

Board of Public Utilities

Regular Meeting Agenda

Monday, August 29, 2016
4:00 p.m., DPW Conference Room
1199 8th Avenue



1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Approval of Minutes for the Record**
 - A. July 25, 2016 Regular Meeting Minutes
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. 2016 Billings – All Charges
 - B. 2015 Billings – All Charges
7. **Financial Reports**
 - A. Electric Fund – Financial Statement, 2016 Fiscal Year End, Unaudited
 - B. Water Fund – Financial Statement, 2016 Fiscal Year End, Unaudited
 - C. Sewer Fund – Financial Statement, 2016 Fiscal Year End, Unaudited
 - D. Electric Fund – Financial Statement, July 2016
 - E. Electric Fund – Review of Percentage Billed
 - F. Water Fund – Financial Statement, July 2016
 - G. Water Fund – Review of Percentage Billed
 - H. Sewer Fund – Financial Statement, July 2016
8. **Response to Board Member Inquiries from July 25, 2016 Regular Meeting**
 - A. Black River Park Sewer, Pile Design
 - B. Miscellaneous Questions
 - C. Albemarle Sludge Hauling Invoice

NEW BUSINESS

9. Board will be requested to recommend passage of a Resolution by City Council to become an associate member of the Michigan Public Power Agency.

10. Board will be requested to make a recommendation of award for the North Shore Dr. and Monroe Blvd. Electric Line Rebuild Contract.

11. DPW Director Comments

12. Board Member Comments

13. Adjourn

RESPECTFULLY SUBMITTED,

Bill Hunter
DPW Director

Board of Public Utilities

Regular Meeting Minutes

Monday, July 25, 2016
4:00 p.m., DPW Conference Room
1199 8th Avenue



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

2. Roll Call

Present: Robert Burr, William Roberts, Barry Winkel, Robert Stickland

Absent: Mike Henry, Alan Overhiser (ex-officio), Barbara Rose (ex-officio), Ross Stein (ex-officio)

Also present: Larry Halberstadt, City Engineer; William Hunter, DPW Director

3. Approval of Agenda

Motion by Winkel, second by Roberts to approve the July 25, 2016 regular meeting agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes for the Record

A. June 27, 2016 Regular Meeting Minutes

Motion by Burr, second by Roberts to approve the June 27, 2016 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. 2016 Billings – All Charges

B. 2015 Billings – All Charges

Halberstadt noted that an adjustment by I & M for the PJM Transmission Charge has been made. I & M had been incorrectly charging us, which resulted in a new charge of \$7,072.97.

Burr asked when the rate increases went into effect which Stickland stated was July 1. Halberstadt noted these are the city's increases. I & M increases take place the first of the year.

7. Financial Reports

- A. Electric Fund – Financial Statement
- B. Electric Fund – Review of Percentage Billed
- C. Water Fund – Financial Statement
- D. Water Fund – Review of Percentage Billed
- E. Sewer Fund – Financial Statement

Stickland noted going up from 2.5 to 2.9, assuming our income on all three utilities, when auditing is complete and capital account amounts will be moved into the capital fund, at which time our earnings increase.

Burr explained that there is still money coming in that was billed in June.

Burr asked the new Department of Public Works Director, William Hunter, whether he used fund balance accounting at his last position to which Mr. Hunter responded yes.

It was noted that until the auditors get done in November it is difficult to determine exactly where the funds stand.

8. Quarterly Outage Report

Burr pointed out that the failed device category has decreased. Stickland noted that failed devices are still the number one cause of failures and that staff is trying to install more squirrel guards on transformers. Discussion ensued regarding the types and efficacy of such guards. Stickland would like to have Jim Pezzuto, from the Electric Department, come in and talk to us about outage causes. Burr noted that wherever he has been, squirrels are a problem while Stickland commented that the city still has the best service record around the state.

9. SRF Project Bid Results

Halberstadt said City Council has looked at and approved the tentative award of the SRF Projects with intent to continue working with the DEQ to get our loan with them finalized. Bid tabs for most projects turned out pretty well. North Shore Drive came in below the engineering estimate. Monroe Boulevard and Indian Grove came in a little more than the engineer's estimate. Staff will be having a conversation with Kalin Construction about that, due to demolition and replacement, for which the bid came in very high. Halberstadt stated staff thinks a whole lift station could be purchased for that money and staff will try to find out how we can knock that figure down.

Stickland asked how much of the cost was due to appearance; Halberstadt stated that it could be partly that, noting that Kalin Construction based their estimate on the cost of the precast panels required in the bid documents.

Halberstadt noted that staff decided to award Contract 2B to Millbocker & Sons because other bids received were not complete.

Halberstadt also explained that Dunkley and Black River Street turned out a little sideways; staff is going to try to do some changes to get that cost down a bit. Roberts asked what is involved in the project. Halberstadt said there are two streets and there has to be a lot of extra work to get through peat and it includes a pump station and a river crossing.

Stickland asked how the river crossing will be done to which Halberstadt responded, "Directional drilling." Burr said the pilings are supposed to be at least 38 feet and they are going to go 45 feet. Discussion continued regarding the intervals, which Halberstadt explained are one thing that is going to be considered; whether the space between piles can be widened. Halberstadt noted this is going to be done in the muck with two sets of piles every few feet to support the sewer. Burr asked if they can have a longer span, specifically, what the span on sewer pipe is. Halberstadt noted that it's the sheet pile that will be the support for the pipe.

