

**DOWNRIVER UTILITY WASTEWATER AUTHORITY
MAY 14, 2026 MEETING MINUTES
CITY OF TAYLOR COUNCIL CHAMBERS**

1. Roll Call and Introductions

Chairperson McLeod (Allen Park) called the meeting to order at 9:02 AM and asked for a roll call to be taken. At the time of roll call, voting representatives were in attendance from 13 communities: Allen Park, Belleville, Brownstown, Dearborn Heights, Ecorse, Lincoln Park, Romulus, Riverview, River Rouge, Taylor, Van Buren, Wyandotte, Southgate. A quorum (at least 7 members) were present.

a. DUWA Commissioners

The DUWA Board Commissioners present at the time of roll call introduced themselves as follows: Mayor Gail McLeod (Allen Park), Nathan Johnson (Belleville), Roxie Fairchild (Brownstown Township), John Danci (Dearborn Heights), David Hall (Ecorse), Lisa Griggs (Lincoln Park), Roberto Scappaticci (Romulus), Jeff Dobek (Riverview), Melissa Collins (River Rouge), Mayor Tim Wooley (Taylor), Kevin Lawrence (Van Buren Township), Greg Mayhew (Wyandotte), Mayor Joseph Kuspa (Southgate).

b. Other Meeting Attendees

Board meeting attendees present in the audience at the time of roll call introduced themselves as follows: Brandon Grysko (Fausone & Grysko), Jim Taylor (DUWA), Dan Marsh (Southgate), David Greco (Romulus, Taylor, Van Buren), Jason Couture (DUWA Treasurer), Doug Drysdale (Southgate/DNS Financial), Rumzei Abdallah (Plante Moran), Gerry Barr (Allen Park), Souheil Sabak (CE Raines/Riverview), Travis Tuma (Veolia O&M), Jason Tapp (Veolia O&M), Randall Pentiuk (Riverview), Sarah Rutkowski (Fishbeck), Dan Alford (Fishbeck)

2. Approval of Agenda

Copies of the Agenda were made available prior to the meeting. Motion by Riverview, supported by Romulus to approve the agenda. The motion passed unanimously by all attending members.

3. Approval of Minutes from April 9, 2026 Board Meeting

Copies of the meeting minutes from the April 9, 2026 Board meeting were included in the pre-meeting Board packet. Motion by Southgate, supported by Belleville to approve the minutes. The motion passed unanimously by all attending members.

4. Legal Update

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

a. General Counsel Monthly Report

Mr. Grysko highlighted that an opposition letter was drafted opposing the proposed housing rule before the state legislation. The letter was signed by DUWA officers, who are now working to secure additional signatures from local representatives before sending it to legislators, committee members, and the Michigan Municipal League.

b. Request to set Special Meeting with Closed Session

After discussions with the System Manager and Officers, General Counsel requests a closed session on May 21, 2026. All board members and elected officials are encouraged to attend this meeting at the Romulus Athletic Center, 35765 Northline Rd., Romulus, MI 48174 beginning at 9:30am. Notice will be posted by the System Manager to comply with the Open Meetings Act.

Motion by Riverview, supported by Romulus to hold a closed session on May 21, 2026, for the reasons allowed per Open Meetings Act, MCL 15.268(e) and (h). The motion passed unanimously after a roll call vote resulted in 100% support from the Board members in attendance.

5. Contract Operator Update

a. Monthly Operating Report

Travis Tuma reported that 1.5 Billion gallons of wastewater were treated during the month of March. Jason Tapp noted that monthly flows were high for both March and April, with daily average flows for March reaching nearly 50 Million gallons per day. The plant is designed to handle these volumes and performed well. Zero bypass events have occurred in 2026, keeping the authority well below its annual threshold goal of six.

Large maintenance projects included the removal and replacement of two Seepex cake pumps with inventory spares; the removed pumps were rebuilt in-house and returned to inventory. Regarding primary treatment, extensive work was completed on the primary tanks, including work on cross collectors, a shear pin replacement, repairing a drain valve and replacing a ferric chloride hose.

Mayor Gail McLeod inquired whether Veolia takes video footage when the tanks are maintained. Mr. Tapp noted that they can do so in the future.

Mr. Tuma went on to report that secondary tank routine maintenance has begun, and a Return Activated Sludge pump has been pulled and shipped out for repairs. Routine work continues for solids handling with no issues to note. Additionally, a few routine and preemptive maintenance tasks were performed on the dryers.

