

Regular Meeting
Board of Public Works
Water Warehouse
January 11, 2022

The regular meeting of the Board of Public Works Commission was held at the BPW Water Warehouse, 330 E. Washington, Tuesday, January 11. Chairperson Boerman called the meeting to order at 3:30 p.m.

PRESENT: Commissioners – Chairperson Boerman, Query, Dykstra and Walters
ABSENT: Commissioners – Vice-Chair Cooney

Staff Present: General Manager Boatright, Electric T&D Manager DeKraker, Electric Power Supply & Market Operations Manager Mulder, Water Manager Levandoski, Utility Accounting/Finance Manager Chrisman and City Clerk Holmes

Motion was made by Commissioner Dykstra and seconded by Commissioner Query to approve the minutes of the December 14, 2021 regular meeting. Motion carried. All voting aye.

Public Comment

No public comment given.

Safety Minute

The Safety Minute this month was regarding winter weather driving tips.

Financial Reports

22.001 Approve Cash Disbursements and Regular Monthly Transfers

Motion was made by Commissioner Query and seconded by Commissioner Walters to approve the November, 2021 cash disbursements and the regular monthly transfers for the month of December, 2021 as follows:

Cash and Investments as of: November 30, 2021

	Electric	Water
Receiving	\$1,391,666	\$567,628
Accumulated Debt Service (in Receiving Fund)	-	-
Plant Improvements and Contingencies	\$24,733,475	\$13,194,187
Bond and Interest Payment Reserve*	<u>-</u>	<u>-</u>
Totals	\$26,125,141	\$13,761,814

* Reserve required per electric and water revenue bond ordinances.

Recommended Transfers for the Month: November, 2021

	Electric	Water
Receiving	(42,309)	(175,300)
Accumulated Debt Service	-	-
Plant Improvements and Contingency	-	175,300
General Fund (per charter provision)	42,309	-

Motion carried. All voting aye.

Water Operations

Manager Levandoski reviewed the Water Department report and updated the Board on the Water projects and Galvanized Water Service Line Replacement SOP.

IT Services On-going Projects Update:

New IT Department hires Michael Bieri, Network Engineer, and Nick Bosch, IT Customer Support Lead were introduced at today's meeting. A copy of the project updates was included in today's package along with a schedule of the 2022 BPW Board Meetings.

Levandoski explained over the past 3.5 years the Water Industry has been tasked with numerous new Drinking Water Environmental Compliance Regulations mandated by Environmental, Great Lakes, and Energy (EGLE). The new EGLE regulations/requirements include but not limited to:

2018 Lead and Copper Rule revisions

Preliminary Distribution System Inventory-January 2020 (PDSMI), Increased sampling locations, new tiering criteria for L&C Sampling, 4 additional samples per location, Final DSMI of all drinking water services 4" and smaller by 2025, create and implement Galvanized Water Service replacement Program within the Water Departments Asset Management Program (AMP), create and implement notification process to customers within 30 days of confirmed galvanized water service material, and create/implement enhanced transparency educating customers how to help prevent lead exposure and the adverse effects lead in drinking water can have on drinking water customers.

Residential Cross-Connection Program

This program is not a new regulation. However, reinforcement of assuring Water Municipalities have created and implemented a Residential Cross Connection Program. In 2015 ZBPW received notification from Department of Environmental Quality (DEQ) a deficiency for not having such a program. In 2018, a program was created/implemented and reviewed onsite by DEQ during ZBPW's Sanitary Survey. The DEQ District Engineer stated it was the best streamlined, user friendly, and most innovative Residential Cross Connection Program he has seen in the State of Michigan.

The Residential Cross Connection Program (RCCP) consists of conducting a non-invasive walk-around cross connection surveys at residential homes. EGLE regulations require municipalities to survey/inspect each customer premise once every 5 years. ZBPW has approximately 2,000 residential customers. The water department splits the water distribution system into 5 sections to give us a systematic approach of surveying 400 customers per year. Interior RCCPs are also completed during any water service calls that require entry into the resident's home. Survey's/Inspections are conducted to find possible cross-connection deficiencies and have them corrected by the resident. Roughly 25% of each section requires follow-up for Pressure Vacuum Breaker (PVB) testing and/or correcting a deficiency that was found.