Roberts noted there is a big cost difference due to the pilings. Halberstadt drew a diagram to illustrate the way the design is done; Stickland commented that he does not see a lot of strength in that sheet pile. Discussion ensued regarding the type of pipe; Halberstadt said he thinks the specifications are for PVC pipe, noting that it is important to maintain really tight tolerance on that pipe. Stickland speculated that it is probably a cost factor, noting that sheet pile is a lot cheaper than I-beam. In response to a question about rusting, Hunter noted that peat is constantly deteriorating, and asked, "How acidic is it?" Halberstadt explained the contractors will dig a trench, install everything and backfill with sand.

Roberts asked what the stats are for, whether it will flow or will not flow.

Discussion ensued regarding chemical corrosion from industry in the past, causing the problems with the current lift station.

Stickland suggested that Hunter contact Abonmarche and ask them about their choice of materials.

Roberts noted on Millbocker and Sons' bid, their signage estimate was higher than others. Halberstadt said he thinks Millbocker & Sons may be unbalancing their bid to get more money up front, noting that this is a lump sum bid item. Roberts asked, "So you just make progress payments?" Halberstadt noted that a contractor that is on the ball will try to bid high on sewer because they know they will get paid for a certain number of feet of sewer. In response to a question, Halberstadt noted that staff looks at both of these contractors (Kalin and Millbocker & Sons) as they have done work like this for the city in the past.

Discussion ensued about which projects were designed by whom.

Roberts asked whether they temporarily keep a lift station up while building the new one. Halberstadt noted that they will build and test the new station before they ever send a drop of water to the sewer.

Discussion ensued regarding the total amount of bonds and what rate increases will be necessary to support those bonds.

10. Biosolids Removal and Land Application Agreement

Halberstadt explained the background regarding the contracts and when hauling was done. The most recent contractor, Nutrigo, hauled in March and December and then did not come through for the June hauling, saying they had no farmland lined up. The city arranged for some solids to be hauled to the Muskegon County Wastewater Management System for disposal, giving staff time to talk to both Bio Tech and Synagro about performing hauling for us. Halberstadt explained the difficulties in acquiring farmland by Synagro, based on that staff felt it better to go with Bio Tech, because they were willing to offer us a fixed rate.

Halberstadt said he believes it may get harder and harder to find farmland. In response to a question, Halberstadt said Muskegon has lagoons which they drain, dredge out and haul it to a landfill next door.

Halberstadt said City Council has already reviewed and approved a 36-month contract with Agronomics, Inc. at their last meeting due to the nature of the contract with Bio Tech being contingent on getting the contract by mid-July.

Stickland noted the city was over a barrel. Winkel explained that this material cannot be put on land that is growing crops for human consumption; it has to be crops for animals. Discussion ensued regarding the City of South Haven's drying beds and how many of them are in use.

It was noted that the agreement with is a three-year agreement. Roberts asked if drying beds have to be close to the plant to which Stickland responded, "No, but then you have to pay to truck it." Halberstadt noted that is what Muskegon does, they own and rent out farmland and use the effluent from the plant to irrigate it. Halberstadt noted that it costs more than we have been paying to apply it to fields. In response to a question, it was noted that Albemarle has a pre-treatment plant on site. Halberstadt stated the city has had an agreement that Albemarle pays for half of the cost.

Burr explained Muskegon has had a loss in industry which has given them tons of unused capacity. Hunter will call the Muskegon plant and find out some details.

Halberstadt expects that there will be times in the future when we will be coming to the board asking for hauling to Muskegon.

Stickland said if we improve capacity we will have to get rid of it by hauling.

Burr questioned whether the billing people are billing that cost. Hunter will find out whether this is being billed. Halberstadt estimates our cost going from about \$60,000 /year to \$90,000.

11. City Engineer Comments

We have a new DPW director. Appreciates the boards support while doing double duty and looking forward to having someone on board to help.

12. Board Member Comments

Burr: Regarding the old city barn building, when is Prism is going to start digging and hauling stuff away? Halberstadt said the contract was just approved at the last City Council meeting. Burr noted the money will come out of the motor pool.

Stickland: Questioned Halberstadt regarding an issue that he is concerned about. Halberstadt said he believes we need to have more discussion. Stickland said if you need me to be involved I will.

There were no other comments.

