

**REGULAR MEETING**

The HBPW Board of Directors met  
**January 11, 2021**  
**Via Zoom Teleconference**  
at 4:00 p.m

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

**Members Present:** Tim Hemingway (Holland, MI), Diane Haworth (Holland, MI), Sue Franz (Holland, MI), Paul Lilly (Holland, MI), P.J. Thompson (Holland, MI), and Ex Officio Members Bob Shilander (Park Twp.,MI) and Keith Van Beek (Holland, MI)

**Members Absent:** Nathan Bocks

**Staff Present:** Dave Koster, Janet Lemson, Becky Lehman, Joel Davenport, Chuck Warren, Ted Siler, Pieter Beyer, Pete Hoffswell, Mark Gipson, Steve Bruinsma, Jane Monroe, Theo Van Aken, Tracy York, Julie DeCook, Chris Van Dokkumburg, and guest Ron Vander Veen, City Attorney

21.127 **Approval of Agenda**

*Board Member Haworth made a motion to approve the agenda. The motion was seconded by Board Member Thompson*

21.128 **Board Minutes – Regular Meeting Minutes of December 7, 2020, and Study Session Minutes of December 28, 2020**

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

21.129 **Affirm Delegation Policies D-001 – D010**

Governance Policy G001 Governing Philosophy establishes the attributes of leadership and the specific practices that the Board intends to demonstrate. Through this policy, the Board Members are called upon to lead proactively and be faithful to the BPW's core purpose and core values. This policy further calls upon the Board to periodically evaluate and discuss its process and performance with respect to Governance and Delegation Policies. Delegation Policies were last reviewed in the 2008 Strategic Planning Process.

Delegation Policies D001 – D005 were presented for discussion at the November 23 Study Session, and Polices D006 – D010 were presented for discussion at the December 28 Study Session.

*As part of the Consent Agenda, the Board of Directors affirmed Delegation Policies D001 – D010.*

21.130 **Action on Consent items:**

Motion to approve, accept, affirm, or adopt Consent Agenda items	<i>Haworth</i>
Second	<i>Franz</i>
Hemingway	<i>Y</i>
Haworth	<i>Y</i>
Franz	<i>Y</i>
Lilly	<i>Y</i>
Thompson	<i>Y</i>
Favor	<i>5</i>
Oppose	<i>0</i>

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

21.131 **Communications from the Audience**

*Motion to approve public comment (one, attached) was made by Haworth and seconded by Lilly.*

21.132 **Major Project Update**

*For information only*

21.133 **WRF Control Panel Replacement**

This project is a combination of two fiscal year 2021 capital improvement projects with an existing total project budget of \$170,000. PLC Control Upgrade (CP600) has a budget of \$100,000 and PLC Control Upgrade (CP200) has a budget of \$70,000. Staff recently bid the work and received quotes from two qualified contractors. The bid results for the two combined projects at the WRF came in about 47% (\$79,200) over budget. Staff have evaluated both proposals and recommends proceeding with the proposal by Windemuller Electric.

Firm	Business Location	Proposal Price	Meets Requirements	Previous Contracts
Windemuller Electric	Wayland, MI	\$249,200.00	Yes	Yes
Perceptive Controls	Plainfield, MI	\$268,443.76	Yes	Yes

The project is intended to demolish two existing Programmable Logic Controllers (PLCs) and two existing equipment control panels and replace them with two new PLCs. It also includes updating two aging sampling cabinets. The variance between budget and bid price is attributed to the following issues:

