

The HBPW Board of Directors met **Monday, August 10, 2009** at 4:00 p.m.
in the Service Center Board Room
625 Hastings Ave
Holland, Michigan

Vice Chair Jim Storey called the meeting to order at 4:01 p.m.

Members Present: Rich Cook, Paul Elzinga, Diane Haworth, Jim Storey, and Ex Officio Member Soren Wolff

Members Absent: Tim Hemingway

Staff Present: Loren Howard, Dave Koster, Dan Nally, Ellen Taub, John Van Uffelen, Freda Velzen, Joel Davenport, Andree Keneau, Bob Mihos, Mike Radakovitz, Abel Rodriguez, Dan Sorek, Julie Thompson, Chris Van Dokkumburg, Judy Visscher, and Loralyn Bunce

Others Present: City Council Liaison: *Craig Rich*
Media Representative(s): *Holland Sentinel , Lakeshore Press*
Praxair representatives: *Chris Guild and Al Burkholder*

09.115 ***Rules of order suspended for Board Officer Elections***

After a brief history of the leadership of the board, Vice Chair Storey asked for nominations. Director Elzinga nominated Jim Storey for the position of Chairperson and Director Rich Cook nominated Tim Hemingway for the Vice Chair position. Elzinga moved that nominations be closed and Haworth seconded.

Directors Cook, Elzinga, and Haworth voted unanimously for Storey to fill the Chair position and Hemingway the Vice-Chair position.

Storey thanked the Directors for their confidence and for their outstanding commitment to their role..

09.116 **Minutes of May 11, May 21, June 8, June 29, and July 6, 2009**

As part of the Consent Agenda, the Board of Directors accepted the minutes presented as an accurate summary of the actions taken at each meeting listed.

Motion to accept the Consent Agenda	DH
Second	PE
Favor	4
Opposed	0

09.117 **Consulting Contract to Design and Manage Installation of New Phone System**

The current Nortel phone system in place uses out-dated PBX (Private Branch Exchange) technology, and many of its components are no longer supported by the manufacturer. Replacement of the entire phone system is necessary to provide more reliable service with additional productive business features, such as call recording, caller-id, integration with cell phone technology, detailed call reporting, and improved redundancy.

Two vendor-neutral network designer\phone system consultants submitted proposals and were interviewed by Holland Board of Public Works (HBPW) broadband staff. Both consultants came highly recommended, and appeared very capable of performing the tasks required of the HBPW.

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The low bidder was Convergent Technology Partners.

Use of Convergent Technology Partners' services to purchase and implement a new phone system should provide the smoothest possible phone system migration for HBPW facilities.

HBPW has a capital budget of \$250,000 set aside for a phone system overhaul. Hiring a network design company to help with this projects falls within this approved budget project.

As part of the Consent Agenda, the Board of Directors approved a contract with Convergent Technology Partners in the amount of \$11,941.80 to design and manage the installation of a new phone system, pending City Attorney approval of contract.

09.118 **Purchase Order for Relay Control Panel Upgrade**

Existing relays at the Washington substation are exhibiting signs that they are nearing end of life. The existing mechanical relays in place since the Industrial Substation was constructed in 1981 are now obsolete. A relay failure at either substation could result in opening a section of the 138kv transmission loop, resulting in a power outage. Replacement parts and repair facilities are becoming more difficult to locate for the existing relay equipment.

The approved budget for the Washington and Industrial Relay Upgrade project is \$250,000. The project consists of removing the existing mechanical protective relaying equipment and installing new electronic relays and control equipment. The total cost includes engineering, specification development, construction administration, and field testing, which is being performed by GRP Engineering; the construction and purchase of the panels. The installation of the panels will be bid out and contracted as needed.

As part of the Consent Agenda, the Board of Directors approved a purchase order to Keystone Electric of Des Moines, Iowa in the amount of \$110,242.07 for the construction and delivery of 12 completely equipped and wired control panels and 12 rear panel doors.

09.119 **Contract with Great Lakes Painting**

Weather and age related paint deterioration can result in corrosion. The Unit 7 housing and two supporting buildings are in need of exterior painting. The process may use a combination of either water or sand blasting, followed by a primer coat and two coats of a topcoat will be applied. Two of the existing doors will also have to be replaced due to severe rusting and general deterioration. This process is expected to extend the useful life of these buildings for many years. The work will be completed during the summer of 2009.

As part of the Consent Agenda, the Board of Directors approved the contract with Great Lakes Painting, the low evaluated bidder, for the painting of the HBPW Unit 7 Combustion Turbine housing and associated structure in the amount of \$43,600. Also, approved a 10% contract contingency in the amount of \$4,360 for structural repairs if any are needed.

09.120 **Communications from the Audience**

No comments from audience

09.121 **Financial Statement – June / End of Fiscal Year 2009**

Not Yet Available

09.122 **Report – Praxair Update**

Chris Guild and Al Burgunder of Praxair updated the board regarding the status of coal as an abundant, low cost source of energy that can be produced in a more environmentally sensitive

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fashion.

Although the carbon sequestration project is almost 2 years old and one application complete, a second application needs to be submitted by the end of business day August 24, 2009. The Holland Board of Public Works (HBPW) will be indicated as lead site for re-submittal based on geography, financial plan, and area support.

The Air Permit application will continue as HBPW strives to keep all options on table. HBPW continues to fulfill the DEQ requests for additional material. A meeting with DEQ is currently set for August 17, 2009.

No action is needed from the board

Chairperson Storey wants to establish a related study session in the near future

09.123 Economic Development Rider

In an effort to grow the sales of the Holland Board of Public Works (HBPW), as well as do what it can to help rebuild the community and bring jobs back to Holland, the HBPW has designed an Economic Development Incentive Rider (EDIR) to the existing Time of Use Rate F (Rates FC Commercial, and FI Industrial) and Demand and Energy Rate M (Rate MC Commercial, and MI Industrial). The intent of this Rider is to provide a means of assigning “points” to a business or industry interested in locating or expanding in Holland. This process will allow the affected business a first year discount reaching as high as 30% of the capacity (demand) charge. The maximum discount will drop to a maximum of 20% the following year and 10% in the final year that the discount is allowed. This Rider will be self-renewing and available until the maximum system peak is within 15% of the HBPW’s total generating resources.

The Board of Directors adopted the proposed Economic Development Incentive Rider to Rates F and M effective September 1, 2009

Motion to accept the Incentive Rider	PE
Second	RC
Favor	4
Oppose	0

09.124 Co-Sponsorship of Residential Personal Pharmaceuticals Collection

Managing unused medications is a safety and environmental concern, and is of considerable interest to staff at our Water and Wastewater Treatment Plants. Traditionally, the public has been told to flush unwanted medications down the drain or toilet rather than keeping them around so they would not be misused by others in the household. Although effective in removing the medications from potentially being misused, flushing creates a new and growing problem in the environment. Unfortunately wastewater treatment plants are not designed to remove or process many of the compounds found in medications.

The Michigan Department of Environmental Quality (MDEQ) recommends special collections for residential medications as one method for disposing of unwanted drugs: The Ottawa County Health Department (OCHD). The OCHD sponsored two such collections in the Grand Haven area last year. Each collection drew about 150 residents, and took in two (2) 5-gal buckets of controlled substances, and a few 55-gal drums of uncontrolled medications.

The HBPW approached the OCHD to set up a similar collection for the Holland area. A date of Saturday, September 26, 9:00 am – 12:00 pm has been chosen. The collection will take place at the OCHD facility on James Street. The OCHD will provide law enforcement, pharmacists, volunteers and operating supplies. The HBPW agreed to provide volunteers, a truck with a lift gate for transporting the 55-gal collection drums to the Resource Recovery Center at the conclusion of the event, and community advertising.

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The Board of Directors received the report as information only.

09.125 **Report – EnergySmart Update**

Bob Mihos expressed special thanks to Andree Keneau, Julie Thompson, and John Van Uffelen for their help in developing the trade ally program and helping communicate the program. The program is encouraging a one to one replacement for more energy efficient appliances, the compact fluorescent light (CFL) distribution, and the refrigerator / freezer trade in. The campaign will target Commercial & Industrial customers in August 2009 and Residential customers in September 2009.

The Board of Directors received the report as information only.

09.126 **June 19, 2009 Rain Event Wastewater Overflows Update**

Initial Calls/Claims

1. 166 calls came to the Service Center for water in basement between June 19 and June 25.
2. Over 250 claims have been received by the City for water damage
3. Less than 100 claims included sanitary sewer backings
4. Many were due to groundwater or surface water damages
5. Locations of Sewer Backings
6. Two primary areas where customers were affected with sanitary sewer backings:
 - a. Customers west of the City in Laketown and Park Township where eight pump stations were without power and high levels of rainwater were flowing into the sanitary sewer system
 - b. Customers south of the 17th Street and Cleveland Ave lift station which was not able to keep up with the high flows from flooded streets and water from flooded homes.

Response

1. BPW personnel responded quickly to the emergency, including customer service and service and maintenance staff.
2. Portable generators, bypass pumps, sewage hauling and our Vactor Truck maintained flows where possible.
3. Tanker trucks were used to transport sewage by truck downstream to the Treatment Plant

Major Costs

1. Overtime \$9098
2. Sewer collapses

Status & Long Term Response

1. Investigate for possible storm water connections or broken clean outs via smoke testing and dye testing.
2. Plugged broken sewer lateral at 1069 W 32nd which was draining creek
3. Review methods for eliminating Illicit Connections – sump pumps, footing drains
4. Repair and grout leaking sewer mains
5. \$1.8 Million in proposed sewer lining for FY2010
6. Removal of extraneous and leaky manholes

Board member Elzinga expressed thanks for the amazing way HBPW responded.

Board member Haworth asked about ways to provide back up power and pumps to South Shore stations

The Board of Directors received the report as information only.

09.127 **Report – Transmission Regulations Update**

This past week, Howard and Koster met with Reliability First / NERC in Akron, OH. Holland Board of Public Works (HBPW) is recognized as part of the Eastern interconnection and therefore needs to register. Arguments against the registration may not be successful, so HBPW is prepared to appeal

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to NERC.

This topic needs additional discussion at an upcoming Study Session.

The Board of Directors received the report as information only.

09. 128 **Closed Session – Pending Litigation of Clyde Robinson v City of Holland / Holland Board of Public Works**

Motion to enter Closed Session made @ 5:32p.m.	DH
Support	RC
Favor	4
Oppose	0
ROLL CALL:	
Present: Cook, Elzinga, Haworth, and Storey	
Absent: Hemingway	

The Board of Directors returned to open Session at 6:09 p.m.

OTHER BUSINESS

Next meeting – Monday, September 14, 2009

ADJOURNMENT

A motion to adjourn the meeting of August 10, 2009 was made by *Paul Elzinga* supported by *Diane Haworth* and agreed upon by the Board of Directors present.

The Board Meeting of August 10, 2009 adjourned at *6:10 p.m.*

Minutes respectfully submitted by,

Loralyn A Bunce
Secretary to the Board

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