13. Adjourn

Motion by Burr, second by Winkel to adjourn at 5:00 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)																				
2016																				
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 \$ KWHRS	\$ Network	RTO Start-up \$	Other	Credits			Total PJM
Main	16,839	5,631	17,756	0.9484	16,839	5,631	8,378,893	\$324,419.89	\$86,209.59											
Welder	351	304	465	0.7555	351	304	167,021	\$6,762.37	\$1,718.46											
Phoenix	15,101	5,781	16,170	0.9339	15,101	5,781	7,565,172	\$290,929.80	\$77,837.30											
Jul-16	32,291	11,717	34,351	0.9400	32,291	11,717	16,111,086	\$622,112.05	\$165,765.35	\$264,726.09	(\$47,232.87)	(\$36,558.93)	\$1,537.76	\$79,081.88	\$165.93	\$16,015.58	(\$810.91)	\$95,990.24	\$1,064,801.93	6.609
Main	13,497	4,285	14,161	0.9531	13,497	4,285	6,885,696	\$260,035.71	\$70,846.24											
Welder	146	255	294	0.4971	146	255	212,771	\$2,810.91	\$2,189.18											
Phoenix	13,110	4,341	13,810	0.9493	13,110	4,341	5,953,731	\$252,579.76	\$61,257.34		*			**						
Jun-16	26,753	8,881	28,189	0.9491	26,753	8,881	13,052,198	\$515,426.38	\$134,292.76	\$214,464.58	\$26,860.12	\$197,920.03	\$1,280.89	\$76,701.79	\$160.58	\$13,423.87	(\$605.67)	\$90,961.46	\$1,179,925.33	9.040
Main	11,909	3,200	12,331	0.9657	11,909	3,200	6,071,150	\$211,944.12	\$68,726.63											
Welder	431	326	540	0.7976	431	326	156,353	\$7,663.39	\$1,769.95											
Phoenix	10,814	3,369	11,327	0.9547	10,814	3,369	5,101,502	\$192,463.52	\$57,750.02											
May-16	23,154	6,895	24,159	0.9584	23,154	6,895	11,329,006	\$412,071.03	\$128,246.61	\$167,297.69	\$42,199.41	\$46,010.69	\$1,111.78	\$70,510.79	\$162.61	\$12,905.56	(\$570.53)	\$84,120.21	\$879,945.64	7.767
Main	10,055	1,999	10,252	0.9808	10,055	1,999	5,734,491	\$178,949.01	\$64,915.58											
Welder	373	315	489	0.7642	373	315	196,032	\$6,645.40	\$2,219.12											
Phoenix	7,413	1,634	7,591	0.9766	7,413	1,634	4,476,314	\$131,924.00	\$50,672.77											
Apr-16	17,841	3,948	18,273	0.9764	17,841	3,948	10,406,836	\$317,518.41	\$117,807.47	\$153,679.84	\$9,193.40	\$29,374.01	\$1,021.29	\$68,236.25	\$157.36	\$12,684.90	(\$598.07)	\$81,501.73	\$709,074.86	6.814
Main	10,772	1,820	10,925	0.9860	10,772	1,820	6,175,345	\$191,709.55	\$69,906.14											
Welder	312	276	417	0.7483	312	276	208,084	\$5,547.32	\$2,355.55											
Phoenix	7,851	1,251	7,950	0.9875	7,851	1,251	4,676,007	\$139,715.62	\$52,933.33											
Mar-16	18,934	3,348	19,228	0.9847	18,934	3,348	11,059,436	\$336,972.49	\$125,195.03	\$163,316.90	\$15,184.61	\$44,308.72	\$1,085.33	\$70,510.79	\$162.61	\$12,663.84	(\$576.34)	\$83,846.23	\$768,823.98	6.952
Main	10,991	2,028	11,177	0.9834	10,991	2,028	6,302,889	\$195,606.20	\$71,349.97											
Welder	139	282	314	0.4416	139	282	149,844	\$2,466.66	\$1,696.27											
Phoenix	8,486	1,133	8,561	0.9912	8,486	1,133	4,734,776	\$151,024.72	\$53,598.62											
Feb-16	19,616	3,443	19,915	0.9849	19,616	3,443	11,187,510	\$349,097.59	\$126,644.85	\$165,208.19	\$509.03	\$28,825.21	\$1,097.90	\$65,961.70	\$152.12	\$12,663.84	(\$782.56)	\$79,093.00	\$749,377.87	6.698
Main	11,894	2,299	12,114	0.9818	11,894	2,299	7,171,623	\$211,677.84	\$81,184.21											
Welder	290	355	458	0.6323	290	355	147,920	\$5,152.23	\$1,674.49											
Phoenix	8,211	1,158	8,292	0.9902	8,211	1,158	4,864,669	\$146,129.60	\$55,069.02											
Jan-16	20,394	3,812	20,748	0.9830	20,394	3,812	12,184,212	\$362,959.67	\$137,927.72	\$179,926.69	(\$7,579.80)	\$39,241.29	\$1,195.71	\$70,559.06	\$162.61	\$12,616.31	(\$892.92)	\$83,640.77	\$796,116.34	6.534

Year to Date 2016:

85,330,284

\$6,148,066

7.205

Notes:

- * Includes 2015 Annual Rate True-Up of \$125,821.32
- ** Adjustment Includes Correction of \$7,072.97 for 1st 5 Months of 2016. In PJM Open Access Trans Charge, NSPL wasn't updated at end of 2015 per Formula. See Invoice.

	2016				Jun-16	
	Old	New	% Change		Old rate	New rate
\$/kW	17.797	19.266	8.3%	39,300	\$476,126	\$515,426 \$KW
\$/Kwh	0.01132	0.0102889	-9.1%	-13,461	\$147,753	\$134,293 \$KWHR
	Composite			4.14%		

City of South Haven
Electric Fund - Fund 582
For the period ended June 30, 2016

UNAUDITED

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	2015-16 Adopted Budget	% of Annual Budget
Electric Sales	\$ 1,944,477	\$ 1,229,276	\$ 1,709,092	\$ 715,201	\$ 235,385	\$ 14,499,582	\$ 14,751,307	\$ 13,481,119	\$ (251,725)	\$ 1,018,463	\$ 14,751,307	98%
Charges for Service	\$ 12,263	\$ 12,500	\$ (4,529)	\$ (237)	\$ 16,792	\$ 184,866	\$ 150,000	\$ 79,689	\$ 34,866	\$ 105,177	\$ 150,000	123%
Interest Income	\$ 82,572	\$ 2,500	\$ 219,045	\$ 80,072	\$ (136,472)	\$ 119,000	\$ 30,000	\$ 294,002	\$ 89,000	\$ (175,002)	\$ 30,000	397%
Other Revenue	\$ 5,011	\$ 3,333	\$ 4,138	\$ 1,677	\$ 873	\$ 62,319	\$ 40,000	\$ 37,462	\$ 22,319	\$ 24,857	\$ 40,000	156%
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Revenues	\$ 2,044,323	\$ 1,247,609	\$ 1,927,746	\$ 796,714	\$ 116,577	\$ 14,865,767	\$ 14,971,307	\$ 13,892,272	\$ (105,540)	\$ 973,495	\$ 14,971,307	

