

SPECIAL MEETING

The HBPW Board of Directors met
August 22, 2022
at 4:00 p.m.
625 Hastings Ave.
Holland, Michigan

Chair Thompson called the meeting to order at 4:34 p.m.

Members Present: PJ Thompson, Tim Hemingway, Beth Snyder, City Council Liaison Nathan Bocks, and Ex Officio Member Keith Van Beek

Members Absent: Carolyn Maalouf, Paul Lilly

Staff Present: Dave Koster, Janet Lemson, Becky Lehman, Joel Davenport, Ted Siler, Chuck Warren, Andrew Reynolds, Judy Woods, Jenny Soukhome, Chris VanDokkumburg, Barry Rutherford, Tracy York, Steve Bruinsma, Phil Leerar, Amy Yost

23.040 **Approval of Agenda**

Board Member Heminway made a motion to approve the agenda. The motion was seconded by Board Member Snyder.

23.041 **Communications from the Audience**

None

SPECIAL AGENDA TOPICS

23.042 **Water Treatment Plant Generators**

Bid proposals to provide two natural gas generators and related services for the Water Treatment Plant were requested from four qualified bidders. Three bids were received. Bid pricing included supply, delivery, and testing. A summary of the evaluated bid results and quoted delivery times are as follows:

Bidder Name	Manufacturing Location	Quote Amount	Delivery
Cummins	Clovis, NM	\$819,850.00	48-50 Weeks
Caterpillar	Griffin, GA	\$846,561.00	54-56 Weeks
Clarke Energy	Upton, MA	\$1,265,162.00	Not Stated
Generac	No Bid		

Factors in the evaluation process included the equipment, maintenance schedules, warranty, and the sound enclosure. After extensive investigation and review of the proposals, the apparent low bidder is Cummins. The next lowest bidder, Caterpillar, did not meet the technical specification for emissions performance. Cummins was the lowest cost per unit while meeting the technical specifications.

** Red italics indicate information or discussion added during the meeting and/or action taken.*

Based on the team’s evaluation, BPW Staff recommends that a contract for purchase of the generators be issued to Cummins. This project is included in the proposed FY 2022 and FY 2023 budgets.

Recommendation: The Board of Directors approved a contract with Cummins, in the amount of \$819,850, with a 5% contingency of \$40,993, for a total of \$860,843 pending approval as to form from the City Attorney.

*Motion to approve recommendation Hemingway
Second Snyder
Favor 3
Oppose 0*

23.042 **East Point Substation Construction Agreement and Budget Amendment**

Bid proposals for construction of the East Point Substation were requested in July 2022 from four qualified contractors, with bids received from two contractors that attended a mandatory pre-bid conference. BPW staff and Theka Engineering interviewed the two bidders and determined that both had qualified bids. The following table summarizes the bids received:

Engineering Firm	Location	Quote Amount	Previous Contracts	Exceptions
Kent Power Inc.	Rockford	\$5,499,414	Y	N
Newkirk Electric	Muskegon	\$6,400,353	Y	N
<u>Hydaker- Wheatlake</u>	Reed City	No Bid		
Motor City	Detroit	No Bid		

The team recommends awarding the contract for construction of the East Point substation to Kent Power Inc. as the lowest price qualified bidder.

The total project budget for East Point substation is exceeding the HBPW staff estimate derived during the FY 2022 budget process and needs to be increased with the addition of this construction contract portion of the project.

Recommendation: The Board of Directors approved a contract with Kent Power Inc. in the amount of \$5,499,414, with a 10% contingency of \$500,000, for a total of \$5,999,414 pending approval as to form by the City Attorney. The Board further approved an amendment to the FY 2023 Electric Distribution capital budget in the amount of \$2,300,000 for a new total project budget of \$12,300,000.

*Motion to approve recommendation Hemingway
Second Snyder
Favor 3
Oppose 0*

Financial Update

Will be presented on September 12 due to timing conflicts with year-end audit work

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STUDY ITEM

23.043 **Energy Waste Reduction and Renewable Energy Plan 2021 Annual Summary**

Michigan Public Act 295 (PA 295) passed in 2008, and as amended by PA 341 and 342 in 2016, requires utilities to file annual reports on their Energy Waste Reduction (EWR) and Renewable Energy (RE) programs.

- The 2021 HBPW PA 295 Energy Waste Reduction Annual Report was filed with the Michigan Public Service Commission on May 31, 2022. No further action is required.
- The 2021 HBPW PA 295 Renewable Energy Annual Report was filed with the Michigan Public Service Commission on June 29, 2022. No further action is required.

Pursuant to the legislation, an Annual Summary Report must be presented to the utility's governing body; and the same report must be made available to its residential customers and placed on its website. The Annual Summary Report includes key results and information drawn from each 2021 Annual Report.

PA 341/342 requirements for municipal utilities to complete these annual filings expired at the end of the CY 2021 program year. A recent order by the MPSC has encouraged continued annual filings by the electric co-ops and municipal utilities as information for the State. The Board can continue to expect annual summaries of EWR and BE progress in the coming years; and discussions are taking place among Michigan Municipal Electric Association (MMEA) members on if, and in what format, to submit these future annual reports to the MPSC.

Presented as a study item. No Board action needed.

23.044 **General Manager Comments**

- Our next meeting is a Regular Meeting on September 12
- We are expressing our appreciation to community and business owners on Lakewood/River Detour and encourage patronage of these businesses near the intersection.
- We have no update on replacement of the Township Ex Officio rep to the Board. Thus far, they are working on a potential scope of responsibility document
- Board of trustees for Holland Charter Township are meeting on Thursday for an anaerobic digester/WTP update where our GM and Operations Director will present

23.045 **Board Comments**

None

ADJOURNMENT

A motion to adjourn the meeting of *August 22, 2022*, was made by *Hemingway* supported by *Snyder* and agreed upon by the Board of Directors present.

The Board Meeting of August 22, 2022, adjourned at *5:21 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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