

**REGULAR MEETING**

The HBPW Board of Directors met  
**July 10, 2023**  
at 4:00 p.m.  
625 Hastings Ave.  
Holland, Michigan

**Chair Thompson called the meeting to order at 4:00 p.m.**

**Members Present:** PJ Thompson, Beth Snyder, Paul Lilly, Brian Lynn, City Council Liaison Nathan Bocks, and Ex Officio Members Dave Couch and Keith Van Beek

**Members Absent:** Carolyn Maalouf

**Staff Present:** Dave Koster, Janet Lemson, Becky Lehman, Joel Davenport, Chuck Warren, Ted Siler, Steve Bruinsma, Chris Van Dokkumburg, Julie DeCook, Pieter Beyer, Mark Volkers, Alex Craigmile

24.001 **Approval of Agenda**

*Board Member Lilly made a motion to approve the agenda. The motion was seconded by Board Member Lynn.*

24.002 **Election of FY 2024 Board Officers**

**Chair:** *Board Member Lilly nominated PJ Thompson for Board Chair, seconded by Board Member Snyder. By a 4/0 vote in favor, PJ Thompson was reelected as the HBPW Board Chairperson*

**Vice Chair:** *Board Member Lilly nominated Carolyn Maalouf for the position of Board Vice Chair, seconded by Board Member Lynn. By a 4/0 vote in favor, Carolyn Maalouf was elected as the HBPW Board Vice Chairperson*

24.003 **Board Minutes – Regular Meeting Minutes of June 12, 2023**

*As part of the Consent Agenda, the Board of Directors approved the minutes as presented.*

24.004 **Resolution Authorizing Transfer of Funds for Contribution to the City - FY 2024**

This joint resolution is pursuant to §12.16 of the City of Holland Charter. The amount of money appropriated was approved during the FY 2024 budget process; and this Joint Resolution is passed for the purpose of complying with the requirements of §12.16 of the City of Holland Charter in the event the amount should exceed or be less than 50% of the net income of the Board of Public Works Electric & Water utilities, as defined therein.

*As part of the Consent Agenda, the Board of Directors adopted the Joint Resolution to appropriate \$9,641,232 from Electric Utility funds for FY 2024 for the general purposes of the City of Holland*

24.005 **Resolution for Insurance Claims Administration FY 2024**

This resolution is to establish and authorize the claims settlement authority for the City and the HBPW within the self-insured retention portion of the City and the HBPW's insurance program. The resolution shall permit the settlement and compromise of claims, actions, and liabilities by the designated adjuster in an amount not to exceed \$5,000 against the City and/or the HBPW.

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

Paragraph 5 grants authority to the designated representative of the HBPW, in conjunction with the City Attorney, to settle claims against the HBPW, including joint claims with the City, in an amount not to exceed \$10,000. The settled claims shall be reported by the HBPW to the Board as needed during the fiscal year.

Paragraph 6 allows claims in excess of \$10,000 to be settled, compromised, and approved upon review and recommendation/ approval of the of Directors of the HBPW with referral to City Council for final review and recommendation/approval.

*As part of the Consent Agenda, the Board of Directors approved the resolution allowing the designated representative of the HBPW, in conjunction with the City Attorney, the settlement authority, to settle claims in an amount not to exceed \$10,000.*

24.006 Action on Consent items:

Motion to approve, accept, or adopt Consent Agenda items	<i>Snyder</i>
Second	<i>Lilly</i>
Favor	<i>4</i>
Oppose	<i>0</i>

24.007 **Communications from the Audience**

*Becky Bruns of 4033 66<sup>th</sup> Street, Holland, MI 49423, spoke in support of the BPW's selling the Hillside Trail property to the DNR/ODC/Saugatuck Coastal Alliance.*

24.008 **Financial Update – May 2023**

*For information only*

24.009 **Major Project Update**

*For information only*

24.010 **Replacement of the Electric Distribution SCADA and OMS Systems for Electric Distribution**

The HBPW Electric Distribution SCADA and OMS Systems have been in use for a number of years and have had a number of upgrades. The current SCADA system was purchased from Advanced Control Systems (ACS) in 1999 and OMS in 2012. ACS informed us in 2020 that we would need to upgrade the operating and hardware systems, as they were at end of life, with an anticipated cost of \$400,000. Covid and other higher priorities delayed starting this project. We budgeted \$400,000 in FY 2021 and increased it to \$500,000 in FY 2023, knowing that costs were increasing.

