### **REGULAR MEETING**

The HBPW Board of Directors met July 12, 2021
at 4:00 p.m.
625 Hastings Ave.
Holland, Michigan

# Chair Hemingway called the meeting to order at 4:01 p.m.

Members PJ Thompson, Paul Lilly, Carolyn Maalouf, Tim Hemingway, City Council Liaison Nathan Bocks, and

Present: Ex Officio Members Keith VanBeek and Bob Shilander

Members Sue Franz

Absent:

Staff Dave Koster, Janet Lemson, Ted Siler, Chuck Warren, Joel Davenport

Present:

# 22.000 Approval of Amended Agenda

Chair Hemingway amended the agenda to include a discussion point 6C, Consumers Energy's plan to close the Campbell Plant III in 2025. Board Member Lilly made a motion to approve the amended agenda. The motion was seconded by Board Member Thompson.

22.001 Board Minutes - Regular Meeting Minutes of June 7, 2021, and Special Meeting Minutes of June 28, 2021

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

# 22.002 Resolution Authorizing Transfer of Funds for Contribution to the City FY2022

This Joint Resolution is pursuant to §12.16 of the City of Holland Charter. The amount of money appropriated was approved during the 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 and Water utilities, as defined therein.

As part of the Consent Agenda, the Board of Directors adopted the Joint Resolution to appropriate \$8,595,384 from Electric Utility funds for FY2022 for the general purposes of the City of Holland.

# 22.003 Resolution for Insurance Claims Administration FY 2022

The resolution is to establish and authorize the claims settlement authority for the City and the HBPW within the self-insured retention portion of the City and the HBPW's insurance program. The resolution shall permit the settlement and compromise of claims, actions, and liabilities by the designated adjuster in an amount not to exceed \$5,000 against the City and/or the HBPW.

Paragraph 5 grants authority to the designated representative of the HBPW in conjunction with the City Attorney to settle claims against the HBPW, including joint claims with the City, in an amount not to exceed \$10,000. The settled claims shall be reported by the HBPW to the Board as needed during the fiscal year.

Paragraph 6 allows claims in excess of \$10,000 to be settled, compromised, and approved upon review and recommendation/approval of the of Directors of the HBPW with referral to City Council for final review and recommendation/approval.

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

As part of the Consent Agenda, the Board of Directors approved the resolution allowing the designated representative of the HBPW, in conjunction with the City Attorney, the settlement authority, to settle claims in an amount not to exceed \$10,000.

# 22.004 METRO Permit Renewal With Zeeland Charter Township

The HBPW has a current METRO permit with Zeeland Charter Township and has existing infrastructure in the right-of-way. In order to continue providing services in this territory, the METRO permit with Zeeland Charter Township needs to be renewed. The officials of the township have agreed to the renewal.

As part of the Consent Agenda, the Board of Directors approved the METRO permit with Zeeland Charter Township, pending approval as to form from the City Attorney.

#### 22.005 Action on Consent items:

Motion to approve, accept, or adopt Consent Lilly

Agenda items

Second Thompson

Favor 4 Oppose 0

#### 22.006 Communications from the Audience

None

### 22.007 Major Project Update

For information only

# 22.008 Pine Avenue Reconstruction Engineering Contract

The Holland Board of Public Works along with the City of Holland Transportation Services Department sought proposals from qualified engineering firms to provide engineering, materials testing, and construction inspection services for the Pine Avenue reconstruction project. The anticipated project limits are Pine Avenue from 9th Street to Michigan Avenue (4,800 feet), 11th Street from Pine Avenue to River Avenue (775 feet), and 22nd Street from Maple Avenue to Michigan Avenue (1,200 feet). The construction is expected to commence in the spring of 2022 and last through the fall of 2022.

The project's utility work includes the replacement of an existing undersized transmission main in Pine Avenue with a new 24" transmission main, and constructing a parallel 8" distribution main. The sanitary sewer mains in 22nd Street and 11th Street will also be replaced or lined. In addition to reconstruction of the roadway itself, the Transportation Services Department plans Page 1 of 2on implementing additional improvements to sidewalks, storm sewers, and curb and gutter sections.

