

Regular Meeting  
Board of Public Works  
Water Warehouse  
April 12, 2022

The regular meeting of the Board of Public Works Commission was held at the BPW Water Warehouse, 330 E. Washington, Tuesday, April 12, 2022. Chairperson Boerman called the meeting to order at 3:30 p.m.

PRESENT: Commissioners – Chairperson Boerman, Vice-Chair Cooney, Query, Dykstra and Walters  
ABSENT: Commissioners – None

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 Walters and seconded by Commissioner Query to approve the minutes of the March 8, 2022 Regular Meeting and the Special Board Meeting of March 19, 2022. Motion carried. All voting aye.

#### ***Public Comment***

No public comment given.

#### ***Safety Minute***

The Safety Minute this month was regarding Automated External Defibrillators (AED's).

#### ***Introduction of New Employees***

Boatright introduced Brian Hoezee is our new Part-Time Building and Grounds Foreman. He is currently transitioning from his sole proprietorship contract plumbing business anticipating completion of this transition by sometime this summer. As a successful plumbing contractor, Brian performed residential, commercial, and industrial work, some of it for the BPW. Brian also previously served as the Maintenance Director for Royal Park Place. He brings with him not only plumbing experience, but also a broad array of maintenance-related skills applicable to the Building & Grounds position. Way back in time (1993-1996), Brian was a Water Service Technician for Zeeland BPW. He is a Zeeland High School graduate and resides in Holland. Brian's first day was February 14, 2022.

Jason Postma has been hired as a Water Service Technician to fill this important role in the Water Department. Jason comes to the Water Department with a great deal of knowledge and experience with backflow prevention and water distribution system operations as a Maintenance Technician for Holland Charter Township Water and Sewer Division. Jason holds a State of Michigan S-1 Waterworks System Operator certification. Jason is a Holland Christian and Home School graduate and resides in Holland. Jason's first day was April 11, 2022. We are very excited to have both Brian and Jason on the ZBPW Team.

#### ***Professional Services Recommendation – Tiffany Kraker & Company Creative Design***

Tiffany Kraker was present to share an update about how her scope of services has dramatically changed since the time the BPW first engaged her for social media management services. We have added a substantial number of customer-facing education and outreach assignments to Tiffany's task list including:

- Electric AMI Communication Plan – post card design, website design, post-installation door hanger design and production, bill insert design, customer notification letter design, substantial input on the communication plan timeline.
- Water Galvanized Service Line Replacement Project – website design, online application form design, customer notification letter design, production, and mailing, substantial input on the communication plan timeline
- Website Updates – in the past, this task was accomplished primarily through General Manager direct interaction with revel (our website hosting service). Most, if not all, website updates are now managed through Tiffany.

- Electric Franchise Renewal Public Education and Outreach – post card design, production and mailing; website design, substantial input on the communication plan timeline
- Community Grant Application Process – website and online application form design, redesign of downloadable documents and forms
- Business & Industry Breakfast (a.k.a. Large Customer Breakfast) – invitation design, online RSVP submission form design
- Power Dollars – marketing materials design, website design, video production
- Water Consumer Confidence Report – document design and production, website updates.
- Press Releases – document design and distribution to media outlets on an as needed basis, often on short notice.

This is only a portion of the tasks that have been assigned to Tiffany and we see activities of this nature only increasing into the future. We have been operating under an obsolete pricing structure for Tiffany’s services; that is to say, many of the tasks we have assigned her are outside of the scope of the most recent engagement proposal for services. As a result, she is invoicing for the extra services on a time and material basis. The proposal included in the packet is reflective of the services we anticipate assigning to Tiffany going forward, which is a substantially higher cost than previously envisioned and proposed. The objective is to be transparent about the economic impact of this engagement, seek the Commissioners feedback, and, if no objection, approval to continue our engagement with Tiffany under a proposal that more accurately defines the anticipated scope of services and costs.

22.028 Professional Services Recommendation – Tiffany Kraker & Company Creative Design

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the proposal for marketing and communications management from Tiffany Kraker & Company Creative Design in the amount of \$56,640.00/year. Motion carried. All voting aye.

**Financial Reports**

Chrisman gave an update on the Electric Department and Water Department’s revenues, expenditures and assets.

