

REGULAR MEETING

The HBPW Board of Directors met
January 6, 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 4:00 p.m.

Members Present: Tim Hemingway, Phil Miller, Paul Lilly, and Ex Officio Members Bob Shilander and Keith Van Beek

Members Absent: Diane Haworth, Sue Franz (phone-in), and Nathan Bocks, City Council Liaison

Staff Present: Dave Koster, Janet Lemson, Joel Davenport, Ted Siler, Becky Lehman, Chuck Warren, John Van Uffelen, Pieter Beyer, Andrew Reynolds, Jane Monroe, Chris Van Dokkumburg, Steve Bruinsma, Julie DeCook, Theo VanAken, Tracy Jousma, Anne Saliers, Rene Kalkman, Angela Badran, Mark Gipson, Trista Gregorski, Allison Morsink

20.081 **Board Minutes – Regular Meeting Minutes of December 9, 2019**

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

20.082 **Resolution for Sale and Purchase of Renewable Energy Credits (RECs)**

The RECs from our resources within the PJM ISO (SE Berrien Landfill and Wildcat Wind) continue to have a higher value than the MIRECS market for RECs from our Michigan MISO resources. We can receive a greater value for these PJM RECs by selling them rather than having them transferred into the MIRECS system to meet RPS compliance requirements. Proceeds from the sale of these RECs will be used to buy MIRECS to meet our Michigan RPS needs, with the remaining value credited toward the cost of renewable energy. The process of BPW Board and City Council approval for the sale and purchase of RECs makes it difficult to complete agreements with counterparties in a timely manner. Staff approval up to the specified dollar amounts in the attached Resolution will continue to streamline this process and satisfy counterparty timing requirements. All agreements will be approved as to form by the City Attorney, and completed REC sales and purchases will be reviewed with Board and Council at the next available meeting.

As part of the Consent Agenda, the Board of Directors approved a renewal of the resolution to allow for the sale of RECs from our PJM renewable energy resources, with authorization of the BPW General Manager, up to \$500,000 per transaction and \$1,500,000 annually. Allow the purchase of replacement MIREC's, with authorization of the BPW General Manager, up to \$100,000 annually.

20.083 **Declaration of Surplus Material**

The HBPW has identified materials and equipment which are no longer pertinent for use. The PMP bases are made of a material that can be easily damaged and which then allows wildlife to intrude. Holland BPW designed a mold to have bases made from concrete that hold up to the elements and mowing equipment. These new bases are less expensive and have had great success resisting damage from lawn mowing equipment and earth heaving problems, subsequently reducing our chances for outages.

Holland BPW will recover as much as possible by selling or auctioning these units to other utilities.

** 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, and forwarded to City Council for approval, the list of items ready to be declared as surplus.

20.084 Villas of Holland Water/Wastewater Bill-of-Sale and Easement

Construction on the Villas of Holland, located on a portion of the former Holland Country Club property east of Country Club and Legion Park Drive, began in 2014. The construction included public water and sanitary sewer utilities located within Waterwalk and Riverview Drives. An easement for utilities was executed in the original master deed for the property. The document was not recommended for acceptance due to unacceptable language. A bill-of-sale was also signed by the developer at the time the master deed was created. It was also not recommended to the BPW Board pending resolution of the easement language and clarification of warranty responsibilities.

The completion of a revised Grant of Public Utility Easement and expiration of the warranty period for the utilities now allows for the final closeout of the BPW's involvement in the project.

As part of the Consent Agenda, the Board of Directors accepted and forwarded to City Council for acceptance the Bill-of-Sale with Covenant Four, LLC in the amount of \$1 as well as the Grant of Public Utility Easement from the Villas of Holland Association, both pending approval as to form from the City Attorney.

20.085 Bill-of-Sale and Utility Easement at Maplewood Village

Maplewood Village Development, LLC. constructed the Maplewood Village Condominiums near 100 E 40th Street. 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 master deed of the development. The master deed has been included for reference.

As part of the Consent Agenda, the Board of Directors Accept a bill-of-sale for underground utilities with Maplewood Village Development, LLC for the sum of less than \$1, pending approval as to form from the City Attorney.

Action on Consent items:

Motion to approve, accept, or adopt Consent Agenda items	<i>Miller</i>
Second	<i>Lilly</i>
Favor	<i>3</i>
Oppose	<i>0</i>

20.086 Communications from the Audience

None

20.087 Major Project Update

- 2020-01-06 Kollen Park L19190 Project Closeout Memo
- 2020-01-06 Zeeland Township Landfill Closure Project Closeout Memo
- 2020-01-06 19th Street Reconstruction Project Closeout Memo
- 2020-01-06 Waverly 16th to 13th Street Reconstruction Project Closeout Memo

For information only

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20.088 **Organizational Changes and Resulting Staff Additions**

In 2007, the HBPW undertook a significant organizational restructuring, resulting in the creation of the Business Services, Operations, Technology, and Utility Services departments. That restructuring helped us during the next 12 years as we successfully planned and completed the largest public works project this community has ever undertaken.

Recently, we have again taken a broad look at our overall organizational structure. We have looked at its structure's strengths and weaknesses, and have evaluated a number of alternatives. Through our evaluation, we've reached the conclusion that now is an appropriate time to realign some of our departments, work groups, and staff to address the critical issues facing our utility.

The details of the changes are outlined in the attached summary document. The overall result nets no change in headcount as we are eliminating a director position and a professional staff position, while creating a manager and senior manager position. The budget impact on payroll for the next fiscal year will actually be lower as a result of the changes.

Recommendation: The Board of Directors accepted for information, in accordance with Delegation to Management policy D011, the attached organization structure update. The net effect of the positions will not result in additional headcount. The budgeted payroll will be lower going into the next fiscal year.

BOARD COMMENTS

Next meeting of the Board is a Study Session scheduled for January 27.

Van Beek and Koster gave an update on Waterfront Holland.

ADJOURNMENT

A motion to adjourn the meeting of *January 6, 2020*, was made by *Miller* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board meeting of January 6, 2020, adjourned at *5:34 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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