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	2015-16 Adopted Budget	% of Annual Budget
Purchased Power	\$ 1,179,925	\$ 833,333	\$ 1,127,111	\$ 346,592	\$ 52,814	\$ 10,261,057	\$ 10,000,000	\$ 10,030,869	\$ 261,057	\$ 230,187	\$ 10,000,000	103%
Other Operating Expenses	\$ 348,547	\$ 153,285	\$ 254,141	\$ 195,263	\$ 94,406	\$ 2,160,393	\$ 1,839,417	\$ 1,957,200	\$ 320,976	\$ 203,193	\$ 1,839,417	117%
Property Tax Equivalents	\$ 75,616	\$ 60,700	\$ 59,557	\$ 14,916	\$ 16,059	\$ 743,315	\$ 728,399	\$ 714,685	\$ 14,916	\$ 28,630	\$ 728,399	102%
Energy Optimization Costs	\$ 52,939	\$ 23,467	\$ 21,219	\$ 29,473	\$ 31,720	\$ 196,308	\$ 281,600	\$ 277,048	\$ (85,292)	\$ (80,740)	\$ 281,600	70%
Capital Outlay	\$ (218,026)	\$ 26,346	\$ (4,138,447)	\$ (244,372)	\$ 3,920,421	\$ -	\$ 316,150	\$ 9,021	\$ (316,150)	\$ (9,021)	\$ 316,150	0%
Transfer Out	\$ 14,066	\$ 14,066	\$ 14,025	\$ -	\$ 41	\$ 168,789	\$ 168,789	\$ 168,301	\$ -	\$ 488	\$ 168,789	100%
Depreciation	\$ 188,824	\$ 55,917	\$ 39,510	\$ 132,908	\$ 149,314	\$ 803,911	\$ 671,000	\$ 474,124	\$ 132,911	\$ 329,787	\$ 671,000	120%
Administrative Expenses	\$ 161,577	\$ 65,110	\$ 134,391	\$ 96,467	\$ 27,186	\$ 832,671	\$ 781,325	\$ 805,470	\$ 51,346	\$ 27,201	\$ 781,325	107%
Total Expenses	\$ 1,803,469	\$ 1,232,223	\$ (2,488,492)	\$ 571,246	\$ 4,291,961	\$ 15,166,443	\$ 14,786,680	\$ 14,436,718	\$ 379,763	\$ 729,725	\$ 14,786,680	

Net Fund Change \$ 240,854 \$ 15,386 \$ 4,416,238 \$ 225,468 \$ (4,175,384) \$ (300,676) \$ 184,627 \$ (544,446) \$ (485,303) \$ 243,770 \$ 184,627

AS OF JUNE 30, 2015

Retained Earnings	\$ 16,823,115
Less Net Capital Assets	\$ (14,267,710)
Net Undesignated Reserves	\$ 2,555,405

Breakdown:

Cash/Investments	\$ 2,373,971
Current Assets	\$ 2,478,330
Current Liabilities	\$ (2,296,896)
Net Working Capital	\$ 2,555,405

AS OF CURRENT MONTH END

Retained Earnings-FYE	\$ 16,823,115
Less Net Capital Assets	\$ (13,697,982)
Net Undesignated Reserves	\$ 3,125,133
Net Income Per Income Statement Revenue > Expenses	\$ (300,676)
Add back Non-cash Depreciation Expense	\$ -
	\$ 2,824,457

Breakdown:

Cash/Investments	\$ 2,594,845
Current Assets	\$ 2,643,939
Current Liabilities	\$ (2,414,327)
Net Working Capital	\$ 2,824,457

PROJECTED BALANCE AT JUNE 30, 2016 Based on AMENDED Annual Budget

Beginning Retained Earnings-July 1, 2015	\$ 16,823,115
Less Projected Net Capital Assets	\$ (13,912,860)
Net Income Per Income Statement Revenue > Expenses	\$ 184,627
	\$ 3,094,882

Net Working Capital \$ 3,094,882 Projected thru 6/30/16

The Net Working Capital is shown here for June 30, 2015, Current Month Ended, and Projected at June 30, 2016. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

