

REGULAR MEETING

The HBPW Board of Directors met
October 11, 2021
at 4:00 p.m.
625 Hastings Ave.
Holland, Michigan

Vice-Chair Thompson called the meeting to order at 4:02 p.m.

Members Present: PJ Thompson, Paul Lilly, Carolyn Maalouf, Sue Franz, City Council Liaison Nathan Bocks, and Ex Officio Member Keith Van Beek

Members Absent: Tim Hemingway, Bob Shilander

Staff Present: Dave Koster, Janet Lemson, Becky Lehman, Chuck Warren, Joel Davenport, Ted Siler, Steve Bruinsma, Pieter Beyer

22.059 **Approval of Agenda**

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

22.060 **Board Minutes – Regular Meeting Minutes of September 13, 2021, and Study Session Minutes of September 27, 2021**

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

22.061 **Calendar Year 2022 Board Meeting Schedule**

Currently, the HBPW's Board of Directors is scheduled to meet twice a month, once for a Regular Board Meeting, and once for a Study Session. Regular Board Meetings are scheduled on the first Monday following the first Wednesday City Council Meeting of the month. Study Sessions are scheduled for the fourth Monday of the month, except for holidays or known conflicts.

After the calendar year meeting schedule is approved, it is posted publicly with the intent to give adequate notice of Board meetings.

As part of the Consent Agenda, the Board of Directors approved the calendar year 2022 Board meeting schedule.

22.062 **Declaration of Surplus Material**

The HBPW has identified materials and equipment which are no longer pertinent for use. The attached lists show the items determined as excess, obsolete, or uneconomical to repairs. 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 Approve the attached lists of items as surplus.

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

22.063 Bill of Sale and Utility Easement at Black River Flats

Dutch Developers II, LLC constructed the Black River Flats Apartments near Buckingham Street and Sherwood Avenue. This development is complete with new public utilities having passed acceptance testing and new customers being served by those utilities. The easement is as depicted on the approved construction plans and was granted in the recorded deed of the development. The easement as depicted in the deed has been included for reference. The estimated value of the contributed capital by the developer is \$200,000 of water capital and \$180,000 in wastewater capital.

As part of the Consent Agenda, the Board of Directors accepted a bill of sale for underground utilities with Dutch Developers II, LLC for the sum of less than \$1, pending approval as to form from the City Attorney.

22.064 Bill of Sale and Utility Easement at Interchange Drive

Interchange Drive, LLC. constructed utilities to serve two proposed industrial buildings. HBPW staff requested the utilities be extended to the southern property line for future connection and looping to the Knollwood development. This development is complete with new public utilities having passed acceptance testing and new customers being served by those utilities. The easement is as depicted on the approved construction plans. The estimated value of the contributed capital by the development is \$600,000.

As part of the Consent Agenda, the Board of Directors accepted a bill of sale and easement for underground utilities with Interchange Drive, LLC for the sum of less than \$1, pending approval as to form from the City Attorney.

22.065 Action on Consent items:

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

22.066 Communications from the Audience

None

22.067 Major Project Update

For information only

22.068 Cherry Walk Lift Station Rehabilitation

The Cherry Walk Lift Station was built in 1979 at the end of Cherry Walk Drive in the Maksaba gated community. The station has been exhibiting end-of-life issues resulting in a loss of reliability and increase in after-hours call outs. These issues have been the cause of two sewer overflows in the past two years. The station was selected for a complete rehabilitation of all mechanical and electrical components and is also in need of a new larger wet well to address storage needs during power outages and high flow events.

Bids were requested for the construction, and three bids were received:

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Bidder	Lump Sum Price
<u>Kamminga & Roodevoets</u>	\$ 442,675
<u>Milbocker</u>	\$ 536,780
<u>Jackson Merkey</u>	\$ 413,230

Jackson-Merkey was contacted to discuss their bid and approach to the project, and staff recommend the award of the work to them.

