

# Board of Public Utilities

## Special Meeting Agenda

Friday, February 21, 2014

4:00 p.m., DPW Conference Room, 1199 8<sup>th</sup> Avenue



City of South Haven

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Acceptance of Minutes for the Record – January 27, 2014
5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

### REPORTS

6. **Cost of Energy from Indiana-Michigan Power Company (AEP)**
  - A. 2014 Billings – All Charges
  - B. 2013 Billings – All Charges
7. **Financial Reports**
  - A. Water Fund CuFt Comparisons
  - B. Water Fund Financial Statement
  - C. Sewer Fund Financial Statement
  - D. Electric Fund KWH Comparisons
  - E. Electric Fund Financial Statement
8. **Indian Grove Infrastructure Project**
  - A. Update Presentation by Abonmarche
9. **Unresolved Issues Report**
10. **GRP Engineering – 2013-14 Projects**

### NEW BUSINESS

11. Board will be requested to approve a recommendation to City Council to adopt a resolution to advance utility funds to pay the cost of providing Wi-Fi capability to downtown and marina users.

**12. Board will be requested to approve award of three Phoenix Road Substation equipment bids.**

**13. Next meeting is scheduled for Monday, March 31, 2014 at 4:00 pm in the DPW Conference Room, 1199 8<sup>th</sup> Avenue, South Haven, Michigan.**

**14. Director's Comments**

**15. Board Member Comments**

**16. Adjourn**

RESPECTFULLY SUBMITTED,

Roger Huff, P.E.  
Public Works Director

# Board of Public Utilities

## Regular Meeting Minutes

Monday, January 27, 2014  
4:00 p.m., DPW Conference Room, 1199 8<sup>th</sup> Avenue



City of South Haven

### 1. Call to Order by Stickland at 4:00 p.m.

### 2. Roll Call

Present: Burr, Henry, Stein, Winkel, Stickland

Absent: Overhiser, Rose

Also present: Wendy Hochstedler, Finance Director; Amanda Morgan, Accounts Receivable Supervisor.

### 3. Approval of Agenda

Motion by Burr, second by Henry to approve the January 27, 2014 regular meeting agenda as presented.

All in favor. Motion carried.

### 4. Acceptance of Minutes for the Record – November 25, 2013

Motion by Winkel, second by Henry to approve the November 25, 2013 regular meeting minutes as written.

All in favor. Motion carried.

### 5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

## REPORTS

### 6. Cost of Energy from Indiana-Michigan Power Company (AEP)

A. 2013 Billings – All Charges

B. 2012 Billings – All Charges

The board discussed the cost per kw hour for this year in comparison to last year. Burr noted that the actual growth was only one-tenth of a percent. Burr also pointed out the audit showed a positive gain per year as a 5-year average

## **7. Financial Reports**

- A. Water Fund CuFt Comparisons
- B. Water Fund Financial Statement
- C. Sewer Fund Financial Statement
- D. Electric Fund KWH Comparisons
- E. Electric Fund Financial Statement

Stickland wondered why the November/December water revenues were as high as they are. Huff noted that Miller did report a jump in what they are seeing in the system at the water plant. Miller has crews looking to see if there is anything abnormal but have not found anything so far.

Burr noted the grant expense and asked what SSES is to which Hochstedler responded that it is the second phase of the project. Stickland asked if Kalamazoo Street is done. Huff said the final course of paving has not been laid yet.

Electric Fund. Energy Optimization Fund. Burr noted that he doubts that this project will continue beyond the original five (5) years.

## **8. Indian Grove Infrastructure Project**

- A. No Report

## **9. Unresolved Issues Report**

Huff updated this report based on discussion at the last meeting, leaving two items related to tampering fee policy.

Stickland asked whether there are up-to-date charges available for the installation of security lighting to which Huff responded, "Yes, as of last meeting."

## **10. Electric Outage Report, 4<sup>th</sup> Quarter 2013**

Huff pointed out that this is the format we have worked on throughout the year to allow the board to see what you want to see. Burr commented on trees causing the largest number of outages to date.

Burr noted the project for the spring will be the secondary rebuild in the area of Aylworth north to Phoenix and Monroe east to Blue Star Highway and asked whether GRP Engineering has it ready to be bid. Huff said bids will be received February 21, 2014, with completion of Phase 1 June 30, 2014.

## **11. GRP Engineering – 2013-14 Projects**

Huff referred to GRP Engineering's report and noted that GRP will be reporting monthly on progress.

#102 PR-C Circuit (Overhead 2<sup>nd</sup> Avenue) – has been awarded to SKF Electrical Contracting. Construction is scheduled to start the week of January 27, 2014 with a completion date of June 13<sup>th</sup>, 2014.

#103 PR-D Circuit (Underground Veteran's Drive) – this project will go out for bid March 1, 2014 with conduit construction to start April 15, 2014 with a completion date of May 30, 2014. Construction start for Cable is scheduled for August 15, 2014 with Circuit Energization to take place September 15, 2014.

#101 Phoenix Road Substation Transformer #2 – goes out for bid March 1, 2014 with construction start scheduled for May 1, 2014; transformer delivery June 10, 2014.

Core City Secondary Upgrades - will go out for bid on February 21, 2014 with Phase I Construction to begin April 15, 2014 with a completion date of June 30, 2014.

## NEW BUSINESS

### **12. Board will be requested to approve a Customer Service Policy for Shut Off for Nonpayment for Services.**

Stickland introduced Amanda Morgan, Accounts Receivable Supervisor to present a revised policy to get people to pay their bills on time. Staff is hoping to get a policy approved so it can go City Council. Due to lack of winter shutoff mandated by the state, utility bills are often not paid until spring when sizeable delinquent amounts occur.

Amanda Morgan said the new policy encompasses our current best practices, the utility policy and state law. The proposed policy provides clear guidelines and expectations for both staff and customers. Highlights include:

- 1.) State law says we cannot cut off customer's service from November 1 to April 15.
- 2.) Policy specifies guidelines for when and how shut off notices may be sent. After delinquent for seven (7) days, customers will get a notice and have seven (7) days to pay. Notice will go to both occupant and owner if they are different.

Stein asked whether the Finance Department has that information. Morgan noted that staff is working on software that will help identify which properties have different owners and residents.

Stein asked about customers who say they did not get the shut off notice. Morgan noted that we already get those. We address those by asking for address confirmation and asking whether they get their bills. Hochstedler noted the customers receive the bills but not the shut off notices. Discussion ensued regarding whether bills are sent in-house. Morgan said the computer generates the bills and the shut off notices; they are stuffed in-house and mailed. The Customer Service Department keeps copies of all notices.

- 3.) State law requires an appeal process. This is for administrative errors, meter errors, receipting errors, any problems with billing of the usage or account. The appeal goes

before the finance director who has the final word and they will be cut off. Morgan does not anticipate it getting that far.

4.) Unlike previous practice, customers now have to pay all delinquent balances. Customers may apply for two (2) fourteen (14) day extensions of their shutoff notice per year, but not on the same shut off.

Discussion ensued regarding the number of customers who receive shut offs to which Morgan responded that about four hundred (400) shut off notices per month are generated. Currently there are six hundred seven (607) people who are in line to get cut off notices today. Henry asked where the majority of shut offs are geographically to which Morgan responded that most are located in Section 8 housing and mobile home parks.

Stickland pointed out that South Haven is a low income community. Morgan agreed, noting that while working with the city attorneys on this policy, the attorneys was very shocked at the number of shut offs sent out. Stickland referred to a study done which indicated that Van Buren is the lowest income county in the state.

Burr noted that the number of shut offs is only five (5) percent of eight-thousand two-hundred (8200) customers. There was discussion of whether this is typical and Burr said it is not out of line.

Burr explained that since the state requires utilities to do a moratorium on shut offs, people know about it and the city will have a crisis in April when shut off notices are sent out.

During discussion of the extension Morgan said the new arrangements must be done in writing by the customer and there is a limit of two extensions allowed per year.

Burr said the thing that is different is that the large utility companies allow customers to make payment agreements but we do not do that. It takes much more clerical work. Burr also pointed out that we can put the delinquent bill on the property taxes. There was discussion of how that works with apartment complexes.

Stickland pointed out that Section 8 is straight forward based on State law.

Morgan noted that if a customer has been shut off, they will not be restored until the balance is paid in full including the restoration fees. Previously the city only required customers to pay the shut-off balance; now they will have to pay the total delinquent balance plus fees.

Morgan also pointed out that noted that up to 3:30 p.m. the restoration fee is thirty (30) dollars while after 3:30 p.m. the restoration fee is one hundred (100) dollars.