City of South Haven
Water Fund - Fund 591
For the period ended June 30, 2016

UNAUDITED

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	2015-16 Adopted Budget	% of Annual Budget
Sales	\$ 548,385	\$ 318,092	\$ 484,261	\$ 230,293	\$ 64,124	\$ 3,765,893	\$ 3,817,098	\$ 3,605,782	\$ (51,206)	\$ 160,111	\$ 3,817,098	99%
Charges for Service	18,310	5,833	15,779	12,477	2,531	90,832	70,000	57,373	20,832	33,460	70,000	130%
Interest Income	22,117	167	(15,275)	21,950	37,392	35,719	2,000	(9,838)	33,719	45,558	2,000	1786%
Special Assessment Revenue	52,241	7,015	12,602	45,226	39,639	52,241	84,185	12,614	(31,944)	39,627	84,185	62%
Other Revenue	4,672	2,917	322	1,756	4,350	44,906	35,000	54,155	9,906	(9,249)	35,000	128%
Total Revenues	\$ 645,726	\$ 334,024	\$ 497,690	\$ 311,702	\$ 148,036	\$ 3,989,592	\$ 4,008,283	\$ 3,720,086	\$ (18,691)	\$ 269,506	\$ 4,008,283	
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	2015-16 Adopted Budget	% of Annual Budget
Operating Expenses	\$ 176,051	\$ 126,019	\$ 133,244	\$ 50,032	\$ 42,807	\$ 1,554,171	\$ 1,512,227	\$ 1,436,985	\$ 41,944	\$ 117,185	\$ 1,512,227	103%
Property Tax Equivalents	15,766	16,701	16,107	(935)	(341)	199,480	200,415	193,284	(935)	6,196	200,415	100%
Capital Outlay	(57,773)	32,377	(203,274)	(90,150)	145,501	-	388,527	-	(388,527)	-	388,527	0%
Debt Service	(597,485)	126,651	(582,093)	(724,136)	(15,392)	921,364	1,519,812	915,418	(598,448)	5,945	1,519,812	61%
Transfers Out	523	63	1,147	460	(624)	523	756	4,814	(233)	(4,291)	756	69%
Depreciation	36,753	50,833	16,307	(14,080)	20,446	595,920	610,000	195,684	(14,080)	400,236	610,000	98%
Administrative Expenses	33,309	20,534	16,511	12,775	16,797	245,341	246,402	234,123	(1,061)	11,217	246,402	100%
Total Expenses	\$ (392,856)	\$ 373,178	\$ (602,050)	\$ (766,034)	\$ 209,195	\$ 3,516,798	\$ 4,478,139	\$ 2,980,309	\$ (961,341)	\$ 536,489	\$ 4,478,139	
Net Fund Change	\$ 1,038,581	\$ (39,155)	\$ 1,099,740	\$ 1,077,736	\$ (61,159)	\$ 472,794	\$ (469,856)	\$ 739,777	\$ 942,650	\$ (266,983)	\$ (469,856)	

AS OF JUNE 30, 2015

Retained Earnings	\$ 7,773,667
Less Net Capital Assets, minus related LT debt	\$ (5,915,344)
Less Restricted Cash-Debt	\$ (60,723)
Net Undesignated Reserves	\$ 1,797,600
	Thru 6/30/15

Breakdown:

Cash/Investments	\$ 2,077,613
Current Assets	\$ 966,012
Current Liabilities	\$ (1,246,024)
Net Working Capital	\$ 1,797,600
	Thru 6/30/15

AS OF CURRENT MONTH END

Retained Earnings-FYE	\$ 7,773,667		
Less Net Capital Assets, minus related LT debt	\$ (5,997,332)		
Less Restricted Cash-Debt	\$ (60,743)		
Net Undesignated Reserves	\$ 1,715,592		
Net Income Per Income Statement	Revenue > Expenses	Thru 06/30/16	\$ 472,794
Add back Non-cash Depreciation Expense			\$ 2,188,386

Breakdown:

Cash/Investments	\$ 2,537,139
Current Assets	\$ 952,898
Current Liabilities	\$ (1,301,651)
Net Working Capital	\$ 2,188,386
	Thru 06/30/16

PROJECTED BALANCE AT JUNE 30, 2016

Based on Adopted Annual Budget

Beginning Retained Earnings-July 1, 2015	\$ 7,773,667		
Less Projected Net Capital Assets, minus related LT debt	\$ (5,693,871)		
Less Restricted Cash-Debt	\$ (60,743)		
Net Income Per Income Statement	Revenue < Expenses	Projected thru 6/30/16	\$ (469,856)
			\$ 1,549,197

Net Working Capital \$ 1,549,197 Projected thru 6/30/16

The Net Working Capital is shown here for June 30, 2015, Current Month Ended, and Projected at June 30, 2016. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

City of South Haven
Sewer Fund - Fund 592
For the period ended June 30, 2016

UNAUDITED

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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	2015-16 Adopted Budget	% of Annual Budget
Sales	\$ 330,532	\$ 200,392	\$ 297,626	\$ 130,140	\$ 32,906	\$ 2,353,901	\$ 2,404,700	\$ 2,214,944	\$ (50,799)	\$ 138,957	\$ 2,404,700	98%
IPP Revenues	2,901	7,083	4,662	(4,183)	(1,762)	78,244	85,000	69,785	(6,756)	8,459	85,000	92%
Interest Income	8,509	208	(4,931)	8,300	13,440	14,451	2,500	(3,123)	11,951	17,574	2,500	578%
Special Assessment Revenue	59,969	8,457	12,668	51,512	47,302	59,969	101,483	12,685	(41,514)	47,285	101,483	59%
Grant Revenue	448,736	514	18,799	448,222	429,937	606,040	6,171	366,100	599,869	239,940	6,171	9821%
Other Revenue	1,767	1,667	65	101	1,702	10,519	20,000	17,028	(9,481)	(6,509)	20,000	53%
Total Revenues	\$ 852,414	\$ 218,321	\$ 328,889	\$ 634,093	\$ 523,525	\$ 3,123,125	\$ 2,619,854	\$ 2,677,419	\$ 503,271	\$ 445,706	\$ 2,619,854	

