

REGULAR MEETING

The HBPW Board of Directors met
December 11, 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, Carolyn Maalouf, Paul Lilly, Beth Snyder, Brian Lynn, City Council Liaison Scott Corbin, and Ex Officio Member Keith Van Beek

Members Absent: Dave Couch

Staff Present: Dave Koster, Janet Lemson, Ted Siler, Becky Lehman, Chuck Warren, Joel Davenport, Steve Bruinsma, Shawna VanderYacht, Tracy York, Pieter Beyer Vince Duckworth, City Attorney

24.096 **Approval of Agenda**

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

24.097 **Communications from the Audience**

24.098 **Board Minutes – Regular Meeting Minutes of November 6, 2023, and Special Meeting Minutes of November 27, 2023**

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

24.099 **Alternative Fuel Vehicle and Equipment Purchasing FY 2023 Annual Report**

The Alternative Fuel Vehicle and Equipment Purchasing Policy (D014-2) requires annual reporting on the following items:

- A list of vehicles by class, by year, and a similar list of non-vehicle fuel combusting equipment, including
 - Make and model
 - Drive train
 - Vehicle # and VIN
 - Fuel type
 - Annual miles for vehicles and hours for equipment
 - Annual fuel consumption
 - Annual maintenance costs by vehicle/equipment
 - Estimated CO2 emissions
- Attached to this report, please find the following reports:
 - Alternative Fuel Vehicle Report Basic Vehicle Info listing such things as vehicle make/model, HBPW vehicle #, VIN, department using the vehicle, fuel type, and date acquired,
 - Alternative Fuel Vehicle Report Annual Vehicle Miles and Fuel Consumption
 - Alternative Fuel Vehicle Report Non-vehicle Fuel Consumption including equipment descriptions, fuel type, and estimated annual fuel consumption and CO2 emissions.
 - Alternative Fuel Vehicle Report Maintenance Costs, reporting total maintenance costs by department. The EAM asset management system is being enhanced to facilitate record keeping and reporting by vehicle/equipment.

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

o Alternative Fuel Vehicle Report FY22 VS FY23 CO2 Emissions. This report shows estimated CO2 emissions increased 6% from FY22 to FY23.

When the Policy was adopted in October 2020, the supply chain and EV availability challenges presented by the pandemic and economic conditions were not foreseen. HBPW has made numerous attempts to replace retiring ICE trucks with EV equivalents, but orders have gone unfilled, or not even accepted, due to supply constraints. Until this situation changes, it will not be possible to achieve any meaningful reductions in vehicle CO2 emissions.

As part of the Consent Agenda, the Board of Directors accepted the Alternative Fuel Vehicle and Equipment Purchasing FY 2023 Annual Report for information.

24.100 **Forty-Ton Condenser Unit Replacement at 49 West**

The condenser unit replacement for 49 West was a part of the 2024 budget and approved for \$130,000.00. An RFP was sent out to the four contractors shown in the table below. Peerbolts was the winning bidder. The documentation was sent to the City Attorney, and the service contract has been approved as to form and signed by the City Attorney and Peerbolts and is pending Board approval.

<u>Bidder Name</u>	<u>Location</u>	<u>Quote Amount</u>	<u>Meets Specs</u>	<u>Previous Contracts</u>
Peerbolts, Inc.	Zeeland, MI	\$108,765.00	Yes	Yes
Pleune	Grand Rapids, MI	109,894.15	Yes	Yes
GRIPS	Grandville, MI	126,250.00	Yes	Yes
Quality Air	Grand Rapids, MI	130,953.00	Yes	Yes

As part of the Consent Agenda, the Board of Directors approved a contract with Peerbolts, Inc. in the amount of \$108,765.

24.101 **Non-Rate Fees and Charges Update**

Non-rate fees and charges are reviewed by HBPW annually. Adjustments are typically required by changing business conditions. The current fees and charges were approved by the Board on December 12, 2022, for implementation on January 1, 2023.

The changes in the current schedule are highlighted in the attachment. Most of the changes are the result of an update to the MDOT Schedule C, Equipment Rental Rates, and from incremental changes in HBPW construction, material, and labor costs.

Trunkage and Assessments Charges (Page 7 of the attachment) are updated biennially, with the last update made January 2022.