Proposals were solicited and received from three engineering firms as provided below. Wightman submitted the lowest fee. After a review of their project assumptions and qualifications, HBPW and Transportation Services Department staff recommend the award of the work to Wightman.

<u>Firm</u>	Proposed Fee
Wightman and Associates	\$429,425
Holland Engineering Inc.	\$576,260
Fishbeck Inc.	\$583,000

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

The HBPW approved budget for this project is \$3.15M, detailed in the attached capital justification form, with costs split between the FY22 and FY23 fiscal years. A slight increase in project budget will be necessary in FY23 to account for the addition of sanitary sewer work in 22nd Street and 11th Street. The side streets were not a part of the BPW's original project scope but were added at the request of the Transportation Services Department.

Recommendation: The Board of Directors approved a contract with Wightman and Associates in the amount of \$429,425, with a 10% contingency of \$42,942 for a total of \$472,367, pending approval as to form from the City Attorney.

Motion to approve recommendation
Second
Favor
Oppose
Lilly
Thompson
4
0

# 22.009 WTP Low Service Pumps 2 & 4 Repairs

The Low Service Pumps 2 & 4 Repair project repairs the two remaining main supply pumps of the five low service pumps that move water from Lake Michigan to the Water Treatment Plant. Pump 3 was overhauled in Spring 2021 and provided the expected scope of repair for the other two pumps that make up the group that operate more than 90% of the time for the Low Service Pump Station. These pumps operate on Variable Frequency Drives (VFD), which allows them to vary flow output to meet most of the demands of the water system. Pumps 2 & 4 have provided 24 years of service prior to the present overhaul.

Bids were received in June, 2021 from two qualified machine shops. Two additional qualified shops did not return bids. The following table summarizes the received bids:

Bidder Name	Business Location	Bid Amount	Meets Specification	Previous Contracts
Kennedy Industries	Wixom, MI	\$125,090	Yes	Yes
KSB Dubric	Comstock Park, MI	\$139,870	Yes	Yes

BPW staff interviewed Kennedy Industries as the apparent low bidder. Based on the bid review, staff recommends awarding the contract to Kennedy Industries as the lowest responsible bidder.

Staff budgeted for the repairs for Pumps 2 & 4 based on the first overhaul project. While the pumps have seen similar service, it is possible for the level of repair required to be lesser or greater based on actual conditions observed once the pumps are removed from service and inspected. As a result, staff is requesting 10% contingency for the project. The requested construction contract and contingency amount of \$137,590 is within the project budget of \$165,000 and does not require a transfer from contingency.

Recommendation: The Board of Directors approved a contract with Kennedy Industries in the amount of \$125,090, with a 10% contingency of \$12,500 for a total of \$137,590, pending approval as to form from the City Attorney.

Motion to approve recommendation	Thompson
Second	Lilly
Favor	4
Oppose	0

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# 22.010 Consumers Energy Shutdown of Campbell III Power Plant (coal-fired)

10 Mw of power generated by this plant (Campbell III) is ours, overall it is 7% of our power supply portfolio. We currently have 70 Mw in surplus generation. Campbell III is scheduled to shut down in 2025. Belle River is still scheduled for retirement of their two coal-fired units in 2029-2030. We recently purchased 5 Mw of wind generation.

# 22.011 General Manager Comments

- June 10 was the Allegan County Board of Commissioners Broadband Work Group Meeting. We were invited to have a seat in this group. We will likely have a seat on this Allegan County Task Force (Ted Siler would serve in this capacity). Pete Hoffswell is serving in this capacity for Ottawa County
- It appears that plant tours for new Board members and Executive Staff at the City of Holland will be taking place on July 30
- Diane Haworth's lunch honoring her retirement from the BPW Board will be July 27 from 11:30-1:00
- July 26 is our next meeting, a Study Session

#### 22.012 Board Comments

• The August 9 meeting will be election of Board officers and appointments to the Audit Committee. The Board will elect Chair, Vice-Chair, and appoint one additional member to the Audit Committee

### **ADJOURNMENT**

A motion to adjourn the meeting of *July 12, 2021*, was made by *Maalouf* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of July 12, 2021, adjourned at 6:13 p.m.

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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