

REGULAR MEETING

The HBPW Board of Directors met
July 8, 2024
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, Brian Lynn, and Ex Officio Members Dave Couch and Keith Van Beek

Members Absent: Kyle Engbers, Scott Corbin

Staff Present: Dave Koster, Janet Lemson, Ted Siler, Becky Lehman, Chuck Warren, Joel Davenport, Phil Leerar, Pieter Beyer, Julie DeCook

25.000 **Approval of Agenda**

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

25.001 **Communications From the Audience**

None

25.002 **Election of Officers**

Board Member Lynn made a motion to reelect PJ Thompson as Chair of the HBPW Board of Directors and reelect Carolyn Maalouf as Vice Chair of the Board. Board Member Lilly seconded the motion. Upon the vote, all voting Board Members present unanimously approved this motion 4/0.

25.003 **Board Minutes – Regular Meeting Minutes of June 10, 2024**

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

25.004 **Resolution Authorizing Transfer of Funds for Contribution to the City - FY 2025**

This joint resolution is pursuant to §12.16 of the City of Holland Charter. The amount of money appropriated was approved during the FY 2025 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 \$9,163,402 from Electric Utility funds for FY 2025 for the general purposes of the City of Holland

25.005 **Grant of Utility Easement for Holland City Fiber Project - Thornapple Ridge Condominium Association**

The property noted Thornapple Ridge Condominium Association in the City of Holland is on Melrose Drive near 24th and Century Lane. The easement will be used to allow HBPW to locate infrastructure and provide fiber service to the homes in the association.

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

As part of the Consent Agenda, the Board of Directors accepted a Grant of Utility Easement with Thornapple Ridge Condo Association in the City of Holland pending approval as to form from the City Attorney.

25.006 **Grant of Utility Easement for Holland City Fiber Project - Centennial Condominium Association**

The property noted as Centennial Farm Condominium Association in the City of Holland is on Harvest Drive. The easement will allow HBPW to provide fiber service to the homes in the association.

As part of the Consent Agenda, the Board of Directors accepted a Grant of Utility Easement with Centennial Farm Condo Association in the City of Holland pending approval as to form from the City Attorney.

25.007 **Grant of Utility Easement for 856 E. 12th Street, Holland**

The property noted as Parcel 70-16-27-300-081 in the City of Holland is at 856 E. 12th Street near Holland Heights Public School. The easement will be used to place a fiber cabinet that will provide fiber service to the homes in the area. Accepting the easement will allow HBPW Broadband Services to provide Holland City Fiber service to residents served by this location.

As part of the Consent Agenda, the Board of Directors accepted a Grant of Utility Easement on Parcel 70-16-27-300-081 in the City of Holland from property owner, the School District of the City of Holland, Ottawa, and Allegan Counties, Michigan, pending approval as to form from the City Attorney.

25.008 **Declaration of Surplus Material June 2024**

The HBPW has identified materials and equipment which are no longer pertinent for use. The attached list shows the items determined as excess, obsolete, or uneconomical to repair. Once declared surplus, the items will be disposed of in the following order:

1. Offered to other City departments
2. Sell to companies specializing in inventory disposal
3. Auction (utilizing GovDeals online portal)
4. Public auction (in limited cases)
5. Donation
6. Recycling or waste disposal

As part of the Consent Agenda, the Board of Directors approved the attached list of items as surplus.

25.009 Action on Consent items:

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

25.010 **Major Project Update**

For information only

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

25.011 **WRF Raw Pumps Replacement Contract Award and Budget Amendment**

The raw pump station is designed to transfer the influent wastewater from the WRF's southern service area and several plant waste streams to the main treatment process. The station includes four large pumps that handle this duty. The existing pumps are at the end of their useful life and require replacement.

Five qualified mechanical contractors were invited to bid on the project but only one qualified bid was returned. HBPW staff and the design engineer (Fishbeck) evaluated the bid and sought clarifications from the contractor to ensure the scope and fee was understood. After thorough evaluation, the bid from Allied Mechanical Services, Inc was determined to be a good overall proposal for the intended project.