- Oxygen Monitoring for Oxygen Building – One of the old equipment panels planned for demolition includes a vacuum pump that pulls air samples from the Oxygen Building and an oxygen sensor that reads concentration and alarms if there is a problem. Elimination of that panel will thus also eliminate this old oxygen sensor and associated vacuum pump. This was not accounted for in the original budget. However, the oxygen sensor is critical to safety in that building and the plant site. The project thus includes new sensors in the Oxygen Building that are the same model as the newer oxygen sensor installed in the tunnel under River Avenue as part of the last improvement project. This will allow for consistent maintenance and replacement parts. It also will address an important piece of safety equipment that is past its expected useful life.
- Sampling Panels – There are two old sampling panels located on top of the oxygen deck on the West Plant. Those panels have vacuum pumps that draw air from the headspace of the oxygen reactors and then pump it through sensors that test it for Lower Explosive Limit (LEL) and oxygen concentration. The existing panels operate through the usage of old relay controls and this project plans to upgrade them so that the controls and alarming are instead handled from the nearby PLCs. In order to accomplish this, the sampling panels will be converted to Remote Input/Output (I/O) panels. This was not included in the original scope of the project but was incorporated into the project as bid because it simplifies the interconnection between the cabinets and the local PLCs. Currently communication between the sampling cabinets and PLCs is handled via numerous discrete and analog I/O connections. This will be replaced with two Ethernet connections (one from each sample panel). These panels were originally planned to be replaced at a later date, but it is more efficient and cost effective to do so now as it would otherwise require build out of the new CP-600 to accommodate all of the existing discrete and analog I/O connections that would not be needed in the future. Both sampling panels currently have business risk evaluation (BRE) scores of 15 or greater. The WRF level of service target is for all assets to have business risk scores <15. Improvements planned for this project are expected to reduce those BRE scores to 6 or less for each sampling panel.

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- CP-600 New Panel – The original budget assumed that the new CP-600 would be installed in one of the three existing panels that it is replacing. The project scope as bid however includes demolition of all three panels and installation of a single new panel. This change makes for a much cleaner installation and will free up much needed space for a workbench for the WRF's Industrial Electricians since these panels are located just outside of their office.
- CP-200 Temporary Panel – Due to the criticality of the equipment controlled and alarmed from CP-200 (West Plant final clarifiers and Return Activated Sludge pumps), the scope includes the contractor providing a temporary panel to alarm on any problems with equipment during the change out. Pumps will be run in manual via their Variable Frequency Drives (VFDs) during the switchover but failure to alarm on a pump tripping could quickly lead to solids spillover from the clarifiers, and thus permit limit exceedances. This temporary panel was not included in the original budget scope.

Staff is requesting to combine the two projects into a single capital improvement project and transfer \$92,000 from contingency in order to increase the overall budget to \$262,000, as necessary to complete the work. The proposed new project budget includes a 5% contingency to account for any minor issues that may arise during project implementation. The project combination and budget transfer from contingency was passed by the WRF Administrative Committee on 12/09/2020.

*Recommendation: The Board of Directors combined two PLC Control Upgrade projects (CP600 and CP200) into a single project and approved a transfer from contingency of \$92,000 to increase the overall project budget to \$262,000. Correspondingly, they approved a contract with Windemuller Electric for \$249,200, with a contract contingency of \$12,800 (5%), subject to approval as to form by the City Attorney.*

<i>Motion to approve recommendation</i>	<i>Lilly</i>
<i>Second</i>	<i>Haworth</i>
<i>Hemingway</i>	<i>Y</i>
<i>Haworth</i>	<i>Y</i>
<i>Franz</i>	<i>Y</i>
<i>Lilly</i>	<i>Y</i>
<i>Thompson</i>	<i>Y</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

21.134 **Addition of Broadband Co-location Services**

To more efficiently utilize fiber within our network, Broadband Services is recommending the addition of an equipment co-location service. Adding a colocation service option to the Dark Fiber Master Lease agreement allows customer equipment installations which enables customers the ability to combine multiple services into single back-haul fibers. Customers will be able to place active and passive network equipment at HBPW Broadband facilities allowing them to aggregate connections to a single point, thus increasing customer connection capability. This action will reduce the utilization of backhaul fiber currently used for customer services, which will make last-mile connectivity more cost-effective. In the long term, this additional service is expected to increase dark fiber lease revenue while at the same time increasing fiber utilization efficiency.

In order to provide colocation services, Broadband will need to allow customer-owned equipment at Broadband-owned facilities, such as communications shelters and cabinets. The Broadband Terms of Service and Fee Schedule needs to be adjusted to accommodate for such things as facility access, usage terms, and monthly charges. The attached documents show adjustments to the Terms and Conditions and the Dark Fiber Lease Agreement.

