

REGULAR MEETING

The HBPW Board of Directors met
November 11, 2019
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, Paul Lilly, and Ex Officio Member Keith Van Beek

Members Absent: Bob Shilander

Staff Present: Dave Koster, Janet Lemson, Chuck Warren, Ted Siler, Joel Davenport, Becky Lehman, John Van Uffelen, Grant Koster, Pieter Beyer, Theo VanAken, Pete Hoffswell, Andrew Reynolds, Jane Monroe, Steve Bruinsma, Tracy Jousma, Julie DeCook

20.056 **Board Minutes – Regular Meeting Minutes of October 7, 2019, and Special Meeting Minutes of October 28, 2019**

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

20.057 **Unit 12 Steam Turbine and Generator Inspection**

The contract includes pricing for services to perform a borescope and visual inspections of the Unit 12 steam turbine as well as visual inspections and electrical testing on Unit 12's generator. The scope of work is based upon the Original Equipment Manufacturer (OEM) recommendations for a steam turbine generator with 20,000 equivalent operating hours (EOH). Unit 12 will be very close if not over the 20,000 EOH mark by this winter when the B Inspection is scheduled to occur on the combustion turbines (Units 10 and 11) at HEP. It is during this outage that the Unit 12 inspections are to occur. The contractor will supply a formal report at the completion of the project outlining major inspection findings to consider in future maintenance projects. Immediate corrective actions are not expected to be necessary following the inspection given the age of Unit 12.

Four steam turbine service companies submitted proposals to complete the scope of work in the bid package. Siemens is being recommended for the project because they are the steam turbine's OEM and supplied the lowest evaluated bid while including the entire scope of work within their proposal.

Bidder Name	Business Location	Evaluated Bid Amount	Meets Specifications	Previous Contracts
Mechanical Dynamics & Analysis LLC (MD&A)	Latham, NY	\$ 167,546.00	YES	NO
Siemens Energy, Inc.	Orlando, FL	\$ 57,690.74	YES	YES
TurbinePROs, LLC	Rogers, MN	\$ 61,974.00	YES	YES
Turbine Diagnostic Services Inc.	Odessa, FL	\$ 73,803.00	YES	YES

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

The inspection was planned and budgeted for in the HEP expense budget for FY 2020.

As part of the Consent Agenda, the Board of Directors approved a contract with Siemens in the amount of \$57,690.74, pending approval as to form from the City Attorney.

20.058 Units 7 & 8 Painting Construction Services Contract Contingency

In August 2018, Board approved a painting contract with Great Lakes Painting for \$181,175 and a contingency of \$18,100 for a total of \$199,275; the next lowest bid for the project was \$245,500. The project work is complete and to date, two change orders have been issued for a total of \$17,948. The initial change order added drainage holes to painted platforms for rust prevention and upgraded the pipe labeling for improved readability. The second change order covered work delays and demobilization/remobilization costs incurred by the contractor to allow the Unit 9 hot gas path work to be completed.

The contractor has requested an additional \$5,650 to cover time lost due to interference from the Unit 7 combustion inspection and additional touch up painting of lines that were damaged during soil removal in the fuel tank containment area. Staff agrees the request is justified since the delay and touch up work were a result of other HBPW projects and beyond the Contractor’s control.

Approved Contract Amount	Approved Contingency	Revised Contingency Amount	Proposed Contract Amount
\$ 181, 175	\$ 18,100	\$ 23,598	\$ 204,773

Pending approval of additional contract contingency and approval of a change order, the final contract amount will be \$204,773 and is below the approved project budget of \$210,000.

As part of the Consent Agenda, the Board of Directors approved \$5,498 of additional contract contingency for a total contingency of \$23,598 for the Great Lakes Painting contract for the Units 7 & 8 Painting Project.

20.059 Action on Consent items:

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

20.060 Communications from the Audience

Dean Whittaker, 1121 Whispering Dunes Drive, Holland Twp., supports the HBPW broadband initiatives. Dean has been involved on the Model Community Initiatives team’s *Strategic Doing* program plan with Board President Hemingway, and agrees we are following those items detailed on page 23 of the plan.

20.061 Major Project Update

For information only

20.062 Financial Update – 1st Quarter FY2020

For information only

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20.063 Sewer Use Ordinance Update

As a part of the Water Reclamation Facility’s National Pollution Discharge Elimination System (NPDES) permit, HBPW is required to perform a local limits study approximately every five to seven years. A local limits study determines the maximum concentrations of pollutants that can be discharged to Holland’s sanitary sewer system. Updates to these local limits must then be approved by the Michigan Department of Environment, Great Lakes and Energy (EGLE), and formally adopted as part of the Sewer Use Ordinance by the communities served by the facility.

In addition to the updated local limits, the Sewer Use Ordinance updates include language corrections to address issues raised by EGLE staff, new prohibitions of pollutants not specifically addressed by the current ordinance (hydrogen sulfide and pharmaceuticals), and necessary language to provide HBPW with legal authority to assure that dentists are complying with recent regulatory changes for dental amalgam waste. In particular, the changes to the ordinance can be described as follows:

1. Definitions have been updated.
2. General discharge prohibitions have been updated:
 - a. Reference to DEQ approval for clean water discharge to sanitary sewer removed. EGLE (formerly DEQ) does not approve or permit discharges to sanitary sewer.
 - b. Addition of detail on prohibition of hydrogen sulfide containing waste. This detail provides clarity on acceptable levels of hydrogen sulfide.
 - c. Addition of unused pharmaceuticals as a prohibited discharge.
3. Legal authority: The current ordinance incorrectly states that the HBPW has the authority to determine that industrial users subject to categorical pretreatment standards are not Significant Industrial Users (SIU). That language has been corrected.
4. The most recent pollutant local limits are incorporated into the ordinance.
5. Addition of detail on how dental amalgam removal compliance from wastewater by dentist offices is handled. This detail provides clarity on the records required to be kept by dentist offices handling amalgam removal from wastewater and reporting requirements to the HBPW.

EGLE has reviewed the updated Sewer Use Ordinance and finds that it meets their requirements. Additionally, the ordinance changes have been reviewed and approved by the attorneys representing each affected community. Holland Charter Township, Park Township, Laketown Township, and Fillmore Township are all in the process of updating their Sewer Use Ordinances to be consistent with the City. The updates to all ordinances are expected to be complete by the end of calendar year 2019.

Recommendation: The Board of Directors approved the modifications to the Sewer Use Ordinance and forwarded to City Council for adoption.

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

20.064 Broadband Task Force Update

A follow-up action item from the joint study session on August 14, 2019, regarding Broadband Services moving forward was to provide a structure for a task force to accomplish various tasks. The attached PowerPoint outlines the structure along with potential goals and tasks. These will further be refined once the task force convenes and has a kick-off meeting. Another element of this structure outlines the participants of an advisory group and working groups. There is also a high level timeline that outlines the potential steps of the process.

Recommendation: Presented for information. No Board action required.

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20.065 BOARD COMMENTS

Next meeting scheduled for November 25, a Study Session

Chair Hemingway reminded the Board Members about working on the General Manager's Evaluation

ADJOURNMENT

A motion to adjourn the meeting of *November 11, 2019*, was made by *Lilly* supported by *Haworth* and agreed upon by the Board of Directors present.

The Board Meeting of November 11, 2019, adjourned at *5:49 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board