22.029 Approve Cash Disbursements and Regular Monthly Transfers

Motion was made by Commissioner Query and seconded by Commissioner Walters to approve the February, 2022, cash disbursements and the regular monthly transfers for the month of February, 2022 as follows:

Cash and Investments as of: February 28, 2022

	<b>Electric</b>	<b>Water</b>
Receiving	\$1,558,953	\$518,897
Accumulated Debt Service (in Receiving Fund)	-	-
Plant Improvements and Contingencies	\$23,180,579	\$13,180,483
Bond and Interest Payment Reserve*	-	-
Totals	\$24,739,532	\$13,699,380

\* Reserve required per electric and water revenue bond ordinances.

Recommended Transfers for the Month: February, 2022

	<b>Electric</b>	<b>Water</b>
Receiving	(42,309)	(126,600)
Accumulated Debt Service	-	-
Plant Improvements and Contingency	-	126,600
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 annual reports.

Levandoski explained the Washington pump station roof is a hot tar and gravel ballast system. It appears to be original and has outlived its useful life and is starting to experience leaks. After meeting with several roofing companies to review the condition of the pump station roof, they are recommending that the roof system be torn off to the concrete and replaced. We received three bids for this service and Stony Creek Services Inc. from Galesburg was the low bid.

#### 22.030 Washington Pump Station Roof Replacement

Motion was made by Commissioner Query and seconded by Commissioner Cooney to award a contract totaling \$15,975.00 for the Washington Pump Station Roof Replacement to Stony Creek Services, Inc. This includes labor and material necessary to prepare the surface and apply the seamless protective coating along with a 10-year warranty on both labor and material subject to City Council approval. Motion carried. All voting aye.

Levandoski explained the Zeeland BPW Water Department has implemented an Advance Meter Infrastructure (AMI) pilot program system using Sensus technology which was approved by the Board of Commissioners on August 13, 2021. With the pilot program of 200 meters and end points purchased and soon to be installed, staff is needing to purchase additional replacement water meters that are compatible with our current solution and the AMI technology. Our current meters solution is no longer supported and we are moving towards the Sensus Solution. The water industry is experiencing long lead times due to product shortages and demands. ETNA is the supplier for the Sensus AMI solution, the associated water meters, and end points. The water department is looking to purchase 630 - end points, 500 - 5/8" meters, 10 - 3/4" meters, and 120 - 1" meters. This purchase will fulfill our water department meter replacement program stock for the following 8-12 months.

#### 22.031 Water Meters/Smart Points Purchase

Motion was made by Commissioner Walters and seconded by Commissioner Cooney to approve the purchase of water meters and end points in the total amount of \$163,800.00 from the sole source supplier ETNA Supply which is included in the FY 2021/2022 Capital Improvement Budget. The cost of purchasing 630 - AMI Smart points for the total of amount \$75,600 is included in the FY2021/2022 Capital Improvement Budget for the AMI Water Project. The purchase of the water meters totaling \$88,200 is included in this FY2021/2022 Capital Improvement Budget for meter replacements. Motion carried. All voting aye.

### ***Transmission & Distribution***

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

DeKraker explained the need for underground 500 copper wire for the construction of the new Fairview 8 circuit. The wire will get the circuit from an existing pedestal on Roosevelt/Fairview Ave. to the primary metering cabinet on Riley St. giving us a new feed to the Gentex North Riley Campus for their NRC3 building. This was a project planned for Gentex. This cost will be reimbursed by Gentex as part of their agreement with us. The exact cost could change due to the price of copper potentially rising, but all three quotes received had the same escalation clause.

#### 22.032 Wire Purchase for Gentex – Fairview 8

Motion was made by Commissioner Dykstra and seconded by Commissioner Cooney to award the purchase of underground 12,315 feet of 500 Copper Wire to Power Line Supply for a total price of \$264,442.46 with the potential for appropriate added cost due to the escalation clause on copper costs. Motion carried. All voting aye.