The Water department has numerous other new projects that require additional help such as; Water AMI Pilot Program, Meter Replacement Program, Street Reconstruction Projects, create/implement streamline forms on ZBPW's website along with educational drinking water information, very aggressive 6 year CIP, updating new EGLE and EPA requirements for AWIA Emergency Response Plan (ERP), Asset Management plan (AMP) utilizing assessment numerical ratings in 5 different categories, and the Risk and Resilience Plan.

Staff is therefore recommending the addition of two (2) Water Department positions. **Water Service Technician and Water Service Worker.**

The Water Service Technician new hire would need at least 5 years of water distribution experience and extensive experience/knowledge of The State of Michigan Cross Connection Rules and Regulations. This new hire should be able to be on-call within a 6-month period and take on a significant role in the Galvanized Water Service Replacement Program. This position would also provide succession planning for the Lead Water Technician and/or Water Operations Manager position. This position ideally should be filled by February/March 2022 so proper training and understanding of ZBPW's Water Distribution System can be completed prior to the

start of numerous programs when limited time for training is available. Staff recommends this position fall in the 2021 ZBPW and Utility Workers Union of America compensation schedule of \$25.11-\$33.02, beginning pay to reflect experience.

The Water Service Worker new hire could have limited amount of experience and would help with Water AMI Pilot deployment, meter replacements, valve Turning, unidirectional flushing program, hydrant painting and other daily water department tasks. This position would build in succession planning for Water Service Tech, Lead Water Service Tech, and Water Operations Manager. This position ideally would be hired in July 2022 and included in the Water Departments FY2023 O&M Budget. Staff recommends this position fall in the 2021 ZBPW and Utility Workers Union of America compensation schedule of \$19.87-\$26.37, beginning pay to reflect experience.

This proposal supports the BPW's strategic objective to deliver exceptional leadership staffing, and fiscal responsibility: by securing in-house expertise to facilitate technology, planning, and advancements; by maintaining outstanding fiscal management through effective risk management and Board policies; and by maintaining a succession plan that preserves the culture of the BPW management.

With the additional Water Service Tech and Water Service Worker overtime will decrease, the ZBPW will save approximately \$8,000 in FY21-22 OT labor expenses and \$19,000 in FY 22-23 OT labor expenses. If approved, the Water Service Tech position will add \$18,000 in FY 21-22 labor expenses assuming a conservatively budgeted, skill and experience-based beginning pay. The addition of both positions per current compensation schedule will be \$100,261.30 in labor expenses.

22.002 Water Service Technician and Water Service Worker New Hire

Motion was made by Commissioner Walters and seconded by Commissioner Query to approve the hiring of an additional Water Service Tech in FY2022 and an additional Water Service Worker in FY2023 pending approval from the Personnel Committee and City Council. Motion carried. All voting aye.

Transmission & Distribution

Manager DeKraker reviewed the Electric Department report and updated the Board on the Electric projects.

DeKraker explained PGM, Plant Growth Management Systems is our preferred Right of Way Management Services Firm for all of our Tree Trimming Management needs. PGM has provided this service to ZBPW since 2001. Our tree trimming program has always gone extremely well and our outages due to tree issues have always been very minimal, if any, because of the great work they do for us. Having a Forestry Field Manager walk our system each year has proven very beneficial to ZBPW.

Our last contract was made with them on July 1, 2020. We have not had a price increase since that time. PGM has found they need to increase our rates for the Forestry Manager due to inflation. They have increased that rate by 8.5% due to not increasing it last year and they have found the Cost-of-Living increase to be over 6.5% currently.