As part of the Consent Agenda, the Board of Directors approved the January 2024 Schedule of Fees and Charges, effective January 1, 2024

24.102 Action on Consent items:

Motion to approve, accept, or adopt Consent Agenda items	<i>Lilly</i>
Second	<i>Maalouf</i>
Favor	<i>5</i>
Oppose	<i>0</i>

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24.103 **Financial Update**

For information only

24.104 **Major Projects Update**

For information only

24.105 **HBPW Pole Attachment License and Settlement Agreement with Michigan Bell Telephone Company (d/b/a AT&T Michigan)**

Holland BPW Electric Distribution owns and maintains most utility poles in the HBPW service area. In general, third-party entities such as cable companies, phone companies, and fiber internet service providers attach their equipment to existing HBPW utility poles; and in some cases, HBPW attaches power to third party poles. HBPW had numerous outdated long term Pole Attachment Agreements that governed attachments and set attachment fees. The Board of Directors approved the termination of all pole attachment contracts in order move to a uniform contract for all companies, on March 11, 2019.

The previous pole attachment license agreements were diverse in language, fees, and implementation methodologies. The contractual variations created ongoing challenges that negatively impacted the community. Some of the agreements did not have sufficient language to motivate attachers to perform their duties in a timely manner. This resulted in a number of old, shortened poles being co-located with brand new poles that HBPW elected to replace. These remaining old poles can be an aesthetic disturbance to the community, and at times, a safety concern.

During negotiations on a new agreement, AT&T became unresponsive and stopped paying invoices for it's existing attachments. HBPW took legal action to resolve the outstanding invoices and disputes over how existing pole attachments are treated once the old agreement had been terminated. After many hours of discussion, HBPW and AT&T have reached agreement to resolve the outstanding invoices and to move forward with a new pole attachment license agreement.

The new agreements contain a number of improvements.

- Utilizes an industry standard rate calculation that makes the attachment rate equal for all companies that will be attaching to our poles.
- Annually adjustable to reflect HBPW's investment in new poles and infrastructure where Licensee's gain a benefit.
- Includes timelines for attachment removals and transfers of communications equipment from old poles to replacement poles, which reduces the number of duplicate poles in the field.
- Allows for additional forms of cellular equipment to be mounted to HBPW poles, which is new for utilities and consistent with Michigan SB 637.

In the settlement agreement, HBPW and AT&T have agreed to pole attachment fees to resolve outstanding invoices for calendar years 2020, 2021 and 2022. AT&T will also transfer a number of poles with attached HBPW fiber facilities to HBPW ownership.

Recommendation: The Board of Directors approved a new Pole Attachment License Agreement and a Settlement Agreement with Michigan Bell Telephone Company (d/b/a AT&T Michigan) to resolve ongoing litigation, subject to approval as to form by the City Attorney.

<i>Motion to approve recommendation</i>	<i>Lilly</i>
<i>Second</i>	<i>Lynn</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

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24.106 **Closed Door Session – Periodic Performance Evaluation of the General Manager**

Motion to enter Closed Session @ 4:47 p.m. <Name>
Made by Lilly <Name>
Second: Maalouf
Favor 5
Oppose 0
ROLL CALL: Thompson, Maalouf, Lilly, Snyder, Lynn

Motion to re-enter Open Session @ 5:24 p.m. <Name>
Made by Lilly <Name>
Second Maalouf
Favor 5 <#>
Oppose 0 <#>

24.107 **General Manager’s Periodic Performance Evaluation**

Chair Thompson reviewed the results of the General Manager’s performance review and his recommendation for compensation adjustments. A motion to adjust the General Manager’s salary by 4.5% was made by *Snyder* and seconded by *Lynn*.

Favor 5
Oppose 0

24.108 **General Manager Comments**

- Next meeting is a study session on December 18, Holland City fiber and FUP on Strat Planning
- This Wed Keith at Council Study session to give a verbal update on LG Phase III, discussing the “family” of agreements to continue to move forward, the second amendment to the development agreement (draft)
- Welcomed Scott Corbin as the Council liaison to the Board
- EPA came out with regulations for lead removal (lines), EPA’s definition is 24” vs our gooseneck Of 18” (state gooseneck, any lead)

24.109 **Board Comments**

- Lilly asked for an update on the Hillside Trail property
- We are looking for a replacement for Matt Allen on the Water System Advisory Council
- Board welcomed Scott Corbin as well

ADJOURNMENT

A motion to adjourn the meeting of *December 11, 2023*, was made by *Maalouf* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of December 11, 2023, adjourned at *5:41 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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