DeKraker reported The Zeeland BPW Transmission & Distribution department is working on building the new North Warehouse. The North Warehouse was designed to accommodate industrial storage racks which helps with utilizing the vertical storage to maximize the storage capacity of the North Warehouse. Although the cost for storage racking was included in the overall project budget for the North Warehouse approved by the Board on July 15, 2020, the Zeeland BPW is responsible for the procurement of the racks. Three (3) quotes were obtained for the racking systems. The quoted price is less than the approved amount (roughly \$30,000) because staff is electing to defer a portion of the racking in order to first determine more precisely what is to be stored on the mezzanine. Heavy duty industrial racks will be used for storage where the hi-lo can reach the north wall and delivery area. Regular industrial racks for storage of materials that are light enough to be moved by a person will be used for under and over the Mezzanine. A cantilever rack system for holding all the T&D tubular inventory items will be used under the Mezzanine.

#### 22.033 North Warehouse Industrial Storage Racking Purchase

Motion was made by Commissioner Dykstra and seconded by Commissioner Query to award the purchase of industrial storage racks from Bay Equipment in the amount of \$17,414.01. Motion carried. All voting aye.

#### ***Electric Power Supply & Market Operations***

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

Mulder explained the replacement of two 10,000 gallon above ground storage diesel fuel tanks at the Washington Ave. Generation Facility. The contract was subsequently amended to include preparation of the bidding and contract documents, and administering the process. The total value of the amended contract is \$100,680. For reference, the original bids received for these services from other firms were: \$108,600, \$161,400, and \$189,000.

While completing the detailed design, services were provided that were deemed to be outside the scope of the original contract, totaling \$14,000. Staff reviewed the requested changes with Barr, and asked that the preliminary request be revised. A discussion of the overall project status ensued, in which the Project Manager expressed confidence that the project is on-track once these outstanding scope overages are made whole, barring nothing unforeseen.

#### 22.034 Change Order Recommendation – Engineering Services for Replacement of Fuel Tanks

Motion was made by Commissioner Dykstra and seconded by Commissioner Query to approve a change-order in the amount of \$14,000 for services outlined in the proposal be amended to the professional services contract with Barr Engineering, totaling \$114,680. (As part of the original recommendation, a contingency of \$9,070 was included for potential changes in scope. With the design portion of the project nearly complete, staff recommends that the allocated contingency be applied to this overage, and that a total estimated budget for engineering services be increased to \$4,930. All expenses associated with this project will be allocated against the FY2022 Electric Department Generation & Facilities Capital Improvement Plan budget, which included a \$150,000 allocation. A budget amendment for the project will be forthcoming, once material and contractor bids are received and a firm estimate for the project is established). Motion carried. All voting aye.

Mulder explained the replacement of the two 10,000 gallon above ground storage diesel tanks at the Washington Avenue Generation Facility have been identified by staff as a priority and funding appropriated in the Capital Improvement Budget. After receiving proposals for engineering services, Barr Engineering was contracted to provide engineering and construction management services associated with the project. A detailed design was completed, and comprehensive bid specification and contract documents prepared for contractors.

A project pre-bid meeting was held on March 24, 2022 and was attended by four of the six contractors invited. The scope of work is comprehensive, including: demolition, procurement and delivery of the tanks, tank level monitoring system, replacement of pumps and piping, electrical, civil and structural, permitting and submittals,

commissioning and related tasks. A lump sum bid price was requested for the scope of work with an option to add access platforms to each tank for service and maintenance.

R.W. Mercer provided the low bid while satisfying the requirements outlined in the bid specification and contract documents. A detailed technical review of the bids is in progress and an interview will be conducted with bidders as necessary to address outstanding items or concerns prior to contract award.

An engineer's estimate of \$400,000 (AAACE Class 5) for the project was provided by Barr Engineering Co. in November 2021. This estimate included engineering and construction management services provided by Barr, which are estimated to total \$114,680.00. Accordingly, staff anticipates a total project cost of \$550,000.00 which includes \$38,111.00 for contingency and integration with SCADA.

During development of the FY2022 Capital Improvement Plan budget, staff included a \$150,000.00 allocation for the entire project (engineering, material and construction) which was carried forward and increased from the original budget plan year of FY2020. When engineering proposals were received in August of 2021, it was apparent that a budget amendment would be necessary, however staff elected to wait until bids for the project material and construction had been received to more accurately make that adjustment.