A new revenue stream is created for Broadband through the implementation of this service. Broadband will receive revenue for space utilized in equipment racks at the rates proposed below.

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Any additional development fees to provide service will be charged as usual per our fee structure for dark fiber leases.

<u>Service Description</u>	<u>Cost</u>
1U Colocation Rack Space - Unpowered	\$40/Month
1U Colocation Rack Space – Powered	\$60/Month
After Hours Site access	\$50/Hour
Development Fee	Variable one-time charge

*Recommendation: The Board of Directors approved the updated Broadband Terms and Conditions and associated new fee for co-location of equipment by dark fiber lease customers. They also approved the updated Dark Fiber Master Lease agreement, subject to approval as to form by the City Attorney.*

<i>Motion to approve recommendation</i>	<i>Haworth</i>
<i>Second</i>	<i>Lilly</i>
<i>Hemingway</i>	<i>Y</i>
<i>Haworth</i>	<i>Y</i>
<i>Franz</i>	<i>Y</i>
<i>Lilly</i>	<i>Y</i>
<i>Thompson</i>	<i>Y</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

21.135 **Waiver of Dickinson Wright's Conflict of Interest Regarding Act 425A**

Attorney Ron Bultje has represented the Township for a number of years. He is currently with Dickinson Wright. As you know, attorney Kester So of Dickinson Wright provides legal advice to the HBPW on several bond issues. Under Section 1.7 of the Michigan Code of Professional Conduct for attorneys,

Dickinson Wright has a conflict of interest; and its attorneys may not represent Fillmore in a transaction with the City of Holland unless the conflict is waived by the City and Fillmore. Dickinson Wright has asked the City to waive the conflict of interest to allow it to represent the Township. See the attached e-mail request from Kester So. The City will be represented by the City Attorney's office. This proposed waiver will only apply to the Act 425 Agreement.

We do not see any problems with Dickinson Wright representing Fillmore Township in the Act 425 negotiations while advising the HBPW on bond issues, as they are not related.

*Recommendation: The Board of Directors agreed with the City Attorney's recommendation that the HBPW Board and the City Council waive Dickinson Wright's conflict of interest so they can represent Fillmore Township in negotiations for a potential Act 425 Agreement only.*

<i>Motion to approve recommendation</i>	<i>Haworth</i>
<i>Second</i>	<i>Franz</i>
<i>Hemingway</i>	<i>Y</i>
<i>Haworth</i>	<i>Y</i>
<i>Franz</i>	<i>Y</i>
<i>Lilly</i>	<i>Y</i>
<i>Thompson</i>	<i>Y</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

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21.136 **Closed Door Session – Legal Opinion and Labor Negotiations**

Motion to enter Closed Session @ 5:15 p.m. <Name>  
Made by Haworth <Name>  
Second: Franz  
Favor 5  
Oppose 0  
*ROLL CALL: Hemingway, Haworth, Franz, Lilly,  
Thompson*

Motion to re-enter Open Session @ 5:52 p.m. <Name>  
Made by Haworth <Name>  
Second Lilly  
Favor 5 <#>  
Oppose 0 <#>

21.137 **General Manager Comments**

- Entering Phase 1B with the COVID vaccine, the BPW is beginning to identify who these eligible people may be that are working for us in essential jobs.
- Board Member Lilly was looking for any kind of updates on the developments and conclusions reached by the Broadband Development Task Force. Currently, due to the pandemic, the true forward movement and meetings with relevant businesses and people have reached a slowdown. This is a joint effort by the City and the BPW. There are no official reports publicly available as of yet. The GM will report back as forward movement progresses.

21.138 **Board Comments**

- Our next meeting is a Study Session scheduled for Monday, January 25. We will cover the quarterly financials, key performance indicators, the wastewater utility five-year plan, and the next five Delegation Policies

ADJOURNMENT

A motion to adjourn the meeting of *January 11, 2021*, was made by *Haworth* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of January 11, 2021, adjourned at *6:13 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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