Page 15 of the meeting packet outlines recent electrical work. Mr. Tuma highlighted that a new fire panel was installed to replace an obsolete unit.

A total of 310 MISS DIG tickets were processed this past month, 38 of which were classified as emergencies. One collection system technician has resigned, and the authority is currently looking to fill that position.

Mr. Tuma reported that there were no permit compliance issues for March. The Discharge Monitoring Report (DMR) was submitted on time to EGLE, confirming zero violations, and all effluent discharged to the river met permit limits.

Mr. Tapp added that routine maintenance within the collection system was completed alongside troubleshooting communication issues. Multiple inspections were conducted regarding the industrial pretreatment program. The state PFOS expert requested a site visit to take samples and monitor analytics.

b. Chemical and Sludge Price - Monthly Updates

Mr. Tapp reported that polymer costs rose by 1.4%, and there was a minor increase in pipeline oxygen costs. Veolia reached out to the oxygen supplier regarding the increase; meanwhile, the polymer supplier relayed that commodity costs have risen due to shipping costs. Ferric chloride and PACL fuel surcharges are anticipated in the future. Currently, ferric chloride is being dosed instead of PACL for phosphorus control because it is the more cost-efficient per gallon. When the dryers start up again, the plant will transition back to PACL, and chemical costs will increase. Veolia plans to decrease ferric usage and increase PACL in six to eight weeks, and everyone will be notified of the transition. Veolia is also speaking with new technology vendors regarding this shift.

Roberto Scappaticci referenced the FY 2026-2027 budget, noting an increase for PACL and ferric. He inquired whether this increase was related to the increased orthophosphate in the drinking water or due to the dryer not operating correctly.

Mr. Tapp clarified that this figure reflects projected PACL and Ferric usage. In prior years, Veolia absorbed the extra costs associated with additional chemical costs, but those numbers are now included in the annual amendment under review.

Mr. Alford added that DUWA has not yet signed the Veolia annual amendment, as the System Management and finance teams are still analyzing the figures. It will be presented to the technical committee before coming to the Board. Contractually, DUWA is responsible for chemical unit costs, adjusted annually, while Veolia controls the overall volume based on operational efficiency.

Joseph Kuspa inquired about the reason for the price increase of ferric and PACL. Mr. Tapp explained the higher cost stems from both the rising price of ferric and the necessary use of PACL for plant operations. This cost adjustment is based on historical usage data from prior years which was updated to reflect projected usage moving forward.

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 (Pages 21-29).

a. System Manager Report

Dan Alford reported that the NPDES permit limit has been received and EGLE expects a response soon. The most notable updates include a blending requirement requested by the State—which we will push back against very strongly—and a PFAS limit.

The 2026 flow metering and collection system televising has begun and is ongoing by Veolia, with no issues as of yet.

Pertaining to the Part 41 rule changes, Dan Alford received an email from MWEA on April 30th stating that JCAR decided not to oppose the rule changes, which subsequently went into effect on April 29th. While the rules are now in effect, EGLE is not yet prepared to issue the permits or finalize the certification requirements. EGLE is expected to begin issuing these permits in mid-to late 2028.

Mr. Alford noted that for this permit cycle communities will have to comply to two primary facets which include:

1. Receive collection system permits: based on population size.
2. Certified Operators: each community to maintain a certified operator appropriate for their population level. A grandfather clause will be implemented, providing current operators a license for their corresponding facility.

Review of the BASF IPP permits are nearly completed. Currently DUWA is in agreement with the renewal of one existing permit. BASF is also required to implement a new required ground water discharge. This proposed discharge would follow proper treatment by BASF.

Veolia continues to monitor ortho phosphate dosing. Previously, Mr. Tapp explained that we are seeing an increase of ortho phosphate through the plant, which needs to be treated. Other plants are also seeing significant orthophosphate increases as well.

For the month of April, around 3 odor complaints were received through the online system. An increase of flows have helped flush out the system and minimize odors. Once flows decrease, odors usually again increase. Veolia spoke to a resident recently and discussed the active effort to reduce odors. Veolia intends to call and/or visit with residents on the same day as the odor complaint if possible to help with odor tracking and a mitigation strategy.

The Veolia team previously analyzed the recommendations from the odor report and determined they were not operationally sustainable. Brown and Caldwell is currently conducting additional research into potential chemical treatment options to reduce the odor. Mayor McLeod inquired what the cost of the additional research Brown and Caldwell is conducting. Mr. Alford noted that Brown and Caldwell works directly for Veolia so he is unaware of the cost. His understanding is that the first round of the study focused on chemical additions that could be utilized for the system and the second round focuses on different technology that could potentially be utilized. The carbon odor control units have not been utilized since the dryer is not in operation.

