

SPECIAL MEETING

The HBPW Board of Directors met
June 25, 2018
at 4:00 p.m.
in the Service Center Board Room
625 Hastings Ave.
Holland, Michigan

Chair Hemingway called the meeting to order at 4:03 p.m.

Members Present: Tim Hemingway, Diane Haworth, Sue Franz, Phil Miller, and Jim Storey, and Ex Officio Members Bob Shilander and Keith Van Beek

Members Absent: Brian Lynn

Staff Present: John VanUffelen, Janet Lemson, Chuck Warren, Ted Siler, Becky Lehman, Kevin Koning, Steve Bruinsma, Tracy Jousma, Amy Yost, Anne Saliers,

18.194 **Communications from the Audience**

None

CONSENT AGENDA Grant of Utility Easement for West Wind Village Condominiums

18.195 Holland Board of Public Works has installed an underground electric distribution and lighting system to serve the West Wind Village Condominiums. A utility easement has been granted for the installation, operation, and maintenance of the underground electric lines.

As part of the Consent Agenda, the Board of Directors accepted a Grant of Utility Easement from West Wind Village Development LLC and Laketown Developers LLC for underground electric lines, and forwarded to City Council for acceptance and signatures.

18.196 Action on Consent item:

Motion to approve, accept, or adopt Consent Agenda items	<i>Haworth</i>
Second	<i>Storey</i>
Favor	5
Oppose	0

SPECIAL ACTION ITEMS Insurance Coverage Proposal for Fiscal Year 2019

18.197 AJG, as the City/HBPW agent of record, has marketed the insurance package for FY 2019 and has presented their proposal as a combined package with the City and the HBPW. The total package premium is \$1,321,678. In general the premium has increased by approximately 1.7%. Boiler & Machinery increased 1.4%, Property Damage and Liability increased 2.8%, and Auto Damage and Liability increased by 14.6% due to fleet additions and a large loss in FY18. These increases were partially offset by a reduction in Workers Comp Liability cost of about 2.4%. Average premium rate increases of 1.56% contributed to the increases above.

The Service fee to AJG applicable to the Holland BPW is \$87,500.

The above coverage does include the Holland Energy Park liability risk, but not property risk, as that is covered under a separate policy.

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

Recommendation: The Board of Directors approved the proposal from (AJG) for insurance coverage for FY 2019. The package includes policies for \$10,000,000 liability, \$396,346,769 property, and up to \$379,755,513 equipment breakdown for boiler and machinery, as well auto, pollution, cyber liability, and workers compensation. The premium for the Holland Board of Public Works' (HBPW) portion is \$923,302 total for all coverage quoted plus \$87,500 for agency compensation and service fees.

<i>Motion to approve recommendation</i>	<i>Haworth</i>
<i>Second</i>	<i>Miller</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

18.198

2018 Electric Rate Book Update

Many of the updates proposed for the rate books this year are generally cosmetic to improve clarity and standardize formatting, language, and abbreviations. The following changes represent new and updated terms and conditions:

- Adds a section addressing electric vehicle charging stations addressing the Time of Use rate that was established for residential customers who receive a rebate on a Level 2 charging station
- Adds a Privacy Policy for electronic services, covering our mobile software applications that we will be rolling out over the coming months
- Adds a section that requires individual disconnect devices all on transformer-rated services for each new customer as of 2018 and also places the requirement that delinquent accounts without disconnects be required to install disconnects within 90 days of notice. This resolves the problem of our inability to shut off a customer's service without impacting other customers on the same electrical service line.
- Reduces the numbers of days bills are issued from approximately "21 days" to "15 to 20 days". While there is no intent to reduce the time from the current 21 days, this change removes a customer argument to waive late fees due to not meeting the 21-day period.
- Removes the automatic removal of late fees for the first late payment each year. This has been a manual process that slows down bill processing. The policy still authorizes Customer Service to wave late fees in special circumstances.
- Rewrites the sections of distributed generation, including net metering for renewable generators of less than 550kW, and distributed generators larger than 550kW. The updates address PURPA rules and the application of recently adopted P1-5 rate schedules for standby, supplemental, unscheduled and unscheduled maintenance, and stranded cost recovery.

Recommendation: The Board of Directors adopted the 2018 Electric Rate Book with the recommended 2018 updates and forwarded to City Council for their approval.

<i>Motion to approve recommendation</i>	<i>Storey</i>
<i>Second</i>	<i>Haworth</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

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

**STUDY
ITEMS**

18.199 **Proclamation – Jim Storey Retirement From Board**

For information only. No Board action required.

18.200 **Lead and Copper Rule Notification**

For information only. No Board action required.

18.201 **Memorandum of Understanding, Refuse Overview**

For information only. No Board action required.

BOARD COMMENTS

Board members thanked and commended Jim Storey for his many years of service.

ANNOUNCEMENTS

Reminder: Next meeting is July 9, 2018

ADJOURNMENT

A motion to adjourn the meeting of June 25, 2018, was made by *Storey* supported by *Haworth* and agreed upon by the Board of Directors present.

The Board Meeting of June 25, 2018, adjourned at *5:33 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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