Stickland would like to send this policy to City Council next week and anticipates that there will be discussion of the collection of personal information, specifically Social Security numbers. Morgan said we have policies in place that explain how we protect personal information.

Motion by Henry, second by Winkel to recommend that the customer service policy for shut offs be forwarded to City Council by Winkel.

All in favor. Motion carried.

**3. Board will be requested to approve a recommendation to City Council to enter into the Michigan Municipal Electric Association ("MMEA") Mutual Aid Agreement.**

Huff noted that this agreement just makes official what the city has done in the past regarding providing assistance to other utilities/municipalities in case of emergencies and disasters. Huff explained there is a loosely organized group that meets bi-monthly who just wanted to have an agreement in place. The Michigan Municipal Electric Association (MMEA) helped craft this agreement and will also help coordinate information and communication.

This agreement specifies standards and requirements of contact information procedures; insurance and liability requirements; requesting assistance; response; training; equipment; invoicing and payment for services; lodging, meals and transportation; damage to equipment and the role of MMEA. The City invoices the other municipality for our time at one and one-half (1.5) times the standard rate which will pay for the overhead and equipment. The City's agreements with our workers stay in place while we are providing aid. The agreement is set up for thirty (30) years unless terminated by mutual agreement and there is a procedure for that.

Burr asked if this agreement caused an increase in the city's insurance coverage to which Huff responded that he has asked that question but has not gotten the answer yet. Winkel asked what liability the city has and Huff responded that it is coverage for our workers.

Stein asked what the procedure would be if we are called upon to assist but have an emergency here to which Huff responded that the city sent one two-man crew to Hastings during a recent emergency; the utility does not jeopardize our own system. Stein noted that if something comes up it is possible that the city would have to call their crew back. Stickland said the advantage of agreement is it state-wide whereas nearby municipalities may be experiencing the same weather emergency as the city so more likely would be able to send crews to a different part of the state when we are not experiencing the same difficulty. Stein, Henry and Winkel verbally expressed that they feel this is a good idea. Henry asked how often this type of thing happens. Stickland said one or two times; it is very infrequent. Burr noted that contractor crews do this more often than the city does.

Motion by Henry to approve a recommendation to City Council to enter into the Michigan Municipal Electrical Association (MMEA) Mutual Aid Agreement. Second by Burr.

All in favor. Motion carried.

**4. Next meeting is scheduled for Monday, February 24, 2014 at 4:00 pm in the DPW Conference Room, 1199 8<sup>th</sup> Avenue, South Haven, Michigan.**

Due to previous commitments by some members, there was discussion of cancelling the regular February meeting and scheduling a special meeting on Friday, February 21, 2014 at 4:00 p.m. Stickland will confirm schedule with Huff who will notify members.

## **5. Director's Comments**

Huff: Apologized for not being available to attend the meeting in person due to the weather.

## **6. Board Member Comments**

Stein: No comment.

Henry: Noted that the street light is out at the corner of Indiana and Michigan.

Winkel: Commended the plow crews.

Burr: River Ridge Assisted Living staff asked whether they were on any kind of priority list, noting that they were concerned about Kentucky Avenue's condition for getting ambulances in and out. Stickland suggested a periodic review of the current priority list.

## **7. Adjourn**

Motion by Henry, second by Winkel to adjourn at 5:03 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom  
Recording Secretary

**CITY OF SOUTH HAVEN**

Cost of Electric Energy from Indiana-Michigan Power Company (AEP)

**2014**

Date	ACTUAL				BILLING			COST				PJM Open Access Transmission Tariff						Total Cost	cts/ KWHR	
	KW Demand	KVAR Demand	KVA	Power Factor	KW Demand	KVAR Demand	KWHR	\$ KW Demand	\$ KWHR	\$ Fuel Charge	\$ Fuel Adjust	Actual Fuel True-up	Sch 1A \$ KWHR	\$ Network	RTO Start-up \$	Other	Credits			Total PJM
Main	333	1,559	1,594	0.2091	12,263	1,559	7,522,565	\$201,628.25	\$72,370.09											
Welder	12,263	300	12,267	0.9997	333	300	81,682	\$5,480.12	\$785.81											
Phoenix	8,052	1,097	8,126	0.9909	8,052	1,097	4,995,844	\$132,384.41	\$48,062.02											
Welder	25	40	47	0.5283	25	40	8,502	\$406.12	\$81.79											
<b>Jan-14</b>	<b>20,673</b>	<b>2,995</b>	<b>20,888</b>	<b>0.9897</b>	<b>20,673</b>	<b>2,995</b>	<b>12,608,593</b>	<b>\$339,898.89</b>	<b>\$121,299.71</b>	<b>\$189,771.93</b>	<b>\$53,301.57</b>	<b>\$69,341.54</b>	<b>\$1,080.90</b>	<b>\$92,697.73</b>	<b>\$299.11</b>	<b>\$11,973.87</b>	<b>(\$1,941.22)</b>	<b>\$104,110.39</b>	<b>\$877,724.03</b>	<b>6.961</b>

Year to Date 2013:

12,608,593

\$877,724

6.961



CITY OF SOUTH HAVEN  
WATER FUND  
CuFt COMPARISONS  
ROLLING TWELVE MONTHS

		GALLONS PUMPED TO MAINS	CuFt PUMPED TO MAINS	CuFt PLANT TAP UNBILLED	CuFt WATER QUALITY FLUSHING	CuFt BILLED	PERCENTAGE BILLED PLUS PLANT TAP TO PUMPED TO MAINS (ROLLING 12 MOS)	PERCENTAGE BILLED PLUS PLANT TAP TO PUMPED TO MAINS CURRENT MONTH
<b>FISCAL 2011</b>								
July	2010	71,789,000	9,597,460	76,067	26,738	7,160,179	89.90%	75.40%
August	2010	70,411,000	9,413,235	79,151	17,647	8,560,179	89.47%	91.78%
September	2010	53,052,000	7,092,513	82,706	246,830	7,497,785	88.65%	106.88%
October	2010	40,104,000	5,361,497	75,128	213,904	5,242,069	87.99%	99.17%
November	2010	30,513,000	4,079,278	82,706	213,904	3,856,631	88.94%	96.57%
December	2010	34,709,000	4,640,241	76,248	213,904	3,452,281	88.54%	76.04%
January	2011	32,649,000	4,364,840	70,210	213,904	3,232,165	88.34%	75.66%
February	2011	33,847,000	4,525,000	66,376	213,904	3,209,045	87.74%	72.38%
March	2011	35,054,000	4,686,364	74,020	213,904	3,124,071	87.00%	68.24%
April	2011	30,789,000	4,116,176	76,855	213,904	2,952,560	87.03%	73.60%
May	2011	42,942,000	5,740,909	54,069	202,504	3,571,271	86.49%	62.21%
June	2011	54,884,000	7,337,433	77,139	119,736	5,758,969	85.43%	78.49%
		<u>530,743,000</u>	<u>70,954,947</u>	<u>890,676</u>	<u>2,110,782</u>	<u>57,617,205</u>		
<b>FISCAL 2012</b>								
July	2011	68,313,000	9,132,754	0	190,312	7,441,256	85.55%	81.48%
August	2011	59,907,000	8,008,957	103,610	244,928	7,402,180	84.90%	93.72%
September	2011	50,823,000	6,794,519	19,658	231,936	6,658,175	85.02%	98.28%
October	2011	38,457,000	5,141,310	23,888	231,936	4,862,072	85.07%	95.03%
November	2011	30,875,000	4,127,674	4,273	231,936	3,573,435	85.44%	86.68%
December	2011	30,441,000	4,069,652	17,174	231,936	3,191,493	85.57%	78.84%
January	2012	32,467,000	4,340,508	14,319	68,972	3,074,589	85.44%	71.16%
February	2012	29,495,000	3,943,182	23,262	68,972	3,219,167	85.84%	82.23%
March	2012	30,150,000	4,030,749	38,320	65,764	3,450,952	86.13%	86.57%
April	2012	32,927,000	4,402,005	31,678	68,972	3,378,738	86.74%	77.47%
May	2012	50,646,000	6,770,856	37,087	78,956	4,537,251	86.12%	67.01%
June	2012	72,150,000	9,645,722	41,402	144,360	6,461,594	84.46%	66.99%
		<u>526,651,000</u>	<u>70,407,888</u>	<u>354,672</u>	<u>1,858,980</u>	<u>57,250,902</u>		
<b>FISCAL 2013</b>								
July	2012	97,223,000	12,997,727	42,043	149,172	9,601,173	81.95%	74.19%
August	2012	73,095,000	9,772,059	40,244	227,566	10,549,444	83.36%	108.37%
September	2012	51,928,000	6,942,246	36,348	218,946	7,875,634	84.80%	113.97%
October	2012	37,774,000	5,050,000	27,350	259,447	4,949,605	85.50%	98.55%
November	2012	28,082,000	3,754,278	16,894	255,838	3,275,439	86.15%	87.70%
December	2012	27,941,000	3,735,428	34,835	160,400	3,150,827	86.30%	85.28%
January	2013	29,090,000	3,889,037	35,639	83,007	3,204,712	86.22%	83.32%
February	2013	27,257,000	3,643,984	25,791	72,180	3,368,685	86.69%	93.15%
March	2013	28,716,000	3,839,037	30,416	75,789	2,955,708	87.40%	77.78%
April	2013	27,256,000	3,643,850	38,784	79,398	3,120,869	88.84%	86.71%
May	2013	44,617,270	5,964,876	52,314	342,855	3,962,497	88.14%	66.43%
June	2013	52,158,000	6,972,995	57,485	312,780	5,366,701	91.24%	76.96%
		<u>525,137,270</u>	<u>70,205,517</u>	<u>438,141</u>	<u>2,237,378</u>	<u>61,381,294</u>		
<b>FISCAL 2014</b>								
July	2013	70,321,000	9,401,203	62,968	127,844	6,705,606	88.48%	72.00%
August	2013	62,517,000	8,357,888	48,003	196,427	8,322,168	88.81%	100.15%
September	2013	52,536,000	7,023,529	43,984	192,916	7,118,311	89.52%	101.98%
October	2013	35,699,000	4,772,594	41,176	182,891	5,303,775	90.51%	111.99%
November	2013	28,029,000	3,747,193	37,834	99,473	3,426,297	90.79%	92.45%
December	2013	28,262,000	3,778,342	37,166	178,083	2,904,054	90.43%	77.84%
January	2014	36,931,000	4,937,299	40,642	145,998	3,089,262	89.82%	63.39%
		<u>314,295,000</u>	<u>42,018,048</u>	<u>311,774</u>	<u>1,123,632</u>	<u>36,869,473</u>		
Prior Year-to-date		345,133,000	46,140,775	233,352	1,354,376	42,606,834		
Two Years Prior		311,283,000	41,615,374	182,922	1,431,956	36,203,200		