22.003 Plant Growth Management Services Contract Approval

Motion was made by Commissioner Query and seconded by Commissioner Dykstra to approve the Right of Way Management Services 2022-23 contract with Plant Growth Management Services effective July 1, 2022. Motion carried. All voting aye.

Electric Power Supply & Market Operations

Manager Mulder updated the Board on current operations status, activities and projects.

Mulder explained at the August 2021 meeting of the BPW Board, a recommendation was presented and subsequently approved to award a professional services contract to Barr Engineering Co. for engineering services

related to the replacement of two 10,000 gallon above ground storage diesel fuel tanks at the Washington Ave. Generation Facility. Upon receiving approval, a time and material, not-to-exceed contract totaling \$87,930.00 was awarded to Barr Engineering Co. per their proposal, and in accordance with the requested scope of work.

Based on the request for proposal (RFP) prepared for bidders, BPW staff specified that it would assume responsibility for preparing the front-end documentation and administering the bidding process with prospective equipment suppliers and contractors. Based on the availability of staff and the need to maintain project schedule, staff has requested that Barr Engineering provide a proposal to assume the lead on these tasks, with BPW staff supporting efforts through technical and legal review with the support of City Attorney Donkersloot.

22.004 Change Order Recommendation – Engineering Services for Replacement of Fuel Tanks

Motion was made by Commissioner Query and seconded by Commissioner Dykstra to approve that a change-order in the amount of \$12,750.00 for services as proposed be amended to the \$87,930.00 professional services contract with Barr Engineering, totaling \$100,680. Motion carried. All voting aye.

Finance, Accounting and Customer Service

Manager Chrisman updated the Board on current operations status, activities, projects and Customer Service Utility Billing Metrics.

City of Zeeland Vaccination, Testing and Face Covering Policy Update:

General Manager Boatright reported that at its January 3rd meeting, the City Council adopted a Vaccination, Testing, and Face Coverings Policy subject to approval by the United States Supreme Court. The policy adopted by City Council addressed the following items:

1. The policy reflects a Partial Vaccination Policy. This means we will not be mandating employee vaccinations, but instead allow unvaccinated employees to wear face coverings and adhere to the testing requirements of the standard.
2. The policy allows the City to determine the vaccination status of each employee, obtain acceptable proof of vaccination, and maintain records of each employee's vaccination status.
3. The policy allows accommodations for medical exemptions or sincerely-held religious beliefs and establishes a committee to determine the validity of the accommodation requests.
4. The policy has provisions that allows for paid time off for purposes of receiving the vaccine and recovering from being vaccinated.
5. The policy has notice requirements and removal from the workplace requirements for employees that test positive for COVID-19.
6. The policy ensures employees who are not fully vaccinated wear face coverings when indoors or when occupying a vehicle with another person for work purposes.
7. This policy does require compliance by each employee and allows for possible disciplinary action up to and including termination for non-compliance.

Unless the courts rule that the mandate is unconstitutional, the Board of Commissioners will be informed of outcomes from the Personnel Committee regarding this matter and will also be asked to provide input on the City's implementation of the testing portion of the ETS. As of right now, because MiOSHA has not yet adopted the federal standard, no compliance deadlines are currently in place for Michigan employers who would otherwise be covered by the ETS. MiOSHA has given Michigan a January 24 deadline to adopt a state standard.

Boatright explained Assistant City Manager Plockmeyer reported if we were to look over the course of the past number of years, we could say that the City has done a great job of providing for its employees. This includes the wage that is paid to each individual employee, the allowance for paid time off, the health and wellness benefits that are offered, and the provisioning for an employee's life after they work for the City. While this has been the case, as a leadership team, we have noticed an increase in the number of questions being asked in regards to wages and benefits including:

- Do we consider an employee’s responsibilities, risk on the job, and education when establishing their pay grade?
- Can we better move employees from the midpoint of the wage scale to the maximum of the wage scale?
- Should part-time employees be paid less for the same work that is being done by full-time employees?
- Should benefits be offered to part-time employees?