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	2015-16 Adopted Budget	% of Annual Budget
Operating Expenses	\$ 222,472	\$ 121,297	\$ 170,086	\$ 101,175	\$ 52,385	\$ 1,605,984	\$ 1,455,566	\$ 1,326,409	\$ 150,418	\$ 279,575	\$ 1,455,566	110%
Property Tax Equivalents	(12,326)	8,733	8,104	(21,059)	(20,430)	83,736	104,795	97,252	(21,059)	(13,516)	104,795	80%
Capital Outlay	(400,589)	37,082	(405,767)	(437,671)	5,179	-	444,986	9,041	(444,986)	(9,041)	444,986	0%
Transfers Out	17,178	16,735	17,934	443	(756)	200,511	200,821	204,934	(310)	(4,422)	200,821	100%
Depreciation	19,133	29,583	20,379	(10,450)	(1,245)	344,550	355,000	244,545	(10,450)	100,005	355,000	97%
Administrative Expenses	41,631	27,906	23,734	13,725	17,896	335,180	334,870	315,763	310	19,417	334,870	100%
Total Expenses	\$ (112,501)	\$ 241,337	\$ (162,674)	\$ (353,837)	\$ 50,173	\$ 2,569,962	\$ 2,896,038	\$ 2,204,465	\$ (326,076)	\$ 365,498	\$ 2,896,038	

Net Fund Change \$ 964,915 \$ (23,015) \$ 491,564 \$ 987,930 \$ 473,352 \$ **553,163** \$ (276,184) \$ 472,954 \$ 829,347 \$ 80,208 \$ **(276,184)**

AS OF JUNE 30, 2015

Retained Earnings				\$ 7,192,829								
Less Net Capital Assets (Net of related Debt)				\$ (5,741,834)								
Net Undesignated Reserves			Thru 6/30/15	\$ 1,450,995								
												Net Working Capital \$ 1,450,995 Thru 6/30/15

Breakdown:

Cash/Investments \$ 1,313,018

Current Assets \$ 603,376

Current Liabilities \$ (465,399)

Net Working Capital \$ 1,450,995 Thru 6/30/15

AS OF CURRENT MONTH END

Retained Earnings-FYE				\$ 7,192,829								
Less Net Capital Assets				\$ (5,828,290)								
Net Undesignated Reserves		June 30		\$ 1,364,539								
Net Income Per Income Statement	Revenue > Expenses		Thru 06/30/16	\$ 553,163								
Add back Non-cash Depreciation Expense				\$ 1,917,702								
												Net Working Capital \$ 1,917,702 Thru 06/30/16

Breakdown:

Cash/Investments \$ 1,385,143

Current Assets \$ 1,006,502

Current Liabilities \$ (473,943)

Net Working Capital \$ 1,917,702 Thru 06/30/16

PROJECTED BALANCE AT JUNE 30, 2016

Based on Adopted Annual Budget

Beginning Retained Earnings-July 1, 2015				\$ 7,192,829								
Less Projected Net Capital Assets, minus related LT debt				\$ (5,831,820)								
Net Income Per Income Statement	Revenue < Expenses		Projected thru 6/30/16	\$ (276,184)								
				\$ 1,084,825								Net Working Capital \$ 1,084,825 Projected thru 6/30/16

The Net Working Capital is shown here for June 30, 2015, Current Month Ended, and projected at June 30, 2016. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

City of South Haven
Electric Fund - Fund 582
For the period ended July 31, 2016

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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	2016-17 Adopted Budget	% of Annual Budget
Electric Sales	\$ 1,000,067	\$ 1,332,555	\$ 681,977	\$ (332,488)	\$ 318,090	\$ 1,000,067	\$ 1,332,555	\$ 681,977	\$ (332,488)	\$ 318,090	\$ 15,990,657	6%
Charges for Service	\$ 8,542	\$ 12,500	\$ 4,808	\$ (3,958)	\$ 3,734	\$ 8,542	\$ 12,500	\$ 4,808	\$ (3,958)	\$ 3,734	\$ 150,000	6%
Interest Income	\$ 1,082	\$ 2,500	\$ 5,682	\$ (1,418)	\$ (4,599)	\$ 1,082	\$ 2,500	\$ 5,682	\$ (1,418)	\$ (4,599)	\$ 30,000	4%
Other Revenue	\$ 3,408	\$ 3,333	\$ 3,645	\$ 75	\$ (237)	\$ 3,408	\$ 3,333	\$ 3,645	\$ 75	\$ (237)	\$ 40,000	9%
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Revenues	\$ 1,013,099	\$ 1,350,888	\$ 696,112	\$ (337,789)	\$ 316,988	\$ 1,013,099	\$ 1,350,888	\$ 696,112	\$ (337,789)	\$ 316,988	\$ 16,210,657	

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	2016-17 Adopted Budget	% of Annual Budget
Purchased Power	\$ 1,064,802	\$ 852,679	\$ 1,042,795	\$ 212,123	\$ 22,006	\$ 1,064,802	\$ 852,679	\$ 1,042,795	\$ 212,123	\$ 22,006	\$ 10,232,153	10%
Other Operating Expenses	\$ 105,165	\$ 181,784	\$ 110,124	\$ (76,619)	\$ (4,959)	\$ 105,165	\$ 181,784	\$ 110,124	\$ (76,619)	\$ (4,959)	\$ 2,181,406	5%
Property Tax Equivalents	\$ 63,288	\$ 63,288	\$ 60,700	\$ (0)	\$ 2,588	\$ 63,288	\$ 63,288	\$ 60,700	\$ (0)	\$ 2,588	\$ 759,460	8%
Energy Optimization Costs	\$ -	\$ 22,749	\$ 2,214	\$ (22,749)	\$ (2,214)	\$ -	\$ 22,749	\$ 2,214	\$ (22,749)	\$ (2,214)	\$ 272,989	0%
Capital Outlay	\$ -	\$ 85,417	\$ 1,398	\$ (85,417)	\$ (1,398)	\$ -	\$ 85,417	\$ 1,398	\$ (85,417)	\$ (1,398)	\$ 1,025,000	0%
Transfer Out	\$ 14,071	\$ 14,071	\$ 14,066	\$ 0	\$ 5	\$ 14,071	\$ 14,071	\$ 14,066	\$ 0	\$ 5	\$ 168,854	8%
Depreciation	\$ 57,500	\$ 57,500	\$ 55,917	\$ -	\$ 1,583	\$ 57,500	\$ 57,500	\$ 55,917	\$ -	\$ 1,583	\$ 690,000	8%
Administrative Expenses	\$ 80,845	\$ 69,253	\$ 117,629	\$ 11,592	\$ (36,785)	\$ 80,845	\$ 69,253	\$ 117,629	\$ 11,592	\$ (36,785)	\$ 831,031	10%
Total Expenses	\$ 1,385,671	\$ 1,346,741	\$ 1,404,843	\$ 38,930	\$ (19,172)	\$ 1,385,671	\$ 1,346,741	\$ 1,404,843	\$ 38,930	\$ (19,172)	\$ 16,160,893	

Net Fund Change \$ (372,572) \$ 4,147 \$ (708,731) \$ (376,719) \$ 336,159 \$ (372,572) \$ 4,147 \$ (708,731) \$ (376,719) \$ 336,159 \$ 49,764

AS OF JUNE 30, 2016

Retained Earnings	\$ 16,522,438
Less Net Capital Assets	\$ (13,697,982)
Net Undesignated Reserves	\$ 2,824,457

Breakdown:

Cash/Investments	\$ 2,594,845
Current Assets	\$ 2,643,939
Current Liabilities	\$ (2,414,327)
Net Working Capital	\$ 2,824,457

AS OF CURRENT MONTH END

Retained Earnings-FYE	\$ 16,522,438
Less Net Capital Assets	\$ (13,640,482)
Net Undesignated Reserves	\$ 2,881,957
Net Income Per Income Statement Revenue > Expenses	\$ (372,572)
Add back Non-cash Depreciation Expense	\$ -
	\$ 2,509,385

Breakdown:

Cash/Investments	\$ 2,534,322
Current Assets	\$ 2,832,470
Current Liabilities	\$ (2,229,161)
Net Working Capital	\$ 3,137,631

PROJECTED BALANCE AT JUNE 30, 2017 Based on ORIGINAL Annual Budget

Beginning Retained Earnings-July 1, 2016	\$ 16,522,438
Less Projected Net Capital Assets	\$ (14,032,982)
Net Income Per Income Statement Revenue > Expenses	\$ 49,764
	\$ 2,539,220

Net Working Capital \$ 2,539,220 Projected thru 6/30/17

The Net Working Capital is shown here for June 30, 2016, Current Month Ended, and Projected at June 30, 2017. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