City of South Haven  
Water Fund - Fund 591  
For the period ended January 31, 2014

Col 6 & 11

Revenues:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to	MTD Variance to	YTD	YTD Budget	Prior YTD Actual	Variance to	Variance to Prior	2013-14	% of
				Budget	Prior Year	Actual			Budget	Year	Adopted Budget	Annual Budget
Sales	\$ 257,112	\$ 287,975	\$ 260,624	\$ (30,862)	\$ (3,512)	\$ 2,286,691	\$ 2,015,823	\$ 2,154,433	\$ 270,868	\$ 132,258	\$ 3,455,696	66%
Charges for Service	3,884	6,250	6,648	(2,366)	(2,763)	27,695	43,750	42,599	(16,055)	(14,904)	75,000	37%
Interest Income	6	167	1	(161)	5	257	1,167	720	(910)	(464)	2,000	13%
Special Assessment Revenue	-	1,083	3,617	(1,083)	(3,617)	12,461	7,583	5,584	4,877	6,877	13,000	96%
Other Revenue	2,018	2,917	2,641	(898)	(622)	28,646	20,417	31,636	8,230	(2,990)	35,000	82%
<b>Total Revenues</b>	<b>\$ 263,021</b>	<b>\$ 298,391</b>	<b>\$ 273,530</b>	<b>\$ (35,370)</b>	<b>\$ (10,509)</b>	<b>\$ 2,355,749</b>	<b>\$ 2,088,739</b>	<b>\$ 2,234,972</b>	<b>\$ 267,010</b>	<b>\$ 120,777</b>	<b>\$ 3,580,696</b>	
	1	2	3	4	5	6	7	8	9	10	11	

Expenses:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to	MTD Variance to	YTD	YTD Budget	Prior YTD Actual	Variance to	Variance to Prior	2013-14	% of
				Budget	Prior Year	Actual			Budget	Year	Adopted Budget	Annual Budget
Operating Expenses	\$ 75,893	\$ 114,259	\$ 89,798	\$ (38,367)	\$ (13,906)	\$ 666,775	\$ 799,815	\$ 670,170	\$ (133,040)	\$ (3,395)	\$ 1,371,112	49%
Property Tax Equivalents	8,349	8,349	7,103	0	1,246	58,446	58,446	49,722	0	8,724	100,193	58%
Capital Outlay	8,453	30,000	1,843	(21,547)	6,610	250,989	210,000	173,346	40,989	77,642	360,000	70%
Debt Service	-	120,970	143	(120,970)	(143)	717,373	846,788	694,913	(129,415)	22,460	1,451,636	49%
Transfers Out	167	2,824	-	(2,657)	167	1,167	19,766	960	(18,599)	207	33,884	3%
Depreciation	47,917	47,917	16,307	-	31,610	335,417	335,417	114,149	-	221,268	575,000	58%
Administrative Expenses	14,561	18,376	14,513	(3,815)	48	140,315	128,632	134,250	11,683	6,065	220,512	64%
<b>Total Expenses</b>	<b>\$ 155,340</b>	<b>\$ 342,695</b>	<b>\$ 129,708</b>	<b>\$ (187,355)</b>	<b>\$ 25,631</b>	<b>\$ 2,170,480</b>	<b>\$ 2,398,863</b>	<b>\$ 1,837,510</b>	<b>\$ (228,383)</b>	<b>\$ 332,971</b>	<b>\$ 4,112,337</b>	

Net Fund Change	\$ 107,682	\$ (44,303)	\$ 143,822	\$ 151,985	\$ (36,140)	\$ 185,269	\$ (310,124)	\$ 397,462	\$ 495,393	\$ (212,193)	\$ (531,641)	
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City of South Haven  
Sewer Fund - Fund 592  
For the period ended January 31, 2014

Col 6 & 11

<i>Revenues:</i>	<i>Month Actual</i>	<i>Monthly Budget</i>	<i>Prior year MTD</i>	<i>MTD Variance to Budget</i>	<i>MTD Variance to Prior Year</i>	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>Prior YTD Actual</i>	<i>Variance to Budget</i>	<i>Variance to Prior Year</i>	<i>2013-14 Adopted Budget</i>	<i>% of Annual Budget</i>
Sales	\$ 159,214	\$ 183,638	\$ 157,857	\$ (24,424)	\$ 1,357	\$ 1,381,900	\$ 1,285,465	\$ 1,229,339	\$ 96,435	\$ 152,560	\$ 2,203,654	63%
IPP Revenues	7,498	7,310	5,311	188	2,188	52,567	51,172	47,377	1,394	5,190	87,724	60%
Interest Income	591	625	1,552	(34)	(961)	686	4,375	2,274	(3,689)	(1,588)	7,500	9%
Special Assessment Revenue	-	1,423	1,215	(1,423)	(1,215)	8,510	9,958	8,964	(1,448)	(454)	17,071	50%
Grant Revenue	-	-	69,975	-	(69,975)	-	-	168,059	-	(168,059)	-	#DIV/0!
Other Revenue	-	292	200	(292)	(200)	5,296	2,042	1,415	3,254	3,881	3,500	151%
<b>Total Revenues</b>	<b>\$ 167,303</b>	<b>\$ 193,287</b>	<b>\$ 236,109</b>	<b>\$ (25,984)</b>	<b>\$ (68,806)</b>	<b>\$ 1,448,959</b>	<b>\$ 1,353,012</b>	<b>\$ 1,457,429</b>	<b>\$ 95,947</b>	<b>\$ (8,470)</b>	<b>\$ 2,319,449</b>	

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<i>Expenses</i>	<i>Month Actual</i>	<i>Monthly Budget</i>	<i>Prior year MTD</i>	<i>MTD Variance to Budget</i>	<i>MTD Variance to Prior Year</i>	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>Prior YTD Actual</i>	<i>Variance to Budget</i>	<i>Variance to Prior Year</i>	<i>2013-14 Adopted Budget</i>	<i>% of Annual Budget</i>
Operating Expenses	\$ 73,579	\$ 101,321	\$ 123,471	\$ (27,742)	\$ (49,892)	\$ 608,201	\$ 709,247	\$ 673,328	\$ (101,046)	\$ (65,127)	\$ 1,215,852	50%
Grant Expense-SSSES	-	3,333	33,516	(3,333)	(33,516)	101,258	23,333	190,062	77,925	(88,804)	40,000	253%
Property Tax Equivalents	7,453	7,453	7,317	0	137	52,174	52,174	51,217	0	957	89,441	58%
Capital Outlay	700	31,175	1,001	(30,475)	(301)	400,861	218,224	195,052	182,638	205,810	374,098	107%
Transfers Out	19,917	23,680	-	(3,763)	19,917	139,417	165,759	36,993	(26,342)	102,424	284,158	49%
Depreciation	22,917	22,917	20,379	-	2,538	160,417	160,417	142,651	-	17,765	275,000	58%
Administrative Expenses	22,825	25,966	22,698	(3,141)	126	189,947	181,760	185,412	8,187	4,535	311,588	61%
<b>Total Expenses</b>	<b>\$ 147,390</b>	<b>\$ 215,845</b>	<b>\$ 208,381</b>	<b>\$ (68,455)</b>	<b>\$ (60,991)</b>	<b>\$ 1,652,275</b>	<b>\$ 1,510,913</b>	<b>\$ 1,474,715</b>	<b>\$ 141,362</b>	<b>\$ 177,560</b>	<b>\$ 2,590,137</b>	

