

Board of Public Utilities

Regular Meeting Minutes

Monday, August 25, 2014
4:00 p.m., DPW Conference Room
1199 8th Avenue



City of South Haven

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

2. Roll Call

Present: Burr, Henry (arrived 4:18 p.m.), Roberts, Rose (ex-officio), Stickland

Absent: Overhiser (ex-officio), Stein (ex-officio), Winkel

3. Approval of Agenda

Motion by Burr, second by Roberts to approve the August 25, 2014 regular Board of Public Utilities meeting agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – July 28, 2014 Regular Meeting Minutes

Motion by Burr, second by Roberts to approve the July 28, 2014 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. 2014 Billings – All Charges

B. 2013 Billings – All Charges

The board reviewed the cost of energy reports.

7. Financial Reports

- A. Electric Fund – Financial Report for period ending July 31, 2014
- B. Electric Fund – Review of Percentage Billed
- C. Water Fund – Financial Report for period ending July 31, 2014
- D. Water Fund – Review of Percentage Billed
- E. Sewer Fund – Financial Report for period ending July 31, 2014

8. Unresolved Issues Report

Halberstadt added the following to this report:

DPW staff will work together with the finance department to develop policies to ensure that all material, labor, and design engineering services are appropriately billed to a specific project code. The purpose is to ensure that finance can properly capitalize project costs at the end of the fiscal year.

Stickland requested a more frequent cash on hand report by fund, monthly if possible.

NEW BUSINESS

9. Board will be requested to approve award of contract for Phoenix Road Substation Construction to Kent Power, Inc.

Halberstadt noted bids have been received for this project. Kent Power is low bidder at \$606,796.00. Pointed the board to the chart developed to reflect total estimated costs, including a quote from Indiana-Michigan Power Company to do the metering, noting that these come within a thousand dollars of GRP Engineering's estimate based on their study.

In response to a question by Stickland regarding the status of the transformer, Halberstadt said it is currently in production.

The board briefly discussed possible reasons why the Hydaker-Wheatlake Company did not bid on this project.

Motion by Roberts to recommend to City Council that they award Bid #2014-12: Phoenix Road Substation to Kent Power in the estimated amount of \$606,796.00. Second by Burr.

All in favor. Motion carried.

Discussion ensued regarding the type of bid this is and whether there will be extras/change orders.

10. Board will be requested to approve award of contract for Community Outreach and Communication Services during the Core City Secondary Project to Abonmarche.

Halberstadt noted that this contract is to provide communications related to the core city project. Because it is a high-intensity project taking place in customers' yards we need to provide a higher level of communication to the public than is usual.

Burr explained the city will trim trees affecting the secondary lines behind the houses. Burr pointed out that the utility has the right to perform the work but it is necessary to talk to each homeowner and find out what trees they will permit to be taken down or trimmed. Burr noted that it has been somewhat surprising that home owners are anxious to have the city take down trees, particularly some large pine trees, fifty-plus (50+) years old, which people want removed due to fear they will fall and damage their houses.

Abonmarche will have an open house, and also go door-to-door and get required approvals. Everyone's role has been defined. The city/utility is attempting to prevent backlash at the end due to a favorite tree or shrub getting trimmed. Discussed that Abonmarche will be representing the city in a role that the Department of Public Works Director would typically do, but DPW Director Roger Huff is working very minimal hours due to disability.

Roberts asked whether the Abonmarche staff need to have some sort of proof of identification; Stickland said the city will give them something identifying that they represent the City.

Motion by Roberts to recommend that City Council award professional services for community outreach and communication to Abonmarche in the amount of \$33,720. Second by Henry.

All in favor. Motion carried.

Discussion ensued regarding the cost of materials, for which the city will foot the bill; the number of phases, engineering costs and tree-trimming costs. Burr mentioned another element, the video-taping of properties before and after the project, to protect the city for liability.

11. City Engineer Comments

- A. Next Meeting is scheduled for September 29, 2014.
- B. The Michigan Municipal Electric Association is hosting their annual conference October 1st through 3rd at the DoubleTree by Hilton in Bay City, Michigan. If any Board Members are interested in attending, please let Roger or Larry know.

12. Board Member Comments

Henry asked for update on Roger Huff. Halberstadt noted he is still experiencing pain and full recovery will take some time.

Burr noted a Blackhawk helicopter will be landing in the city Thursday, Sept. 4 and the city is going to move a street light to make that possible.

13. Adjourn

August 25, 2014
Board of Public Utilities
Regular Meeting Minutes
draft

Motion by Henry, second by Roberts to adjourn at 4:45 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary