

Agenda _____
Board of Directors Special Meeting

**HOLLAND BOARD OF PUBLIC WORKS
625 HASTINGS AVENUE
HOLLAND, MICHIGAN**

**March 22, 2010
4:00 p.m.**

Call to order

1. **CONSENT AGENDA**
Not applicable for this meeting
All items marked (Consent) are considered routine and/or have previously been reviewed and will be enacted with one motion. There will be no separate discussion of these items unless a Board Member or an audience member so requests. When requested, the item will be removed from the consent agenda and considered in its normal sequence:
 1. ~~Announcement of above by the facilitator~~
 2. ~~Summary of the Consent~~
 3. ~~Request to remove or add items~~
 4. ~~Motion & Support to approve Consent Agenda items~~
 5. ~~Voice Vote~~

2. **COMMUNICATIONS** **The Board welcomes input from the audience at this time.**

Please -
State your name and address before addressing the Board
Limit your communication to 5 minutes

3. **FINANCE** **Financial Statement**
None at this time

4. **EXECUTIVE** **Holland-Google Fiber Town Initiative Resolution**
Presented by Loren Howard, General Manager

Recommendation: Adopt the resolution to appoint the Holland Board of Public Works (HBPW) General Manager as the point of contact and decision maker with regards to any joint fiber distribution venture between the HBPW and Google.

5. **UTILITY SERVICES** **Water and Sewer Agreements with Fillmore Township**
CC
Presented by John Van Uffelen, Utility Services Director

Recommendation: Approve the Water Agreement and Sewer Agreement with Fillmore Township.

"Reports and Attachments" available at www.hollandbpw.com OR by request

*Accommodations are available for persons with disabilities.
If you need any aid, please contact the Holland Board of Public Works
at 616/355-1575 in advance of this Board meeting*

AUDIENCE PARTICIPATION:

*Members of the audience may address the Board of Directors during public
hearings and under "Communications from the Audience".
Audience participation includes stating name and address and limiting
speaking time to five minutes.*

HOLLAND BOARD OF PUBLIC WORKS
Technology Department
March 22, 2010

Holland-Google FiberTown Initiative

Introduction

On February 10th, 2010, Google announced plans “to build and test ultra high-speed broadband networks in a small number of trial locations across the United States,” delivering Internet “more than 100 times faster than what most Americans have access to today.” Google plans to offer the service to between 50,000 and 500,000 people nationwide. Through this project, Google is trying to (1) encourage application developers to create new bandwidth-intensive applications, (2) test new ways to deploy fiber, and (3) create an “open-access” network giving users the choice of multiple service providers.

The Holland Board of Public Works (HBPW) staff believes that Google’s *Fiber to Communities* initiative is a strong fit with the current direction that the HBPW Broadband utility is moving. Discussions with staff in the Governor’s office, that have been in contact with Google, have expressed Google’s strong request for a single point of contact to quickly expedite decisions and impediments to deployment of the project.

Recommendation

Approve the resolution to appoint the Holland Board of Public Works (HBPW) General Manager as the point of contact and decision maker with regards to any joint fiber distribution venture between the HBPW and Google.

Discussion

HBPW Fiber the Past Fifteen Years

The HBPW began construction of a fiber network in 1992, after a car crash caused cascading failures at electric substations throughout the City of Holland in 1990. Extra capacity built into the original network, joint ventures with AT&T and OAISD, and the extension of services to other HBPW facilities, helped to expand the network even further.

Over the past 15 years, the HBPW has accumulated 10 dark fiber customers and 135 bandwidth customers, while continuously expanding the internal use of fiber for connection to water towers\tank, lift stations, automated meter reading (AMR) data collection units (DCU), and supervisory control and data acquisition (SCADA) system. The growth of fiber has been a slow and natural progression, only when the business case justified the cost.

Providing fiber to the home (FTTH) has been a major topic of staff discussion for over ten years. Beginning in November 1998 with Proposal 1, the citizens of Holland were asked: “*Should the*

Holland Board of Public Works investigate, and if authorized by the HBPW Board of Directors and City Council, establish a cable communication system?" The community responded positively, but the vote did not receive the 60% approval required of passing. Perhaps this innovative plan was a little far ahead of its time. But innovation is what makes our community strong, vibrant, and successful, and this unsuccessful vote led the way to more studies and investigation on providing FTTH.

In 2003, the HBPW collaborated with Bosgraaf Homes to test pilot FTTH in the new Cobblestone community. Forty-eight homes are currently connected to fiber, and fourteen are HBPW broadband customers. Lessons learned from this project were (1) FTTH is expensive and it is difficult to recover construction costs, and (2) home owners want FTTH.

In 2005, the HBPW contracted with Uptown Services to perform a Broadband Feasibility Study. The study concluded that FTTH was a financially reasonable option if a high level community penetration was achieved.

What Makes the HBPW a Good Fit with Google's Initiative?

Over 15 years of fiber distribution experience has given the HBPW extensive knowledge of the laws, regulations, and construction guidelines for fiber distribution. In addition, the HBPW has all Michigan Metropolitan Extension Telecommunications Right-of-Way Oversight Act (METRO) permits needed to begin construction immediately. That said, from a technical and experience standpoint, the HBPW is probably one of the leading communities in the Nation actually capable of successfully implementing a project of magnitude on a timely basis.

The second part of this equation is the Holland area's amazing character.

- In February 2010, the Holland area was Ranked 2nd Happiest City by Gallup-Healthways Well-Being Index
- In 2006, Holland was named one of America's "best places to retire" by *Money* magazine.
- Holland was selected as One of America's "Great American Main Streets" in 1997.
- The Holland area is emerging as the North American center of lithium ion battery technologies for the next generation electric powered car (LG and Johnson Controls).

The third factor is the Holland area's trademark of innovation. In 1988, Holland constructed one of the first snowmelt systems in the nation, in the 8th street downtown district. Holland is still one of the few communities in the Nation to have this type of system. In 1992, the HBPW implemented Geographic Information Systems (GIS) to map and analyze its utility networks. The HBPW was one of the first communities in the Nation and the first utility in the state to implement GIS. As previously mentioned, in 1992, the HBPW was the first utility in the state to install fiber communication between substation relays. In 2003, HBPW was one of the first utilities in the Nation to implement automated meter reading (AMR). And HBPW's most current project is test piloting Smart Meters with Concert Systems.

Why Does Holland Want This?

As far back as ten years ago, HBPW staff understood the benefits of FTTH. This foresight has encouraged us to continually monitor the technology to provide FTTH, while being fiscally responsible enough to look before we leap. The Google initiative would hopefully provide us an opportunity whereby we could inexpensively provide fiber to most of the greater Holland area.

Fiber construction and maintenance would provide direct employment opportunities, as well as associated support services. It would also be an attractive feature for high-tech industries, which in turn has associated support services.

High speed access would be very supportive to the HBPW's smart metering efforts.

More revenue could be created for the city by creating a higher tax base, and increasing METRO fees paid to the City.

And as Google is hoping, creative new applications could be developed that require 1 Gbps connection. Hopefully, those developers would be sited in Holland.

HBPW's Response to Google's Request for Information (RFI)

The HBPW will be submitting a response to Google's "Fiber for Communities" RFI in hopes of making the Holland area one of the first communities in the Nation to be fully connected with fiber optic speed.

In order to be named a test area, Google requires that nominees are heavily backed by their communities. To this end, the HBPW has launched its Holland-Google "FiberTown" Initiative, which aims to encourage residents to go online to learn more about the benefits of fiber-to-the-home technology and to show their support by nominating Holland as a potential candidate.

The campaign harnesses the power of social networking sites such as Facebook, Twitter and YouTube, email communications with people throughout the community and traditional communications such as posters and billboards. A YouTube video competition is also under way to promote the Holland-Google FiberTown initiative.

With more than 15 years of experience in fiber optics, a strong background in innovation, and a supportive community, Holland is a perfect candidate. For more information on the Holland-Google FiberTown Initiative, go to www.takemetofibertown.com or visit our main site at www.hollandbpw.com.

Report prepared and submitted by Ellen S. Taub, Technology Director

HOLLAND BOARD OF PUBLIC WORKS
Utility Services Department
March 22, 2010

Water and Sanitary Sewer Agreement
between City of Holland and Fillmore Township

Introduction

A Water Agreement and Sewer Agreement has been negotiated with Fillmore Township in conjunction with the overall effort to bring certain Fillmore Township land into the City limits for the LG Chem (*also known as LG Chemical*) development.

Recommendation

Approve the Water Agreement and Sewer Agreement with Fillmore Township.

Discussion

The Water Agreement is an agreement to provide retail water service to Fillmore Township properties in a service territory in the north part of the Township along Blue Star Highway both north and south of Interstate 196. The term of the agreement is twenty years, which can be extended in five year increments with the consent of both parties. The terms of the agreement are similar to those of existing retail water agreements with Park, Laketown, and Holland Townships. Retail service is provided at the same rates and the township customers will be provided the same level of service that is provided to all Holland Board of Public Works (HBPW) retail water customers.

The agreement limits the capacity of Township connections to that which can be served with a 2" meter, unless a greater capacity is agreed to by the City. The agreement establishes terms for payment of assessments and trunkages to the City, should township properties connect to water mains installed and financed by the City.

The Sewer Agreement establishes reimbursement terms for several sewer projects that were constructed and funded by the HBPW that are available for connection and extension by Fillmore Township properties. The reimbursements will occur as township properties connect and will continue until the Township portions are paid in full. The amounts due will increase annually by the construction cost index.

The sewer projects include the following:

1. Sanitary sewer from 64th Street to 143rd Street and running along 143rd Street to west of Blue Star highway. The amount allocated to the Township is \$188,254 based on a calculated acreage benefit.

2. Rolling Meadows lift station and force main located southeast of the 48th Street and Ottawa Avenue. The portion of the cost of this project allocated the Fillmore Township is \$202,526.
3. Sewer main in 48th Street /146th Ave running east and west from Ottawa Avenue The amount paid by the connecting Township property owners to the City shall be \$52,294.

Attachments:

Water Agreement – available at meeting

Sewer Agreement - available at meeting

Report prepared and submitted by John Van Uffelen, Director of Utility Services

RESOLUTION APPOINTING THE GENERAL MANAGER OF THE HOLLAND BOARD OF PUBLIC WORKS (HBPW) AS THE POINT OF CONTACT AND DECISION MAKER WITH REGARDS TO ANY JOINT FIBER DISTRIBUTION VENTURE BETWEEN THE HBPW AND GOOGLE

At a regular meeting of the Board of Directors of the Holland Board of Public Works held in the Service Center Board Room at Holland, Michigan on the 22nd day of March at 4:00

PRESENT _____

ABSENT: _____

The following Resolution was offered by Board Director _____ and supported by Board Director _____.

RESOLUTION

WHEREAS, the Holland Board of Public Works (HBPW) has identified a need to appoint a central contact and decision maker in matters related to the Google *Fiber to Communities* Request For Information (RFI), and any joint fiber distribution venture between the HBPW and Google to quickly expedite decisions and impediments to deployment of the project;

WHEREAS, the HBPW has Michigan Metropolitan Extension Telecommunications Right-of-Way Oversight Act (METRO) permits needed to build in the rights of way in City of Holland, Park Township, Fillmore Township, Holland Charter Township, and Laketown Township.

WHEREAS, the HBPW has more than fifteen years of fiber distribution experience and expertise;

WHEREAS, the HBPW is knowledgeable and experienced with all local regulations and permits needed to construct in the local municipal rights of way;

WHEREAS, the HBPW has been fiscally and physically responsible for multiple utilities in the Holland area for more than 100 years.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The HBPW General Manager is appointed as the point of contact and decision maker with regards to any joint fiber distribution venture between the HBPW and Google.

AYES: _____

NAYS: _____

This Resolution adopted on Monday, March 22, 2010

HOLLAND BOARD OF PUBLIC WORKS

By _____
Loralyn A Bunce, Secretary to the Board