Net Fund Change                      \$    19,913    \$    (22,557)    \$    27,728    \$    42,470    \$    (7,815)    \$    (203,316)    \$    (157,901)    \$    (17,286)    \$    (45,415)    \$    (186,030)    \$    (270,688)

CITY OF SOUTH HAVEN  
ELECTRIC FUND  
KWH COMPARISONS  
ROLLING TWELVE MONTHS

		KWH PURCHASED	KWH BILLED	KWH STREET LTS	STREET LTS 12 MO AVE.	TOTAL KWH BILLED AND STREET LTS	PERCENTAGE BILLED AND STREET LTS TO PURCHASED (ROLLING 12 MOS)	PERCENTAGE BILLED AND STREET LTS TO PURCHASED CURRENT MONTH
<b>FISCAL 2012</b>								
July	2011	15,964,582	12,755,514	37,013	52,009	12,792,527	95.31%	80.13%
August	2011	14,632,086	15,136,722	42,500	52,092	15,179,222	95.19%	103.74%
September	2011	11,307,801	12,319,850	47,553	52,087	12,367,403	95.87%	109.37%
October	2011	10,969,854	9,722,952	56,849	52,308	9,779,801	95.46%	89.15%
November	2011	10,739,972	10,221,480	61,585	52,280	10,283,065	95.52%	95.75%
December	2011	11,617,747	9,798,051	68,085	52,367	9,866,136	95.17%	84.92%
January	2012	11,913,417	11,146,773	65,812	52,441	11,212,585	94.66%	94.12%
February	2012	10,944,615	10,940,177	58,568	52,236	10,998,745	95.24%	100.49%
March	2012	11,050,285	10,825,582	58,568	52,363	10,884,150	95.14%	98.50%
April	2012	10,395,921	10,227,215	47,347	52,247	10,274,562	95.46%	98.83%
May	2012	11,744,237	10,681,872	44,415	52,218	10,726,287	95.09%	91.33%
June	2012	13,267,935	10,895,095	38,072	52,197	10,933,167	93.60%	82.40%
		<u>144,548,453</u>	<u>134,671,283</u>	<u>626,367</u>		<u>135,297,650</u>		
<b>FISCAL 2013</b>								
July	2012	17,466,170	14,702,549	38,276	52,303	14,740,825	93.26%	84.40%
August	2012	14,358,453	15,845,089	43,385	52,376	15,888,474	93.50%	110.66%
September	2012	11,481,145	12,211,557	48,595	52,463	12,260,152	94.22%	106.79%
October	2012	10,545,910	9,741,443	54,699	52,284	9,796,142	94.11%	92.89%
November	2012	10,466,158	10,312,656	61,617	52,287	10,374,273	94.68%	99.12%
December	2012	11,131,795	9,798,623	69,065	52,368	9,867,688	94.46%	88.64%
January	2013	11,560,064	10,621,867	68,768	52,615	10,690,635	94.14%	92.48%
February	2013	10,550,434	10,544,686	59,658	52,705	10,604,344	94.21%	100.51%
March	2013	11,110,656	10,170,132	53,004	52,242	10,223,136	93.95%	92.01%
April	2013	10,233,332	9,906,424	48,201	52,313	9,954,625	94.19%	97.28%
May	2013	11,168,009	10,537,176	44,120	52,288	10,581,296	94.78%	94.75%
June	2013	11,593,465	10,064,318	37,708	52,258	10,102,026	95.35%	87.14%
		<u>141,665,592</u>	<u>134,456,520</u>	<u>627,096</u>		<u>135,083,616</u>		
<b>FISCAL 2014</b>								
July	2013	14,702,976	12,364,189	37,740	52,213	12,401,929	94.64%	84.35%
August	2013	13,559,712	13,582,248	42,342	52,126	13,624,590	94.42%	100.48%
September	2013	11,670,399	12,462,283	48,796	52,143	12,511,079	95.03%	107.20%
October	2013	10,945,398	10,453,792	54,475	52,125	10,508,267	94.91%	96.01%
November	2013	10,657,150	9,502,492	58,511	51,866	9,561,003	94.96%	89.71%
December	2013	11,962,287	10,244,088	71,063	52,032	10,315,151	94.68%	86.23%
January	2014	12,608,593	10,865,756	65,878	51,791	10,931,634	94.09%	86.70%
		<u>86,106,514</u>	<u>79,474,848</u>	<u>378,805</u>		<u>79,853,653</u>		
Prior Year-to-date		87,009,695	83,233,784	384,405		83,618,189		
Two Years Prior		87,145,459	81,101,342	379,397		81,480,739		

City of South Haven  
Electric Fund - Fund 582  
For the period ended January 31, 2014

Col 6 & 11

Revenues:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2013-14 Adopted Budget	% of Annual Budget
Electric Sales	\$ 1,140,543	\$ 1,146,367	\$ 1,109,642	\$ (5,824)	\$ 30,900	\$ 8,527,164	\$ 8,024,569	\$ 8,756,725	\$ 502,595	\$ (229,561)	\$ 13,756,404	62%
Charges for Service	\$ -	\$ 12,500	\$ 4,929	\$ (12,500)	\$ (4,929)	\$ 133,397	\$ 87,500	\$ 61,986	\$ 45,897	\$ 71,411	\$ 150,000	89%
Interest Income	\$ 6,296	\$ 2,500	\$ 3,085	\$ 3,796	\$ 3,211	\$ 47,025	\$ 17,500	\$ 10,436	\$ 29,525	\$ 36,589	\$ 30,000	157%
Other Revenue	\$ 1,292	\$ 2,500	\$ 2,268	\$ (1,208)	\$ (976)	\$ 47,220	\$ 17,500	\$ 26,467	\$ 29,720	\$ 20,753	\$ 30,000	157%
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Revenues</b>	<b>\$ 1,148,131</b>	<b>\$ 1,163,867</b>	<b>\$ 1,119,924</b>	<b>\$ (15,736)</b>	<b>\$ 28,207</b>	<b>\$ 8,754,805</b>	<b>\$ 8,147,069</b>	<b>\$ 8,855,613</b>	<b>\$ 607,736</b>	<b>\$ (100,808)</b>	<b>\$ 13,966,404</b>	

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Expenses	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2013-14 Adopted Budget	% of Annual Budget
Purchased Power	\$ 877,724	\$ 800,000	\$ 664,739	\$ 77,724	\$ 212,985	\$ 5,930,708	\$ 5,600,000	\$ 5,157,737	\$ 330,708	\$ 772,971	\$ 9,600,000	62%
Other Operating Expenses	\$ 120,433	\$ 146,581	\$ 154,283	\$ (26,148)	\$ (33,849)	\$ 987,515	\$ 1,026,065	\$ 928,654	\$ (38,550)	\$ 58,861	\$ 1,758,969	56%
Property Tax Equivalents	\$ 57,236	\$ 57,236	\$ 54,821	\$ (0)	\$ 2,415	\$ 400,651	\$ 400,651	\$ 383,745	\$ (0)	\$ 16,906	\$ 686,830	58%
Energy Optimization Costs	\$ 23,026	\$ 21,800	\$ -	\$ 1,226	\$ 23,026	\$ 154,887	\$ 152,601	\$ 110,612	\$ 2,286	\$ 44,275	\$ 261,602	59%
Capital Outlay	\$ 11,530	\$ 127,333	\$ 896,453	\$ (115,804)	\$ (884,924)	\$ 41,776	\$ 891,333	\$ 85,126	\$ (849,557)	\$ (43,350)	\$ 1,528,000	3%
Transfer Out	\$ 14,754	\$ -	\$ -	\$ 14,754	\$ 14,754	\$ 103,279	\$ 103,279	\$ 130,000	\$ (0)	\$ (26,721)	\$ 177,049	58%
Depreciation	\$ 45,000	\$ 45,000	\$ 39,510	\$ -	\$ 5,490	\$ 315,000	\$ 315,000	\$ 276,572	\$ -	\$ 38,428	\$ 540,000	58%
Administrative Expenses	\$ 50,880	\$ 60,153	\$ 51,072	\$ (9,273)	\$ (192)	\$ 418,145	\$ 421,071	\$ 416,084	\$ (2,926)	\$ 2,061	\$ 721,836	58%
<b>Total Expenses</b>	<b>\$ 1,200,583</b>	<b>\$ 1,258,103</b>	<b>\$ 1,860,878</b>	<b>\$ (57,520)</b>	<b>\$ (660,295)</b>	<b>\$ 8,351,960</b>	<b>\$ 8,910,000</b>	<b>\$ 7,488,531</b>	<b>\$ (558,040)</b>	<b>\$ 863,429</b>	<b>\$ 15,274,286</b>	

Net Fund Change                      \$ (52,452)                      \$ (94,236)                      \$ (740,954)                      \$ 41,784                      \$ 688,502                      \$ 402,845                      \$ (762,931)                      \$ 1,367,082                      \$ 1,165,776                      \$ (964,237)                      \$ (1,307,882)



City of South Haven

## Agenda Item # 9

### Unresolved Issues

New items shown in **bold** text.

Completed items shown with single ~~strike through~~ text for one meeting, then double ~~strike through~~ text for the next meeting, then removed from the list.

#### ACTION ITEMS

- ~~6/2/10 Security light costs (material, labor, O & M). File located, under review.~~
- ~~2/27/12 October 31, 2011 meeting requested staff pursue possible contract language change not limiting liability to the amount of the contractor's insurance; and remove statement that the contractor is not liable for making sure the sub-contractors do the work properly.~~
- 3/26/12 – Stickland requested that staff provide the utility policy concerning tampering fees for review at the next meeting. Addressed under agenda item 15 at the April 30, 2012 meeting. MMEA was contacted requesting their assistance in contacting fellow members for their policies regarding meter tampering, disconnection or tampering with service feeders/pipes, theft of service, and unsealed meter showing consumption. No response has been received from MMEA. City staff is contacting fellow IMMDA members plus Holland, Lowell, and Coldwater. Policies have been received from Bluffton, IN; Coldwater, MI; Holland BPW; Lowell Light & Power; Niles, MI; Sturgis, MI; Zeeland BPW. These policies will be compiled and summarized and distributed to staff and the BPU for review and comment. **Updating the Public Utilities Rules, Regulations and Policies (and Code of Ordinances) is one of City Council's adopted priorities for 2014-15.**
- 4/30/12 – As a result of the tamper fee discussion with a resident, staff was requested to compile a list of electrical and plumbing contractors licensed to work in South Haven for the purpose of sending notification letters concerning the tamper policy. City staff contacted the State of Michigan and Michigan Township services, but they could not provide specific information. City of South Haven Building Services has a bulletin board available for posting notices. Suggestion was made to add it to the building permit form or instructions. Start with the City and then work with the townships.
- ~~7/29/13 As a result of the electric vehicle charging station discussion, Stickland requested that staff and the Board do some research and bring this subject to the next meeting. Halberstadt discussed with Meijer's engineer and confirmed that a charging~~

Board of Public Utilities  
Staff Report  
Agenda Item #9  
Prepared by Roger Huff  
Page 1 of 2  
February 21, 2013

~~unit is not planned for the South Haven site. Huff will draft a letter to Meijer requesting consideration of installation on a charging unit.~~

- ~~● 9/30/13 Staff will research the Dyckman/Black River Street sewer issue. Halberstadt provided sanitary sewer videos to Abonmarche. Included in the SAW Grant application.~~

Board of Public Utilities  
Staff Report  
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Prepared by Roger Huff  
Page 2 of 2  
February 21, 2013

**City of South Haven  
2014 Electrical System Projects  
Status Report**

**#102 PR-C Circuit (Overhead 2<sup>nd</sup> Avenue)**

Construction of new circuit PR-C (*will be changed to PR-F*) on 2<sup>nd</sup> Avenue/Wells Street from Phoenix Road Substation to Blue Star Highway (0.7 miles) with #336.4 ACSR double circuit on the existing pole line to relieve load from PR-B. Shift all MS-F load on North Shore Drive to this new circuit PR-C.

Project has been bid out and awarded to SKF Electrical Contracting. Material has been delivered and construction staking completed. The construction phase has started, however crews have not started work yet. SKF is waiting for the snow level to go down and the temperatures to warm before dispatching crews. GRP and City personal have been working on tree trimming and line relocation along Blue Star at 2<sup>nd</sup>. The completion date remains June 13<sup>th</sup>.

**#103 PR-G Circuit (Underground Veteran's Blvd)**

Construction of new circuit PR-G on Veteran's Blvd from 2<sup>nd</sup> Avenue to Phoenix Road (0.6 miles) with #500kCM 15kV copper underground including padmount switchgear to relieve load and reduce geographic area from PR-A.

Design, construction drawings and bidding documents are complete. A final review meeting is being held on February 17<sup>th</sup>. Material will be sent for quotes by February 21<sup>st</sup> and ordered following review by GRP and City staff. Note this project will be separated into two contracts, conduit installation and electrical cable & equipment installation.

Out for Bids	2/21/14
Award	3/31/14
Construction Start (Conduit)	4/15/14
Conduit Completion	6/30/14
Construction Start (Cable)	8/15/14
Circuit Energization	9/15/14

**#101 Phoenix Road Substation Transformer #2**

Installation of a second 12/16/20 MVA transformer and two underground substation exits (PR-F and PR-G) at Phoenix Road Substation to relieve load from transformer #1.

Substation transformer has been ordered. Quotes for all major Owner-furnished material have been submitted to vendors. Project coordination meeting with AEP still needs to be completed prior to finalizing design. Proposed project schedule to completion:

Out for Bid	3/14/14
Award	4/21/14
Construction Start	5/5/14
Transformer Delivery	6/10/14
Substation Energization	9/15/14

### **Core City Secondary Upgrades**

Rebuild secondary lines within the core city area which are generally located in backlot areas. All poles and secondary conductor are scheduled to be replaced, along with adding covered line wire, bushing guards, and connector blocks to all transformers. Small areas of single-phase primary will be converted to Hendrix spacer cable or underground. The “core city” area is generally defined as the area bounded by Lake Michigan to the west, the river and Phoenix Street to the north, Blue Star Highway to the east, and Alyworth Avenue to the south.

Design is being completed in the first phase and construction drawings will be ready by February 21<sup>st</sup>. Material for Phase 1 will be ordered immediately following completion of construction drawings. Since nearly all construction will occur in residential back lots, weather will drive start date. Design of additional phases to follow Phase 1 bidding.

Out for Bid	2/21/14
Award	3/31/14
Construction Start (Phase 1)	4/15/14
Completion (Phase 1)	8/30/14



# City of South Haven

City Hall • 539 Phoenix Street • South Haven, Michigan 49090-1499  
Telephone (269) 637-0700 • Fax (269) 637-5319

**February 18, 2014**

**To: Roger Huff, PE, DPW Director**  
**Cc: P. VandenBosch, W. Hochstedler, D. Davidson**  
**From: Brian Dissette, City Manager**  
**Re: WIFI Project Funding Request**

I am writing to request the Board of Public Utilities consider approval of a resolution to advance Electric Utility funds to be used for the construction of the proposed downtown WIFI system and the construction of the proposed upgrades to the Marina WIFI system. The total project budget is estimated to cost \$271,000 (please note; the attached WIFI budget does not include funds for providing service to the North Beach and South Beach. As a result, staff has estimated an additional \$10,000 to provide funds for the beach additions.)

The proposed project seeks to construct a WIFI network which provides service to the Central Business District and to the city's marinas. The Electric Utility will be repaid its investment over a five year period, with the first payment being made in FY 2015-16, by the Downtown Development Authority and Marina Fund. Staff has planned a one percent (1%) interest charge, to be paid by the Downtown Development Authority and Marina Fund, for the installation of the infrastructure.

Staff has worked with the city's attorney to review the proposed partnership. The attorney has prepared the attached resolution and opinion, which if approved, will allow the Electric Utility

to advance funds for the construction of the proposed downtown and Marina WIFI system, and to ensure repayment of the construction costs and interest charge.

Staff has also worked with Secant, a professional consulting firm, to prepare the WIFI system construction plans. The draft WIFI design documents are attached. Staff continues to work with Secant to complete the design documents, and plans to seek bids in the coming weeks. Should funding be made available, from the Electric Utility, staff anticipates being able to complete the WIFI project construction and launch by early May, 2014.

Please encourage the Board of Public Utilities to consider approval of a resolution to advance Electric Utility funds for the construction of the proposed downtown and Marina WIFI system.

Thank you for the time and attention. Please let me know if there are any questions and/or concerns.

Attachments:

Attorney Correspondence

BPU Resolution 2014-09

COSH-Public Budget

COSH-Marina Budget

South Haven WIFI Map

**M E M O R A N D U M**

To: Brian Dissette, City Manager  
City of South Haven

From: Scott G. Smith, City Attorney

Re: Funding Wi-Fi Project

Date: February 17, 2014

The City is undertaking a project to provide Wi-Fi service to the marina and downtown business areas of the community by using ducts, poles and appurtenances of the City's electric utility. It is proposed that the electric fund advance the needed monies and be repaid at a suitable rate of interest by the Downtown Development Authority ("DDA") and Marina funds when funds are available to do so. At your request, we are writing to confirm our recent conversation during which we indicated that, if the appropriate resolutions are adopted by the City Council, the DDA Board and the Board of Public Utilities, this proposed approach is legally appropriate.

Section 13.1 of the City Charter authorizes the City to acquire, construct, own, operate, improve, enlarge, extend, repair and maintain public utilities. While fiber optic, Wi-Fi and other telecommunications facilities are not specifically listed, the lists of public utilities that is provided is clearly not an exclusive list. In addition, the City has the authority to operate a marina and to make improvements to its downtown. Currently, Wi-Fi access is nearly essential for businesses, residents and travelers so that those seeking to accommodate them in business districts or places like marinas seemingly need to provide Wi-Fi service in order to be viable.

Other local governments are oversizing ducts and creating opportunities for pole attachments to accommodate fiber optic and other communications lines, antennae and equipment. Street lighting systems, traffic signal systems, electric utility and other systems are being used to advance the funds needed to construct or install such facilities and then are repaid from license or rental fees, usage contracts or other funds paid by those using them.

If the marina is more attractive and therefore better utilized due to the availability of Wi-Fi service, its funds will be better able to pay for the construction and installation of the facilities. The same is true for the downtown area. Therefore these are legitimate expenses of both the marina and DDA funds. However, those funds lack the fund balances needed to pay for the initial construction and installation of the Wi-Fi facilities. Therefore, the electric fund can advance the monies to be repaid by the other funds. However, all the bodies act only through their resolutions, so resolutions acknowledging the repayment obligations are needed.

GRAPIDS 57671-1 314592v1

BOARD OF PUBLIC UTILITIES  
OF THE  
CITY OF SOUTH HAVEN

Board Member \_\_\_\_\_, supported by Board Member \_\_\_\_\_, moved adoption of the following resolution.

Resolution No. \_\_\_\_\_

A RESOLUTION TO ADVANCE ELECTRIC UTILITY FUNDS TO PAY THE COST OF  
PROVIDING WI-FI CAPABILITY TO DOWNTOWN AND MARINA USERS

Whereas, the Board of Public Utilities has determined the construction of facilities needed to serve the City's downtown and marina areas with facilities needed to provide Wi-Fi service (the "Project") could utilize some existing electric utility system facilities and is in the interest of the public health, safety and general welfare; and

Whereas, the cost of that project is estimated to total \$250,000, \_\_\_ percent of which, or \$\_\_\_\_, is the portion of the cost needed to serve the Downtown Development Authority's downtown district (the "DDA Share") and \_\_\_ percent of which or \$\_\_\_\_, is the portion needed to serve Marina users; and

Whereas, the Board of Public Utilities intends to undertake and complete that project only if the City and the Downtown Development Authority commit to repaying the amounts expended by the Board of Public Utilities.

Now, it is therefore resolved that:

1. Funds from the electric utility fund may be used to pay the cost of designing, bidding, constructing and installing the Project and existing electric utility facilities may be used for the placement of lines, antennas and other project components.
2. However, no work shall begin on the Project until the Board of Directors of the Downtown Development Authority and the City Council have adopted resolutions, in forms acceptable to the City's legal counsel, approving repayment the DDA and Marina portions of the advanced funds with interest on the outstanding balance at the rate of \_\_\_% per annum accruing from \_\_\_\_\_, 2014.
3. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Yeas: Directors: \_\_\_\_\_

Nays: Directors: \_\_\_\_\_

Abstain: Directors: \_\_\_\_\_

Absent: Directors: \_\_\_\_\_

**CERTIFICATION**

As its Secretary, I certify that this is a true and complete copy of a resolution adopted by the Board of Public Utilities of the City of South Haven, Michigan, at a meeting held on \_\_\_\_\_, 2014.

March \_\_, 2014

\_\_\_\_\_  
\_\_\_\_\_, Secretary

GRAPIDS 57671-1 315353v1

**City of South Haven**

**Consolidated Municipal Wireless Network - Public Access Points**

*Version 1/19/2014 - Prepared by Secant Consulting*

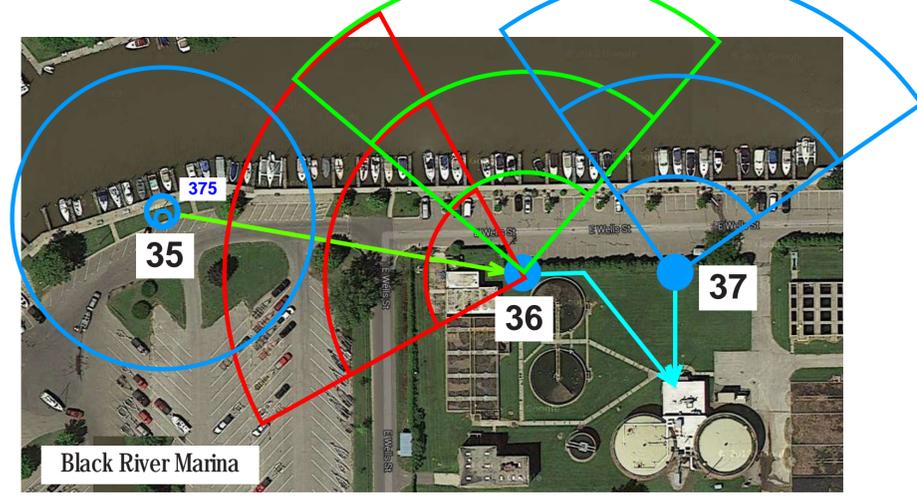
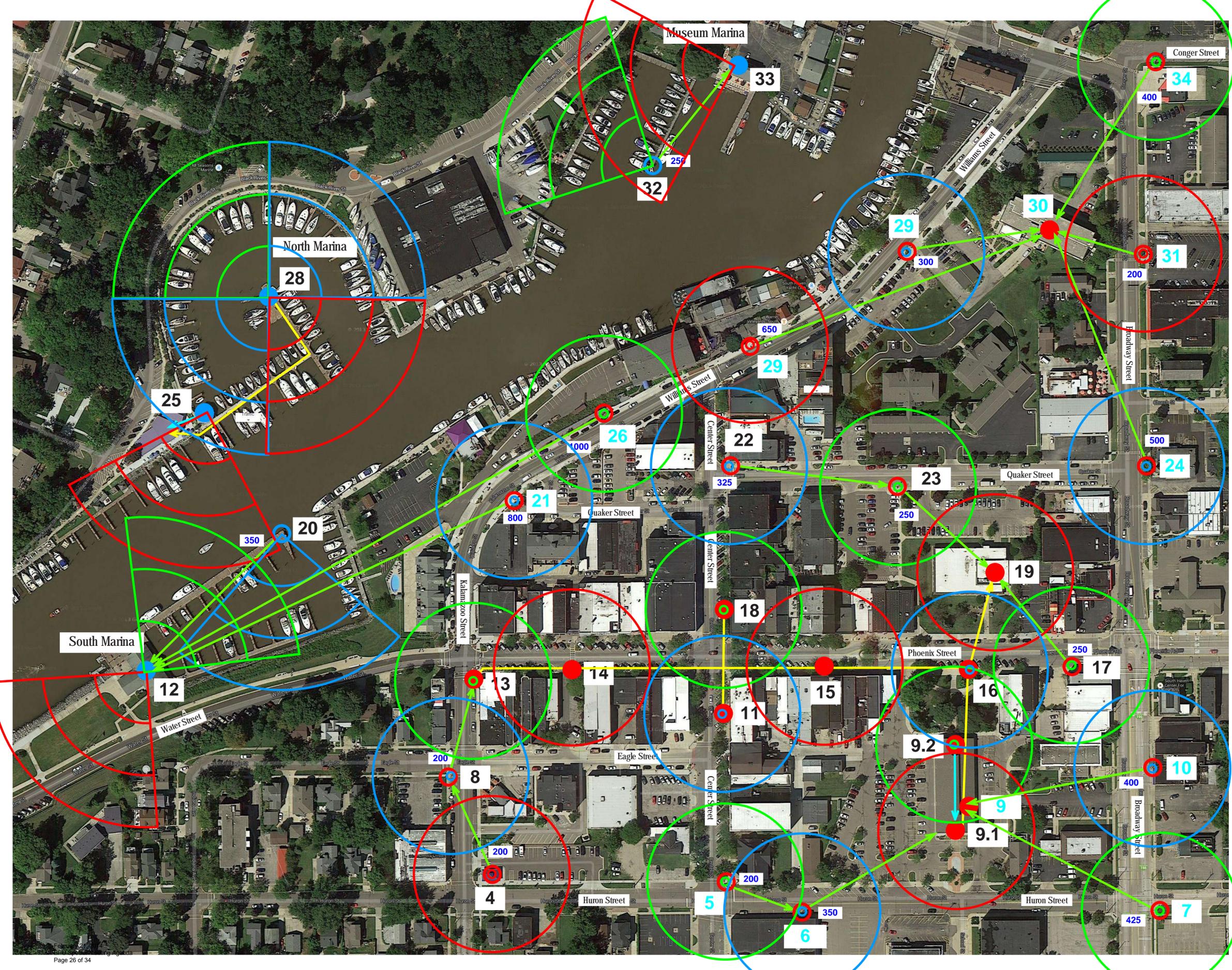
<b>Qty</b>	<b>Item</b>	<b>Unit</b>	<b>Extended</b>
15	MR66 Access Point	829.20	12,438.00
0	MR62 Access Point	503.28	-
15	Ent License - 3 Year	240.00	3,600.00
15	AP Mounts	550.00	8,250.00
26	ANT-10	71.55	1,860.30
2	ANT-11	108.00	216.00
0	ANT-13	108.00	-
15	PoE Injector	195.00	2,925.00
8	Fiber Transceiver	300.00	2,400.00
1	PoE Switch	950.00	950.00
0	Wood Poles and install	1,000.00	-
4	Power - In Building	900.00	3,600.00
7	Power - Phoenix Pole	1,300.00	9,100.00
4	Power - Light Pole	1,900.00	7,600.00
0	Power - Dock	850.00	-
3	AP Install - Building	1,340.00	4,020.00
11	AP Install - Light Pole	1,950.00	21,450.00
0	AP Install - Dock	840.00	-
8	Fiber Feeds	4,000.00	32,000.00
1	Cat 6 Feed	500.00	500.00
1	Internet Connection - Extend to AP	3,500.00	3,500.00
1	VPN Tunnel Equipment	1,950.00	1,950.00
1	Filter appliance - 100-200 user	2,400.00	2,400.00
1	Enterprise Licenase- 3 year	2,500.00	2,500.00
0.5	Network Engineering	19,200.00	9,600.00
0.5	Secant Design & PM	18,500.00	9,250.00
0.5	Electrical Engineering	12,000.00	6,000.00
<b>Total Installation Budget</b>			<b>146,109.30</b>
<b>Total Public + Marina</b>			<b>261,746.89</b>
<b>Monthly Management and Service</b>			<b>1,325.00</b>

## City of South Haven

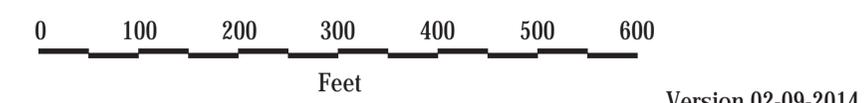
### Consolidated Municipal Wireless Network - Marina Access Points

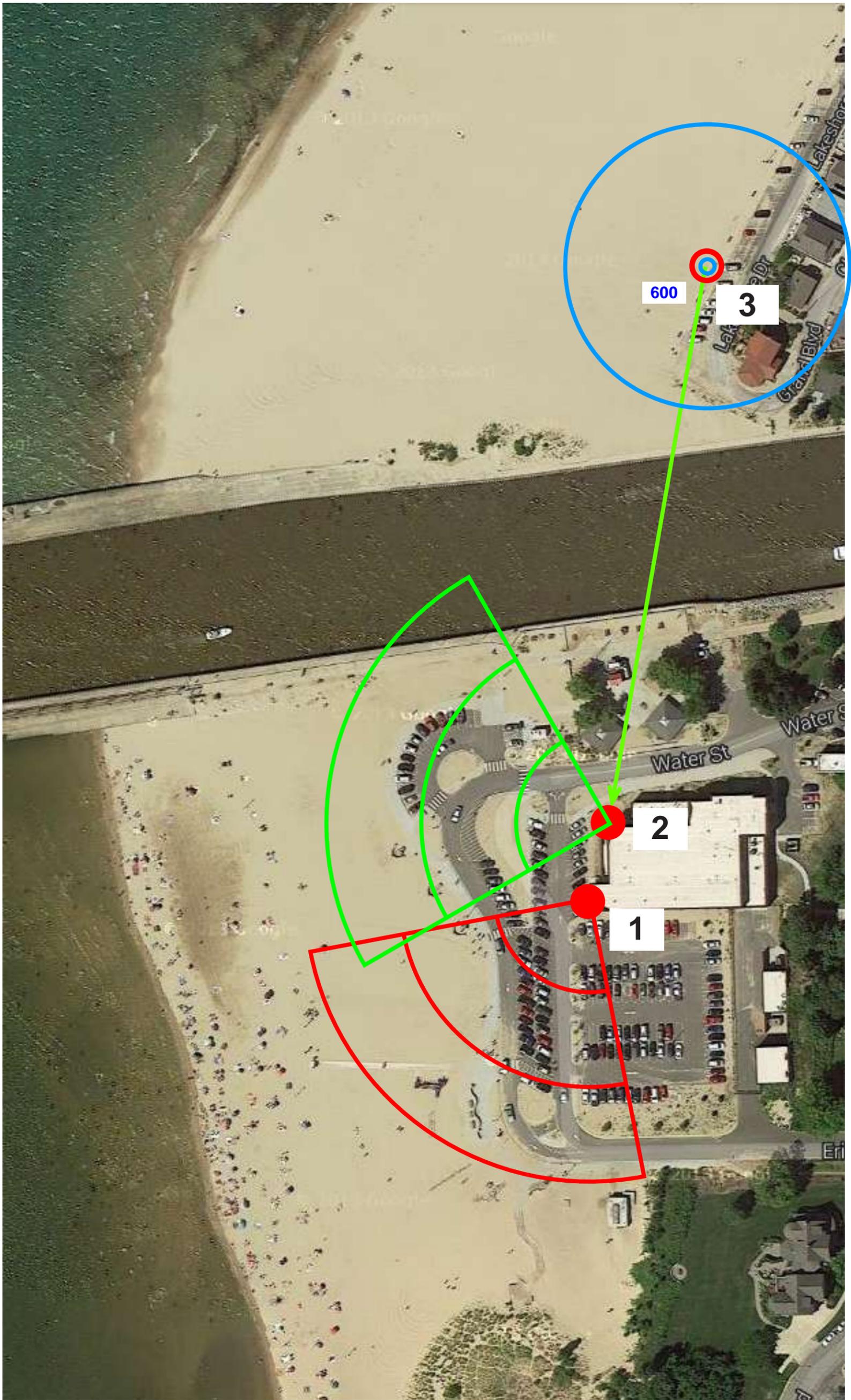
Version 1/19/2014 - Prepared by Secant Consulting

Qty	Item	Unit	Extended
0	MR66 Access Point	829.20	-
13	MR62 Access Point	503.28	6,542.64
13	Ent License - 3 Year	240.00	3,120.00
13	AP Mounts	550.00	7,150.00
9	ANT-10	71.55	643.95
5	ANT-11	108.00	540.00
12	ANT-13	108.00	1,296.00
13	PoE Injector	195.00	2,535.00
1	Fiber Transceiver	300.00	300.00
2	PoE Switch	950.00	1,900.00
7	Wood Poles and install	1,000.00	7,000.00
5	Power - In Building	900.00	4,500.00
0	Power - Phoenix Pole	1,300.00	-
0	Power - Light Pole	1,900.00	-
5	Power - Dock	850.00	4,250.00
2	AP Install - Building	1,340.00	2,680.00
0	AP Install - Light Pole	1,950.00	-
7	AP Install - Dock	840.00	5,880.00
1	Fiber Feeds	24,000.00	24,000.00
5	Cat 6 Feed	500.00	2,500.00
4	Internet Connection - Extend to AP	3,500.00	14,000.00
1	VPN Tunnel Equipment	1,950.00	1,950.00
0.5	Network Engineering	19,200.00	9,600.00
0.5	Secant Design & PM	18,500.00	9,250.00
0.5	Electrical Engineering	12,000.00	6,000.00
	<b>Total Installation Budget</b>		<b>115,637.59</b>
	<b>Monthly Management and Service</b>		<b>930.00</b>