In October 2022, HBPW solicited a consultant, Patterson & Dewar Engineers Inc., to assist with determining our needs and defining an RFP. We received four proposals in response to the RFP and had further discussions with two finalists, Survalent and OSI, as the lowest evaluated proposals. After demonstrations were complete, staff recommends Survalent as the lowest evaluated bidder at \$523,268 for the base software and preferred options.

During the budgeting process, we did not accurately estimate the required internal IT hardware components needed to create the desired redundancy for these important systems. This new structure will improve the redundancy of the system and match recent upgrades at WRF and the WTP for their SCADA systems. An additional \$385,000 is necessary to acquire IT hardware components for the system at two locations and create the new structure. Given this desired upgrade, staff is requesting a budget amendment in the amount of \$460,595 for a total budget of \$960,595 for this project.

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	OSI	QEI	Schneider Electric	Survalent
Software	\$ 514,989	\$ 421,571	\$ 671,065	\$ 461,427
Meets Requirements	Yes	No	Yes	Yes
Options				61,841
<b>Total</b>	<b>\$ 514,989</b>	<b>\$ 421,571</b>	<b>\$ 671,065</b>	<b>\$ 523,268</b>

This project will advance our SCADA and OMS system with more features, giving us greater insight and data to operate the Electric Distribution system. We will have a better customer outage map, additional mobile products for our staff that we currently don't have today, and efficiency in updating our OMS with a GIS interface. Survalent is also used by a few neighboring utilities, so we are confident that we will have a successful implementation of this new system.

*Recommendation: The Board of Directors approved a contract with Survalent Technology Corporation in the amount of \$523,268, plus a 10% contingency of \$52,327 for a total of \$575,595, pending approval as to form from the City Attorney. In addition, approve an amendment to the Electric Distribution FY 2024 capital budget in the amount of \$460,595 for a total budget of \$960,595 for completion of this project.*

*Motion to approve recommendation Lilly  
Second Snyder  
Favor 4  
Oppose 0*

24.011 **Electric Construction Services Agreement**

Holland BPW constructs and maintains the Electric Distribution system with both internal and contractual resources. Along with the regular maintenance and replacement plans for aging infrastructure, capital plans also include conversion of circuits from overhead to underground and building infrastructure for new developments and customer expansions. We anticipate we will be unable to perform all the regular planned work required by our current staff as well as complete the pole make ready requirements for the Holland City Fiber contract in a timely fashion so as to not slow down the project.

Contractors have been used multiple times over the past 20 years when the required workload exceeded our staff's ability. The most recent examples are Kent Power in 2021 assisting with backyard rebuilds, and the 2022 Pine Avenue overhead rebuild. Hydaker-Wheatlake was also hired to assist with the cutout replacement project in 2017.

The HBPW staff sent requests for proposals to three local contractors with electric distribution construction experience, with all of them returning bids. Kent Power was the lowest evaluated bidder at 2.6% lower than the Newkirk bid for a line crew and equipment, and 3.4% lower than the Hydaker-Wheatlake bid. Materials for projects completed by the contractor will be provided by HBPW.

*Recommendation: The Board of Directors approved a construction services agreement with Kent Power Inc., pending City Attorney approval as to form, based on the unit pricing included in the attached bid proposal.*

*Motion to approve recommendation Snyder  
Second Lilly  
Favor 4  
Oppose 0*

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24.012

**General Manager Comments**

- Reminder, our water system asset tour is a week from Thursday on July 20. If you've not already sent a response whether you plan to attend, please do so.
- The next Board meeting is July 24, a Study Session, where we'll review 4<sup>th</sup> quarter monitoring Reports.
- It is possible the July 24 meeting will change to a special meeting for approval of a contract in Holland Heights for excavation and conduits
- Strategic Planning is underway. Plan on a call from Steve VanderMeer within the next two weeks (likely 30 minutes in duration); the meeting sessions will be held the week of Sept 25, Mon-Tue-Wed in the afternoons.
- Public comment on Hillside Dr, in the listing agreement there is a 60-day marketing period. The 60 days ended on Friday of this past week.; meetings are scheduled later this week to begin the review process
- For the JDY demo work and allowing the BPW/City to sell various properties, we had a non-Binding term sheet

24.013

**Board Comments**

- Thompson introduced and welcomed newly appointed member, Brian Lynn, to our Board

**ADJOURNMENT**

A motion to adjourn the meeting of *July 10, 2023*, was made by *Snyder* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of July 10, 2023, adjourned at *5:16 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board