In addition to these questions being asked by employees, both the City and BPW will be negotiating new contracts with their respective unions during the spring of 2022. Because of these various factors and because our last study was performed in 2015, last winter City Council determined now was the time to perform a wage and benefit study, and included the following goal in its 2021 Strategic Action Plan:

“During FY2022, engage the services of a professional consultant to perform an analysis of wages and benefits; and to evaluate the city’s wage implementation practices.”

In early December, we advertised a Request for Proposal for a Wage and Benefit Study and we received two bids. Let it be noted that staff did contact a number of other firms including HR Solutions and Rahmburg and Stover (the firm that performed our last study), but due to the workload of other firms, the complexity of our study, and the closure of other firms, we received fewer bids than we were hoping. Even though this is the case, we are happy with the responses we received.

22.005 Approval of City of Zeeland/Zeeland BPW Compensation & Benefits Consulting Service

Motion was made by Commissioner Query and seconded by Commissioner Walters to approve Staff’s recommendation for the awarding the Wage and Benefits consulting services to Sage Consulting, contingent of City Council’s approval. Motion carried. All voting aye.

Boatright reported that staff wishes to continue Disher one-on-one coaching for the leadership team at the BPW. One-on-one coaching has been provided in each of the last two years and has been especially valuable considering the leadership challenges presented to the team throughout this period. The Disher proposal includes 45 one-hour sessions which will cover sessions for each member of the leadership team through 2022. The cost for this is \$14,500.

22.006 Approval of Disher Leadership Coaching Services for Calender Year 2022

Motion was made by Commissioner Walters and seconded by Commissioner Dykstra to authorize the purchase of of the Disher One-on-One Coaching for calendar year 2022 in the amount of \$14,500.00 in accordance with Disher Proposal #004992. Motion carried. All voting aye.

FY2023 BPW Budget Timeline and Assumptions:

Boatright reported that a timeline of budget development and approval milestones has been distributed and he has included the Budget Assumptions document which highlights various factors that will likely influence the BPW FY2023 budget request. A substantially final budget document will be available for review at the February Board meeting.

BPW Strategic Planning Update:

Boatright included the agenda for the January 14 and 15 BPW Strategic Planning in the packet for today’s meeting. In a separate email and in advance of these sessions, he will send a copy of the 2018-2022 plan document for reference. He will also provide hard copies of this document for use and reference during the sessions. Steve VanderMeer has asked us to consider future session dates to provide scheduling certainty for all involved. Mirroring the same sequence and timeframes used for the January sessions, the February suggested dates are Friday, February 18 (Implementation Team) and Saturday, February 19 (Advisory Team). Similarly, the March suggested dates are

Friday, March 18 (Implementation Team) and Saturday, March 19, (Advisory Team). All sessions would be half-day from 8:00 a.m. to noon. The leadership team is looking forward to being involved in the development and implementation of the refreshed strategic plan. Boatright would like to express in advance, my sincere appreciation to the Commissioners and leadership team for the hard work and commitment that will be expended in pulling together a meaningful strategic plan. I welcome the Commissioners' feedback in regard to the proposed session agenda, future session dates, and/or the process in general.

Upcoming Events

- **Next Regular ZBPW Board Meeting, February 8, 2022, 3:30 p.m., Water Warehouse Meeting Space.**
- City Council Goal Setting Sessions, Monday, January 24 and Tuesday, January 25, 2022, 5:00 p.m. – 9:00 p.m. at the Howard Miller Library/Community Center.
- **Retirement Luncheon for Kim Zuverink, Wednesday, January 26, 2022 noon – 1:00 p.m. BPW Power Plant.**
- **Retirement Open House for Kim Zuverink, Wednesday, February 16, 2022, 1:00 p.m. – 3:00 p.m. Howard Miller Community Center Banquet Room.**

Motion was made and supported that the regular meeting be adjourned at 6:22 p.m. Motion carried. All voting aye.

Pamela Holmes, City Clerk