

REGULAR MEETING

The HBPW Board of Directors met
February 10, 2020
at 4:00 p.m.
in the Service Center Board Room
625 Hastings Ave.
Holland, Michigan

Chair Hemingway called the meeting to order at 4:02 p.m.

Members Present: Tim Hemingway, Diane Haworth, Phil Miller, Sue Franz, and Ex Officio Member Keith Van Beek

Members Absent: Paul Lilly, Nathan Bocks, Bob Shilander

Staff Present: Dave Koster, Janet Lemson, Chuck Warren, Ted Siler, Becky Lehman, John VanUffelen, Pieter Beyer, Chris Van Dokkumburg, Julie DeCook, Jane Monroe, Grant Koster, Theo VanAken, Pete Hoffswell, Tracy Jousma, Anne Saliers, Doug Nibbelink, Mark Gipson, Steve Bruinsma, Mark Volkers

20.097 **Board Minutes – Regular Meeting Minutes of January 6, 2020**

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

Action on Consent items:

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

20.098 **Communications from the Audience**

None

20.099 **Major Project Update**

For information only

20.100 **20th/21st Street Reconstruction Contract**

After a collaborative planning process with the City Transportation Department, 20th Street from Michigan Avenue to Maple Avenue, and 21st Street from Van Raalte Avenue to Ottawa Avenue were identified for utilities reconstruction. Both areas were identified for water main and lead service line replacement; and 21st Street was also identified for reconstruction of the sanitary sewer main. The Transportation Department has identified a need for roadway, pedestrian, and storm sewer reconstruction in these areas. These projects are part of master plans for transportation, drainage, and utility reconstruction, and are a continuation of efforts that began with last year's 19th Street project. The two project sites were paired together as a single project to take advantage of economies of scale and because they represent a full construction season of work.

Bids for the work were received January 16 and are shown in the table below.

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

20th/21st Bid Opening 1/16/2020

	<u>Bidder</u>	<u>Cost</u>
1	Brenner Excavating	\$2,884,538.75
2	Milbocker	\$2,995,574.37
3	Montgomery	\$3,111,631.15
4	Wyoming Excavating	\$3,173,872.00
5	Schippers Excavating	\$3,284,494.70
6	Kamminga & Roodvoets	\$3,290,673.40
7	Connan	\$3,355,550.85
8	Diversco	\$3,616,321.73

After a review of the bid details and the low bidder's qualifications, Brenner Excavating was selected to perform the work.

The cost sharing with the City is summarized in the table below:

20th/21st Cost Sharing From Bid Items

Responsibility Area	Cost	% Share	Cost Responsibility After Reallocation of Shared Costs
City - Transportation and Storm Water	\$ 547,606.80	35%	\$ 996,595.42
HBPW - Sewer	\$ 334,606.75	21%	\$ 608,954.37
HBPW - Water	\$ 702,775.70	44%	\$ 1,278,988.95
General Shared Costs	\$ 1,299,549.50	Per Above %	--
Total	\$ 2,884,538.75		\$ 2,884,538.75

The total cost of the project for which the HBPW is responsible is \$1,887,943.32. The budget for this project included \$2.01 million in the HBPW's capital improvement plan as well as an additional operating account budget of \$306,000 to expense private side lead service replacements.

The project budget was originally approved for the FY 2019 budget. Due to a change of project sequencing in the planning process with the City's Transportation Department, construction of this project was then delayed until the summer of 2020. This required conducting a rollover of the capital budget from FY 2019 to FY 2020 to ensure continued availability of the funds. Due to an error in this rollover process, a portion of the project budget in the amount of \$500,000 was not successfully rolled over. As a result, this recommendation also includes a transfer from contingency in the amount of \$500,000 to return the available FY 2020 budget to the originally approved amount.

Recommendation: The Board of Directors

1. Approved a contract with Brenner Excavating, Inc, in the amount of \$2,884,538.75 with a 10% contingency of \$288,453.88 for a total of \$3,172,992.63, pending approval as to form from the City Attorney.

2. Approved a transfer from contingency in the amount of \$500,000 to correct a FY2019 to FY2020 capital budget rollover error.

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<i>Motion to approve recommendation</i>	<i>Haworth</i>
<i>Second</i>	<i>Miller</i>
<i>Favor</i>	<i>4</i>
<i>Oppose</i>	<i>0</i>

20.101 **Resolution Declaring Official Intent to Reimburse Project Expenditures with Bond Proceeds and Requesting Publication of Notice of Intent to Issue Bonds**

In recent years, the WRF has seen large increases in disposal costs for the solids generated during the treatment process while also seeing disposal options shrink. A biosolids disposal alternatives analysis was performed in Fiscal Year 2018 to evaluate options to mitigate these risks. That study identified anaerobic digestion as the best alternative to address the issues. In Fiscal Year 2019, the viability of anaerobic digestion of WRF solids was confirmed via pilot testing; and cost estimates for the digestion process were refined via a conceptual design study. BPW staff used the conceptual design report that was produced as part of that study to retain an engineering firm to develop complete engineering and design plans for the anaerobic digester and associated facilities.

These plans are near completion, and construction will soon begin. The project will be funded through the State of Michigan Clean Water State Revolving Fund program (SRF) and the Michigan Finance Authority. The Board's approval of the resolution declaring official intent to reimburse project expenditures with bond proceeds, in an amount not to exceed \$30,000,000, and requesting publication of notice of intent to issue bonds is requested. Once this approval is received, an identical resolution will be forwarded to the City for approval.

Recommendation: The Board of Directors approved the resolution declaring official intent to reimburse project expenditures with bond proceeds, in an amount not to exceed \$30,000,000, and requesting publication of notice of intent to issue bonds through the State of Michigan Clean Water State Revolving Fund program (SRF) and the Michigan Finance Authority.

<i>Motion to approve recommendation</i>	<i>Haworth</i>
<i>Second</i>	<i>Franz</i>
<i>Favor</i>	<i>4</i>
<i>Oppose</i>	<i>0</i>

20.102 **2020 Communications Campaign**

The HBPW Communications Specialist reviewed our 2020 Communications Plan major points which included:

- Explanation of the brand message and how it relates to our proposition
- Demonstrate how the brand message will be carried out in the strategic communications plan
- Examples of campaigns

Presented for information. No Board action required.

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20.103 **Closed Door Session – Legal Opinions, To Review Michigan OMA’s FOIA Act 442, 1975; 15.243
(v) Security Measures**

Motion to enter Closed Session @ 4:49 p.m. <Name>
Made by Miller <Name>
Second: Haworth
Favor 0
Oppose 0
ROLL CALL: Hemingway, Haworth, Miller, Franz X X X X

Motion to re-enter Open Session @ 6:45 p.m. <Name>
Made by Miller <Name>
Second Haworth
Favor 3 <#>
Oppose 0 <#>

BOARD COMMENTS

Next meeting, a study session, is scheduled for February 24, 2020

BOD Budget Sub will meet February 18 at 7:30 a.m. here.

ADJOURNMENT

A motion to adjourn the meeting of *February 10, 2020*, was made by *Haworth* supported by *Miller* and agreed upon by the Board of Directors present.

The Board Meeting of February 10, 2020, adjourned at *6:48 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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