root intrusion was encountered in three segments of the 36-inch Riverdrive interceptor. Emergency cleaning was authorized to clear blockages caused by grit and debris that accumulated over time. The recommendation to line the brick section beneath the railroad tracks along with a technical discussion on the sewer lining approach was discussed and supported during the July 24th technical committee meeting. Due to the time sensitivity with the upstream flow control, an ultraviolet light (UV) curing process has been recommended which will minimize the liner cure time.

Veolia collected three quotes to line the brick sewer and remove the abandoned directional drill bit. Pipeline Management's quote was the lowest. They are Veolia's current CCTV contractor and familiar with this area as they recently completed the inspection and emergency cleaning. They also operate their own UV curing team in house. The RCP pipe sections that bookend the brick sewer were found to be in good condition following the heavy cleaning; however, there are two existing connections that need to be repaired and/or bulkheaded. DUWA is still in the process of working through these items with River Rouge and Veolia for future implementation.

Pipeline Management's quote including Veolia's markup totals \$181,941.65. This fee will be paid from DUWA's Capital Outlay line item of the budget Committee Review. This request was reviewed by the Technical Committee during the July 24, 2025 meeting and was recommended for approval.

Motion by Southgate, second by Romulus to authorize Veolia to contract with Pipeline Management Company for sewer rehabilitation of the Riverdrive Interceptor for a total cost not to exceed \$181,941.65. This fee will be paid from DUWA's Capital Outlay line item of the budget.

8. Treasurer's Report

Doug Drysdale presented the various items below to the board, which start on page 40.

a. Fiscal Year Change Coordination

DUWA's fiscal year-end will be changing from December 31st to June 30th to align with DUWA's rate year. This change has been formally approved from all communities as the second amended Articles of Incorporation and the amended by-laws. On August 4, 2025 DUWA professionals including the System Managers, Accountant, and General Counsel (F&G); financial consultants PFM and Plante Moran; and Bond Counsel Dykema met to discuss key planning considerations for the upcoming fiscal year-end change. A list of key steps and action items were formalized to finalize the change. These include:

1. The official Effective Date of Change for Fiscal Year End Change to be determined by Dykema and PFM.
2. Notify Michigan Department of Treasury of the fiscal year-end change related to the annual audit requirement.
3. Notify grant and loan agencies of the fiscal year-end change.
4. Adjust Internal DUWA accounting, budgeting, and reporting systems.
5. Create a budget amendment for 6-month period between January 1 and June 30, 2026. A DUWA finance committee meeting will be held in November 2025 to review a 6-month budget amendment. The board would then need to approve the 6-month budget amendment at the December 2025 DUWA Board meeting. A 2-year budget would need to be established in spring 2026.
6. Financial Teams (PFM, DNS, and Plante Moran) to evaluate the impact of historical and prospective debt coverages for the 6-month stub period.
7. Coordinate audit of 6-month stub period which will be between January 1 and June 30, 2026. The Audit of this period will begin in Fall 2026. Rumbzi Abdallah added that they would be doing an audit for the 6 month period in addition to the 2025 audit.

b. Quarterly Financial Statement - 2025 Q2

The quarterly financial statement is shown starting on page 42. This balance sheet compares the June 30th balances to last year's ending balances. Many Cities have switched their processes to being billed via email instead of mail. Mr. Drysdale noted that an error was listed on what is due from the State. Their outstanding receivable balance is actually \$2 Million. Much of this includes invoices for the UV project. Mr. Drysdale wanted to point out that under liabilities short term there is a new line item called contract payable retainage so those are being tracked as payment is made. The remaining short term liabilities are similar to the beginning of the year. The accrued interest has been updated to reflect the June 30th balance compared to December 31st. Long term liabilities will be updated at year end.

Starting on page 44 begins the revenue and expenditure report. Overall, revenues are at \$20.8 Million through June 30th with our annual budget being \$37.8. Mr. Drysdale added that we did plan to use some of our reserves for the UV disinfection project which reduces cash but also interest rates.

For expenditures, most of the other items are right on budget. Under capital outlay Mr. Drysdale points out a large sum of money is being spent primarily on the UV disinfection project. \$3.8 billion has been spent through June 30th

compared to a budgeted amount of \$2 Million. Net Revenues and Expenditures are at a deficit of \$587,000 but are expected to decrease as bonds and reimbursements from the State are received.

c. Community Self-Reporting Status Log

Page 46 shows the community self reporting status law. All Communities are up to date as of May with many Communities having already reported their June results.

d. Aging Accounts Receivable

The total amount in the Aging Accounts Receivable (AR) is \$1,382,237.21 of which \$4,235,036.70 is current. \$187,667.24 (4.2%) is over 60 days delinquent. The Aging AR report is attached herein. As a reminder, a late fee of 1.5% per month will be assessed on payments over 60 days delinquent. Both the communities and industrial users will be subject to the late fee for delinquent payments. There has been better success lately getting payments in from customers since receiving new contact information from Veolia's IPP team.

e. Pending Invoices

The total amount in this month's invoice register is \$3,714,751.79. The largest invoices include those to Veolia for monthly O&M, unit cost reconciliation, and emergency interceptor cleaning, and Wyandotte Municipal Services for utilities. The register also includes a \$113,029.86 payment to Brownstown Township for the November 2024 overpayment.

Motion by Riverview, supported by Romulus to approve payment of the pending invoices in the amount of \$3,714,751.79. The motion passed unanimously by all attending members.

9. Public Comment

There was no further Public Comment.

10. Other Business

There were no other items brought forth for consideration as "Other Business" items.

11. Next Meeting Date: Thursday, September 11, 2025 (9:00 AM; In-Person)

Chairperson McLeod reminded the Board that the next regular meeting would take place on Thursday, September 11, 2025 at 9:00 AM in-person at Taylor City Hall.

12. Adjournment

There being no other business, Chairperson McLeod announced that a motion to adjourn would be in order. Motion by Southgate and supported by Romulus to adjourn the meeting. The motion passed unanimously at 11:13 AM.