A productive technical committee meeting took place last month, with the major focus being on the four maintenance projects that were in the board packet this morning and had updates on O&M, construction projects, and design issues. Mr. Alford is happy with the turn out of that meeting and continues to encourage all those interested to attend.

Progress on a revised CIP continues. The draft outline was reviewed last month and the Fishbeck team is conducting field studies to help progress the project.

b. UV Disinfection Replacement Project

Mr. Alford reported that there has been a 69-day improvement in the completion schedule, which puts the delay from 200+ days behind to 140 days behind schedule. There will be a discussion after completion of the project to negotiate the costs of the delay. In terms of the project, the temporary disinfection skid has been running well. Currently the contractor is attempting to bulkhead the effluent channel downstream of all five UV channels. A stop log was installed in the UV facility effluent chamber but had significant leakage, not allowing the Contractor to seal the effluent channel. The contractor is addressing the issue so that it may be resolved for work to continue.

c. Biosolids Dryer Facility Project

Mr. Alford reported that significant progress has been made on the thermal oil unit. After Veolia's legal team found that the National Boiler Code includes thermal oil units, the decision was made not to send a letter refuting the system's classification as a boiler. Consequently, Veolia has withdrawn its stance that the thermal oil system is not a boiler.

Moving forward, a local licensed boiler service provider will be required to sign off on the startup reports. Additionally, the team will be permitted to utilize the existing taps to pump in nitrogen gas to displace the oil. Emergency stop systems will need to be installed shortly. Furthermore, while a platform and ladder must be installed by January, this requirement will not delay the startup date.

A performance test plan meeting took place this past Monday. Based on prior experiences, Kruger and Veolia are proposing updates to the original startup layout; specifically, the new plan includes the necessary switch from ferric to PACL. Currently, the dryers are not expected to begin initial performance testing until late October, with test completion pushed to early 2027.

Mr. Scappaticci asked for clarification on whether the platforms and ladders should have been included originally, and who the responsible party was under the contract. Mr. Alford agreed that they should have been there from the start, noting that under the contract, it would be the responsibility of either Kruger or Walsh/Wade Trim. He added that due to space constraints, a specialized vendor

will be required, though quotes have not yet been received. Jason Nash has taken the lead moving forward.

7. Requests for Authorization

Sarah Rutkowski presented the following requests for authorization.

a. Floor Drain Repair

The floor drains in the rag and grit rooms in the primary headworks area have failed, creating maintenance challenges. While three quotes for the work were obtained, it is Veolia's preference to contract with the low quote from RJ&J for the floor drain repairs and then contract out a larger concrete restoration project later to obtain more cost-efficient pricing. 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 April 23rd meeting and was recommended for approval.

Motion by Dearborn Heights, supported by Southgate to authorize Veolia to contract with RJ&J for floor drain repair in the rag and grit rooms for a total cost not to exceed \$32,450. This fee will be paid from DUWA's Capital Outlay line item of the budget. The motion passed unanimously by all attending members.

b. Maintenance Garage Elevator

The maintenance garage elevator is out of service due to a failure in the hydraulic power control unit. This elevator is used by Veolia staff to move equipment in the building and required for daily maintenance activities. Due to the extent of the failure, the unit requires full replacement which includes the installation of a new pump, motor, and control components. Veolia obtained two quotes and recommends contracting with the low quote from City Elevator of Michigan for the repairs. Their scope of work also includes permitting and final state inspection. 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 April 23rd meeting and was recommended for approval.

Motion by Riverview, supported by Romulus to authorize Veolia to contract with City Elevator of Michigan for a total cost not to exceed \$35,750. This fee will be paid from DUWA's Capital Outlay line item of the budget. The motion passed unanimously by all attending members.

c. RAS Pump #4 Additional Request

The DUWA Board authorized Veolia to contract with Kennedy Industries for the repair of Return Activated Sludge Pump 4 last February following a seal failure that was observed during a routine preventative maintenance check. Upon

inspection by Kennedy Industries offsite, further damage was discovered that was not visible during the initial assessment. The additional cost totals \$11,180.20. 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 April 23, 2026 meeting and was recommended for approval.