In addition to the construction, an engineering contract with a value of \$42,400 was previously issued to Fleis & Vandenbrink for this project. The total project cost including the construction, engineering, as well as a 10% construction contract contingency of \$41,323, totals \$496,953.

The approved capital budget for this project is \$450,000. This recommendation also requires a FY 2022 capital budget amendment for the additional \$46,953. Per the contractor, the biggest contributors to the increase from earlier estimated construction costs are materials and labor shortages as well as the difficulty of accessing the site.

Recommendation: The Board of Directors approved a contract with Jackson-Merkey Contractors, Inc. in the amount of \$413,230 with a 10% contract contingency of \$41,323 for a total of \$454,553, pending approval as to form from the City Attorney.

The Board amended the FY 2022 capital budget in the amount of \$46,953 for costs beyond the approved project budget.

<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>

22.069 **Hybrid Bucket Trucks Purchase**

Bucket trucks are primarily used to service and construct our overhead electrical distribution system, traffic signals, and street lighting. The Electric Distribution Department has researched different vendors and has determined that a bucket truck from Altec Inc., with the JEMS hybrid option, will serve our needs well. With the JEMS option, a DC battery system is used to run the hydraulic pump for the aerial lift and cab climate controls without the need to run the diesel engine. The battery system can be charged through an advanced alternator while the vehicle is in motion or after hours while plugged into a charger. The line crew had a chance to complete a multiday, real world test of a smaller Altec truck with the JEMS hybrid option and were happy with its performance.

Similar to our smaller ETI truck with the Volta hybrid option, the advantages of the JEMS system are fuel savings due to reduced engine idling, reduced emissions, avoided maintenance, and increased engine life. In addition, there is a significant noise reduction to the public and the crews when a truck is performing aerial work.

The JEMS hybrid option adds 22% to the purchase price of the standard bucket truck. Although the trucks do meet more than one exemption in the Alternative Fuel Vehicle and Equipment purchasing policy, given the benefits stated above and the expected 10-year life of the trucks, staff is recommending the hybrid option. Staff searched but did not find current grant programs that would apply to this purchase. Depending on the future grant requirements, the long lead time of the trucks will potentially give us the opportunity to take advantage of any grant programs that may be available prior to the delivery of the trucks.

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Lead time for these trucks has increased to almost two years, so in order to keep up with replacements, staff is recommending moving the bucket truck replacement planned for FY 2023 into this fiscal year. The trucks will not arrive until mid FY 2024, which is when payment will be made.

The request for pricing was performed with the Michigan MIDeal contract pricing process. Michigan MIDeals is an extended purchasing program which allows units of government to use state contracts to buy vehicles and tools. HBPW saves time and money by avoiding its own bidding process and taking advantage of lower costs established by the MIDeal contract through their competitive bidding processes.

The Altec bid price is based on current 2022 chassis pricing. It is likely that the chassis price for model year 2023 will be higher than the 2022 pricing. The 2022 chassis price at the time of quotation is \$78,000. Staff believes the requested purchase order contingency will be enough to absorb the expected price increase for the 2023 chassis.

Recommendation: The Board of Directors approved a Purchase Order (PO) for two Altec Inc. bucket trucks, with the hybrid option, in the amount of \$338,170 for each truck and a 10% PO contingency of \$33,800, for a total of \$743,940; further, they amended the FY 2022 capital budget in the amount of \$463,940 to enable the purchase of the bucket trucks.

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

22.070

General Manager Comments

- The next meeting we are invited to attend is City Council this Wednesday (Study Session) to view a presentation from the findings of the Strategic Development Team, October 13, 6 p.m.
- The next scheduled HBPW Board Meeting will change to a Special Meeting, October 25, where we'll have a presentation of the annual audit and results of the variable pay program

ADJOURNMENT

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

The Board Meeting of October 11, 2021, adjourned at *4:48 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board