- Wireless AP - Public - 5.0 GHz Uplink
- Wireless AP - Public - Internet Connected
- Wireless AP - Marina - 5.0 GHz Uplink
- Wireless AP - Marina - Internet Connected
- Fiber Uplink
- Category 6 Uplink
- 5.0 GHz uplink - Nominal
- 5.0 GHz uplink - Obstructed





- Wireless AP - Public - 5.0 GHz Uplink
- Wireless AP - Public - Internet Connected
- Wireless AP- Marina - 5.0 GHz Uplink
- Wireless AP - Marina - Internet Connected
- ← Fiber Uplink
- ← Category 6 Uplink
- ← 5.0 GHz uplink - Nominal
- ← 5.0 GHz uplink - Obstructed



City of South Haven

## Agenda Item # 12

### Phoenix Road Substation Equipment Bids

#### Background Information:

Supporting equipment is required to construct a second transformer at Phoenix Road Substation in the Fall. It takes many months to manufacture and deliver these items.

GRP Engineering has obtained quotes from three (3) reputable manufacturers. ABB submitted the low bid for four (4) 12 kV circuit breakers and Siemens submitted the low bid for one (1) 69kV transformer circuit switcher.

Quotes for purchase of six (6) regulators are very close between Siemens and GE. Siemens is low bidder of all six units by \$2,495, just under GE's quote. Because there are already fifteen existing regulators at the two city stations procured from GE several years ago, staff recommends that GE be awarded the bid over Siemens. City Electric Department workers won't have to become familiar with operation of another style regulator nor would they have to maintain and keep its associated voltage controller, as well as backup stock.

Bid tabulations and recommendation letters prepared by GRP Engineering are attached.

#### Recommendation:

Approve a recommendation to City Council to award Phoenix Road Substation Equipment Bids as follows:

- A. Four (4) 12 kV circuit breakers to ABB in the amount of \$75,060.
- B. One (1) 69kV transformer circuit switcher to Siemens Energy in the amount of \$34,785.
- C. Six (6) regulators and base stands to GE in the amount of \$89,166.

#### Support Material:

Circuit Breakers:	Bid Tabulation GRP Engineering Recommendation Letter
Circuit Switcher:	Bid Evaluation GRP Engineering Recommendation Letter
Regulators:	Bid Evaluation GRP Engineering Recommendation Letter

Board of Public Utilities  
Staff Report  
Agenda Item #12  
Respectfully Submitted, Bill Conklin  
Page 1 of 1  
February 21, 2014

**OWNER:**  
**SOUTH HAVEN DPW**  
**1199 8TH AVE**  
**SOUTH HAVEN, MI 49090**

**ENGINEER:**  
**GRP ENGINEERING, INC.**  
**660 CASCADE W PKWY SE**  
**GRAND RAPIDS, MI 49546**

<b>BIDDERS</b>	<b>Cost Per Circuit Breaker</b>	<b>Total Cost</b>	<b>Lead Time</b>	<b>REMARKS</b>
<b>ABB</b>	\$18,765.00	\$75,060.00	19-20 Weeks	
<b>Siemens</b>	\$18,959.00	\$75,836.00	15 Weeks	
<b>Mitsubishi</b>	\$22,250.00	\$89,000.00	15 Weeks	

**GRP Engineering, Inc.**

By:   
 \_\_\_\_\_  
 Robert A. Shelley, P.E.

February 13, 2014  
13-0646.01

Mr. Roger Huff  
South Haven DPW  
1199 8<sup>th</sup> Ave  
South Haven, MI 49090

**RE: Phoenix Rd 15kV Circuit Breaker  
Bid Recommendation**

Dear Roger:

GRP Engineering, Inc. has completed reviewing the bids submitted for the four (4) 15kV Circuit Breakers for the Phoenix Rd Substation. All three bidders solicited for bids replied to the bid request. ABB submitted the low bid for the four (4) circuit breakers in the total amount of \$75,060.00.

The City of South Haven currently has all ABB circuit breakers on your system. Therefore GRP Engineering, Inc. recommends that South Haven accept the low bid from ABB for the four (4) 15kV Circuit Breakers.

ABB took no major exceptions to the bid documents however they did issue their standard terms and conditions. The bid spreadsheets are attached to this letter.

Please contact me at 616.942.7183 should you have any questions regarding this evaluation.

Sincerely,  
**GRP Engineering, Inc.**



Robert A. Shelley, P.E.  
Electrical Engineer

**OWNER:**  
SOUTH HAVEN DPW  
1199 8TH AVE  
SOUTH HAVEN, MI 49090

**ENGINEER:**  
GRP ENGINEERING, INC.  
660 CASCADE W PKWY SE  
GRAND RAPIDS, MI 49546

BIDDERS	Cost Per Circuit Switcher			REMARKS
Siemens	\$34,785.00			
S&C	\$38,337.00			
Southern States				No Bid

GRP Engineering, Inc.

By:   
Robert A. Shelley, P.E.

February 13, 2014  
13-0646.01

Mr. Roger Huff  
South Haven DPW  
1199 8<sup>th</sup> Ave  
South Haven, MI 49090

**RE: Phoenix Rd 69kV Circuit Switcher  
Bid Recommendation**

Dear Roger:

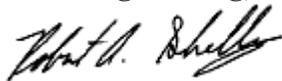
GRP Engineering, Inc. has completed reviewing the bids submitted for the 69kV Circuit Switcher for the Phoenix Rd Substation. Two of the three bidders solicited for bids replied to the bid request. Siemens submitted the low bid for the circuit switcher in the total amount of \$34,785.00.

Siemens has a good reputation in the utility market and has supplied multiple circuit switchers for other GRP clients. Therefore GRP Engineering, Inc. recommends that South Haven accept the low bid from Siemens for the 69kV Circuit Switcher.

Siemens took no major exceptions to the bid documents however they did issue their standard terms and conditions. The bid spreadsheets are attached to this letter.

Please contact me at 616.942.7183 should you have any questions regarding this evaluation.

Sincerely,  
**GRP Engineering, Inc.**



Robert A. Shelley, P.E.  
Electrical Engineer

**OWNER:**  
**SOUTH HAVEN DPW**  
**1199 8TH AVE**  
**SOUTH HAVEN, MI 49090**

**ENGINEER:**  
**GRP ENGINEERING, INC.**  
**660 CASCADE W PKWY SE**  
**GRAND RAPIDS, MI 49546**

<b>BIDDERS</b>	<b>Cost Per Regulator</b>	<b>Cost Per Stand</b>	<b>Total Cost (6 Regs w/ Stands)</b>	<b>REMARKS</b>
<b>Siemens</b>	\$13,895.00	\$550.00	\$86,670.00	
<b>GE</b>	\$14,216.00	\$645.00	\$89,166.00	
<b>Cooper</b>	\$14,637.00	\$525.00	\$90,972.00	

**GRP Engineering, Inc.**

By:   
 \_\_\_\_\_  
 Robert A. Shelley, P.E.

February 13, 2014  
13-0646.01

Mr. Roger Huff  
South Haven DPW  
1199 8<sup>th</sup> Ave  
South Haven, MI 49090

**RE: Phoenix Rd 15kV Circuit Breaker  
Bid Recommendation**

Dear Roger:

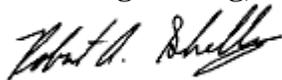
GRP Engineering, Inc. has completed reviewing the bids submitted for the six (6) Voltage Regulators for the Phoenix Rd Substation. All three bidders solicited for bids replied to the bid request. Siemens submitted the low bid for the six (6) voltage regulators breakers in the total amount of \$86,670.00. However GE submitted the next lowest bid at \$89,166.00.

GRP Engineering, Inc. recommends that South Haven accept the bid from GE for the six (6) voltage regulators for the following reasons. First, there is a relatively small cost difference between the two low bidders. Second, the City of South Haven currently has all GE voltage regulators on your system. With consistency across your system you will save on training personal on multiple controls, as well as stock backup material as needed.

GE took no major exceptions to the bid documents however they did issue their standard terms and conditions. The bid spreadsheets are attached to this letter.

Please contact me at 616.942.7183 should you have any questions regarding this evaluation.

Sincerely,  
**GRP Engineering, Inc.**



Robert A. Shelley, P.E.  
Electrical Engineer