Motion by Wyandotte, supported by Dearborn Heights to approve RAS Pump #4 additional repair cost to Veolia for a not-to-exceed fee of \$11,180.20. The motion passed unanimously by all attending members.

d. Biosolids Dryer Demister Spare Parts

The current media being utilized for the condensing towers to remove moisture from the air as part of the sludge drying process is being worn down as bleach cleaning process is corrosive to the media. Veolia CPM recommended to the dryer technical committee purchasing two new demister media of a different material, kynar. The new demister units will be less susceptible to corrosion by bleach, and the existing demisters can be used as spares. The total cost is \$31,174. This fee will be paid from the Dryer Repairs and Maintenance line item of the DUWA budget. This request was reviewed by the Technical Committee during the April 23, 2026 meeting and was recommended for approval.

Motion by Southgate, supported by Wyandotte to approve Veolia to purchase two spare condensing tower demisters for a not to exceed cost of \$31,174. The motion passed unanimously by all attending members.

8. Treasurer's Report

Jason Couture presented the various items below to the board, which start on page 47.

a. Draft FY 2026-2027 Budget

Doug Drysdale reported that most of the rates come from the rates package as the rates and budget are now in the same fiscal year. The draft budget was discussed at the Financial Committee meeting with no questions or subsequent questions. Revenues for the proposed 2026-2027 budget total \$37,668,299. Total estimated expenditures for the proposed 2026-2027 budget total \$37,657,516.

b. Draft FY 2026-2027 Rate Package

Shown on page 50 the proposed rates would go in effect July 1st of this year. As this is the final year of the blended rate methodology, the draft Rate Package includes the existing rate method package, which comprises 20% of the blended rate, as well as the new rate method package, which comprises 80% of the

blended rate. The proposed rate package has an increase of 7.08% for the 2026-27 rate year. Each community will recognize an individual blended rate change based on the 80/20 phase in. Mr. Drysdale continued to report on the summary of DUWA's debt service expenditures shown on page 58. He noted that bond no. 5217-01 will be paid off this coming year. The SRF bonds are billed directly to the communities. Each community's annual fixed debt charge for the SRF bonds are shown at the top of the page. Moving to page 59 is the rate covenant ratio in which the authority is in compliance with. Page 60 showcases a breakdown of base flow and excess flow history with our total being 2,400,000 based on a 10 year average.

Mayor Joseph Kuspa asked for confirmation that by next year, the transition out of the blending method and into the new methodology will be complete. Mr. Drysdale confirmed that this is correct.

c. Quarterly Financial Statement-2026 Q1

Mr. Drysdale continued to review the 2026 first quarter financial statement. As of March 31st, DUWA has \$232,794,862.08 in total assets, \$232,794,862.08 in total liabilities and fund balance. With revenues totaling \$11,092,137.11 and expenditures totaling \$11,403,604.31, net of revenues and expenditures equal a slight deficit of \$311,467.20.

d. Community Self-Reporting Status Log

Mr. Couture announced that all communities are caught up through February 2026. Ecorse shows that they have filed through January, yet Mr. Dysdale has received their flow worksheets since the Board packet was completed.

e. Aging Accounts Receivable

The total amount in the Aging Accounts Receivable (AR) is \$1,232,472.82 of which \$705,853.19 is current. \$209,066.07 (17%) is over 60 days delinquent. The system accountant, system managers, and legal team have been meeting regularly to discuss approaches for collecting payment on delinquent industrial accounts.

f. Pending Invoices

The total amount in this month's invoice register is \$2,447,390.24. The largest invoices include those to Veolia for monthly O&M and unit cost reconciliation, Commercial Contracting Corporation for the UV disinfection replacement project, and Wyandotte Municipal Services for utilities.

Motion by Southgate, supported by River Rouge to approve payment of the pending invoices in the amount of \$2,447,390.24. The motion passed unanimously by all attending members.

9. Public Comment

There was no further Public Comment.

10. Other Business

Chairperson McLeod reminded the Board that there will be a special meeting on Thursday, May 21st at 9:30am at the Romulus Athletic Center. She asked that each Communities Mayor/Supervisor is in attendance.

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

11. Next Meeting Date: Thursday, June 11th, 2026 (9:00 AM; In-Person)

Chairperson McLeod reminded the Board that the next regular meeting will take place Thursday, June 11th at 9am at Southgate City Hall.

12. Adjournment

There being no other business, Chairperson McLeod announced that a motion to adjourn would be in order. Motion by Dearborn Heights, supported by Southgate to adjourn the meeting. The motion passed unanimously at 10:38 AM.