A summary of the evaluated bid results and project start times are as follows:

Contractor	Location	Bid Amount	Start Date	Exceptions
Allied Mechanical Services, Inc.	Grand Rapids, MI	\$1,935,925.00	March 2025	N
DHE	Grandville, MI	No Bid	-	-
FHC	Wyoming, MI	No Bid	-	-
NW Kent Mechanical	Cedar Springs, MI	No Bid	-	-
Andy J. Egan Co.	Grand Rapids, MI	No Bid	-	-

Reflecting bid costs as well as engineering fees, the overall project cost is expected to be over original budget and will require a capital budget amendment. To mitigate cost impact, the HBPW selected a vertical pump alignment instead of a horizontal pump alignment. While preferable, the horizontal alignment was a bid alternate which came in \$230,750 higher and is not necessary for operations and maintenance of the units.

A summary of anticipated project costs is listed below:

Project Breakdown	Proposed Contract Amount
Allied Mechanical	\$1,935,000
Fishbeck - Design Engineering	\$92,124
Fishbeck - Construction Contract Administration	\$160,000
Sub-Total	\$2,187,124
Contingency	\$112,876
Proposed Budget	\$2,300,000
Approved Budget	\$1,900,000
Proposed Budget Transfer Amount	\$400,000

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

BPW Staff recommends that a construction services contract for the replacement of the WRF raw pumps be issued to Allied Mechanical Services Inc. This project is included in the proposed FY2025 WRF capital budget. A budget amendment of \$400,000 is also being requested to cover the additional cost above the original project budget.

The recommended budget increase was approved by the WRF Administrative Committee on June 26, 2024.

Recommendation: The Board of Directors approved a contract with Allied Mechanical Services, Inc., in the amount of \$1,935,925.00, with a contingency of \$100,000 for a total of \$2,035,925.00, pending approval as to form from the City Attorney. Also to approve an amendment of \$400,000 to the FY25 WRF capital budget for an overall project budget of \$2,300,000.

<i>Motion to approve recommendation</i>	<i>Lilly</i>
<i>Second</i>	<i>Lynn</i>
<i>Favor</i>	<i>4</i>
<i>Oppose</i>	<i>0</i>

25.012 **Biosolids Land Application Contract**

Envirogro Agronomics, LLC (Envirogro) is the current land application contractor for the Holland Area Water Reclamation Facility (WRF). Envirogro, its predecessor Nutrigro Environmental Solutions, Inc. and its predecessor GroAmerica have successfully land-applied biosolids for the WRF since 2014.

There are only two full-service land application contractors currently operating in the State of Michigan, Envirogro and Biotech Agronomics. Biotech Agronomics was approached and declined to offer a quote to land apply biosolids for the WRF. Beneficial Connections, a third party that facilitates land application for the Wyoming Clean Water Plant, was also contacted to inquire about the potential for them to similarly facilitate the WRF's land application program. Beneficial Connections declined to give a quote but did indicate that their price would be significantly higher than the price proposed by Envirogro.

Envirogro has proposed a per gallon land application cost of \$0.0523/gallon of biosolids for FY 2025. This is a 1.55% increase over the FY 2024 cost of \$0.0515/gallon of biosolids. Moving forward, land application cost increases will be tied to the seasonally adjusted employment cost index for Transportation and Material Moving as determined by the Bureau of Labor Statistics.

BPW Staff recommends that a services contract for the land application of biosolids be issued to Envirogro Agronomics, LLC. based on the value provided by the firm and their past success land-applying biosolids for the WRF.

Recommendation: The Board of Directors Approve a contract with Envirogro Agronomics, LLC. for the land application of biosolids, pending approval as to form from the City Attorney.

<i>Motion to approve recommendation</i>	<i>Lilly</i>
<i>Second</i>	<i>Maalouf</i>
<i>Favor</i>	<i>4</i>
<i>Oppose</i>	<i>0</i>

25.013 **General Manager Comments**

- Our next Board meeting, a Study Session, is July 22. Topics will be our quarterly reports, a prepaid gas opportunity, and update on Holland City Fiber, and an update from Jennifer Owens, President of Lakeshore Advantage

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

- The GM passed out copies of our new Residential Energy Efficiency Catalog which BPW customers will be receiving in the mail soon. Kudos to our Communications Team, our Community Energy Services Team, and Boileau Communications.

ADJOURNMENT

A motion to adjourn the meeting of *July 8, 2024*, was made by *Lilly* supported by *Maalouf* and agreed upon by the Board of Directors present.

The Board Meeting of July 8, 2024, adjourned at *4:51 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board