#### 22.035 General Contractor Services to Replace Power Plant Fuel Tanks

Motion was made by Commissioner Cooney and seconded by Commissioner Walters to award a contract totaling \$397,209.00 to the R.W. Mercer Company for general contractor services to replace the two 10,000-gallon above ground storage tanks and related services as outline in the bid specification and contract documents, contingent upon satisfactory completion of the post-bid evaluation process; to approve a contingency of \$38,111.00 for potential changes in scope and integration with SCADA; and that all expenses with this project be allocated against the Electric Department Generation and Facilities Capital Improvement Plan budget which included a \$150,000 allocation for this project and to approve a budget amendment of \$400,000.00 for the aforementioned additional expenditures for a total project budget of \$550,000.00. 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.

#### ***BPW FY2023 Preliminary Budget***

Staff presented the preliminary BPW FY2023 budget plan during the March 28 Work Study Session with City Council. There were no requested changes based on the Council member feedback during that meeting. The entire City budget package will be presented at the May 2, 2022 City Council regular meeting for Public Hearing and Adoption. The ZBPW portion of the City's budget document as presented to City Council on March 28 was included in the packet.

#### ***ZBPW Strategic Planning Update***

On behalf of the leadership team, we would like to thank the Commissioners for their dedicated participation in the Strategic Planning process over the last three months. Notes from the March 18, 19, and 21, 2022 strategic planning sessions have been provided in the packet. Although the strategic planning sessions have concluded, considerable work remains in the development of actionable steps identified throughout our strategic planning discussions. The Implementation Team will continue periodic meetings with the consultant to develop the action plan. One action item that is currently underway is meeting with our top ten key account stakeholder to obtain feedback on how best the BPW can meet their needs now and into the future. The schedule of key account stakeholder meetings has also been included in the packet. If the Board is interested in participating in one or more of the remaining stakeholder meetings, please let Boatright know.

### ***IT Services On-Going Projects List***

Tim Maloney and Boatright have agreed to no longer include the IT projects list in the Board packet. Going forward, we will ask Tim or his designee to attend Board meetings on an as needed basis.

### ***MPPA Member Credit Report Card***

The annual MPPA credit score card is included under this tab. Again this year, the BPW scored in the category of “Excellent Performance” with a scoring percentage of 111 out of 100. Congratulations to Accounting and Finance Manager Chrisman, all the BPW staff, and the Board of Commissioners for excellent stewardship.

### ***APPA Reliable Public Power Provider Designation and MMEA Currents Article***

Electrical Engineer Brian Coots and Power Supply Manager Bob Mulder attended the 2022 APPA Engineering & Operations Conference held in Austin, TX March 27-30. A photograph of Brian and Bob accepting the RP3 designation award was included in the packet. Also included, is an article from the April edition of the MMEA Currents magazine recognizing the RP3 achievement (along with Holland BPW). Congratulations to all for a job well done!

### ***Closed Session to Discuss Personnel-Related Matters and the Acquisition of Property***

Motion was made by Commissioner Query and seconded by Commissioner Cooney to enter into a closed session at 5:25 p.m. to discuss personnel-related matters and the potential purchase of property.

The BPW Commission entered back into Open Session at 6:10 p.m.

### ***Upcoming Events***

- **Next Regular ZBPW Board Meeting, May 10, 2022, 3:30 p.m., Water Warehouse Meeting Space**
- BPW Community Grant Application Closing, Monday, May 2, 2022, 11:59 p.m.
- Zeeland and Holland Charter Townships Franchise Renewal Ballot Question, Tuesday, May 3, 2022
- **MPPA 2022 Stakeholders Meeting, Friday, May 20, 2022, 12 noon to 5:00 p.m., Frederick Meijer Gardens**
- **Large Customer Breakfast, Tuesday, May 24, 2022, 7:30 a.m., Howard Miller Library Community Center Banquet Room**
- APPA National Conference, June 12-15, 2022, Nashville, TN – **NOTE: this is the week of our June Board of Commissioners meeting.**

Motion was made and supported that the regular meeting be adjourned at 6:11 p.m. Motion carried. All voting aye.

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Pamela Holmes, City Clerk