CITY OF SOUTH HAVEN
ELECTRIC FUND
KWH COMPARISONS
ROLLING TWELVE MONTHS

		KWH	KWH	KWH	STREET LTS	TOTAL KWH	PERCENTAGE	PERCENTAGE	
		PURCHASED	BILLED	STREET LTS	12 MO AVE.	BILLED AND	BILLED AND	BILLED AND	
						STREET LTS	TO PURCHASED	TO PURCHASED	
							(ROLLING 12 MOS)	CURRENT MONTH	
FISCAL 2014									
July	2013	14,702,976	12,364,189	37,740	52,213	12,401,929	94.64%	84.35%	31
August	2013	13,559,712	13,582,248	42,342	52,126	13,624,590	94.42%	100.48%	31
September	2013	11,670,399	12,462,283	48,796	52,143	12,511,079	95.03%	107.20%	30
October	2013	10,945,398	10,453,792	54,475	52,125	10,508,267	94.91%	96.01%	31
November	2013	10,657,150	9,502,492	58,511	51,866	9,561,003	94.96%	89.71%	30
December	2013	11,962,287	10,244,088	71,063	52,032	10,315,151	94.68%	86.23%	31
January	2014	12,608,593	10,959,716	65,878	51,791	11,025,594	94.12%	87.45%	31
February	2014	11,410,071	12,066,200	59,636	51,790	12,125,836	94.72%	106.27%	29
March	2014	11,773,033	10,878,414	54,626	51,925	10,933,040	94.54%	92.87%	31
April	2014	10,374,016	10,020,033	48,541	51,953	10,068,574	94.63%	97.06%	30
May	2014	11,203,732	10,614,984	44,334	51,971	10,659,318	94.97%	95.14%	31
June	2014	12,746,940	11,082,867	39,220	52,097	11,122,087	93.90%	87.25%	30
		<u>143,614,306</u>	<u>134,231,306</u>	<u>625,162</u>		<u>134,856,468</u>			
FISCAL 2015									
July	2014	13,717,651	12,578,551	38,129	52,129	12,616,680	96.41%	91.97%	31
August	2014	14,486,040	12,740,027	42,644	52,154	12,782,671	94.07%	88.24%	31
September	2014	11,824,906	13,323,234	48,696	52,146	13,371,930	94.64%	113.08%	30
October	2014	11,327,065	11,109,952	55,667	52,245	11,165,619	95.09%	98.57%	31
November	2014	11,400,971	10,662,987	62,443	52,573	10,725,430	94.71%	94.07%	30
December	2014	12,007,610	11,126,842	67,163	52,248	11,194,005	95.06%	93.22%	31
January	2015	12,646,269	11,962,202	63,831	52,078	12,026,033	95.27%	95.10%	31
February	2015	11,642,781	11,272,243	59,367	52,055	11,331,610	95.05%	97.33%	29
March	2015	11,611,940	10,475,991	55,391	52,119	10,531,382	94.93%	90.69%	31
April	2015	10,409,946	10,889,321	49,374	52,188	10,938,695	95.50%	105.08%	30
May	2015	11,362,501	10,551,097	43,678	52,134	10,594,775	95.38%	93.24%	31
June	2015	12,140,981	10,457,881	38,776	52,097	10,496,657	95.29%	86.46%	30
		<u>144,578,660</u>	<u>137,150,328</u>	<u>625,159</u>		<u>137,775,487</u>			
FISCAL 2016									
July	2015	14,677,143	13,243,711	38,312	52,112	13,282,023	93.91%	90.49%	31
August	2015	14,339,662	13,784,516	43,194	52,158	13,827,710	93.48%	96.43%	31
September	2015	12,441,903	13,414,247	48,002	52,100	13,462,249	94.04%	108.20%	30
October	2015	11,188,839	11,094,437	54,768	52,025	11,149,205	94.43%	99.65%	31
November	2015	10,684,266	9,455,848	61,411	51,939	9,517,259	94.57%	89.08%	30
December	2015	11,590,762	9,764,754	67,711	51,985	9,832,465	94.49%	84.83%	31
January	2016	12,184,212	11,882,513	62,508	51,855	11,945,021	94.16%	98.04%	31
February	2016	11,187,510	10,966,030	59,563	51,849	11,025,593	94.39%	98.55%	29
March	2016	11,059,436	10,905,400	53,548	51,759	10,958,948	94.48%	99.09%	31
April	2016	10,406,837	10,376,409	47,900	51,706	10,424,309	94.67%	100.17%	30
May	2016	11,329,005	9,214,689	43,807	51,662	9,258,496	94.48%	81.72%	31
June	2016	13,052,198	12,169,496	37,317	51,503	12,206,813	94.97%	93.52%	30
		<u>144,141,773</u>	<u>136,272,049</u>	<u>618,041</u>		<u>136,890,090</u>			
FISCAL 2017									
July	2016	16,111,086	13,534,627	37,151	51,407	13,571,778	95.18%	84.24%	31
		<u>16,111,086</u>	<u>13,534,627</u>	<u>37,151</u>		<u>13,571,778</u>			
Prior Year-to-date		14,677,143	13,243,711	38,312		13,282,023			
Two Years Prior		13,717,651	12,578,551	38,129		12,616,680			

City of South Haven
Water Fund - Fund 591
For the period ended July 31, 2016

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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	2016-17 Adopted Budget	% of Annual Budget
Sales	\$ 173,500	\$ 369,892	\$ 156,355	\$ (196,392)	\$ 17,145	\$ 173,500	\$ 369,892	\$ 156,355	\$ (196,392)	\$ 17,145	\$ 4,438,705	4%
Charges for Service	-	8,000	-	(8,000)	-	-	8,000	-	(8,000)	-	96,000	0%
Interest Income	281	667	1,461	(385)	(1,179)	281	667	1,461	(385)	(1,179)	8,000	4%
Special Assessment Revenue	-	11,495	-	(11,495)	-	-	11,495	-	(11,495)	-	137,941	0%
Other Revenue	943	70,517	2,767	(69,574)	(1,824)	943	70,517	2,767	(69,574)	(1,824)	846,208	0%
Total Revenues	\$ 174,725	\$ 460,571	\$ 160,583	\$ (285,847)	\$ 14,142	\$ 174,725	\$ 460,571	\$ 160,583	\$ (285,847)	\$ 14,142	\$ 5,526,854	

Expenses:	1	2	3	4	5	6	7	8	9	10	11	% of Annual Budget
	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	2016-17 Adopted Budget	
Operating Expenses	\$ 84,372	\$ 137,776	\$ 93,119	\$ (53,404)	\$ (8,747)	\$ 84,372	\$ 137,776	\$ 93,119	\$ (53,404)	\$ (8,747)	\$ 1,653,307	5%
Property Tax Equivalents	16,701	16,701	16,701	-	-	16,701	16,701	16,701	-	-	200,415	8%
Capital Outlay	-	99,542	1,398	(99,542)	(1,398)	-	99,542	1,398	(99,542)	(1,398)	1,194,501	0%
Debt Service	500	128,163	-	(127,663)	500	500	128,163	-	(127,663)	500	1,537,951	0%
Transfers Out	-	1,157	-	(1,157)	-	-	1,157	-	(1,157)	-	13,882	0%
Depreciation	52,583	52,583	50,833	-	1,750	52,583	52,583	50,833	-	1,750	631,000	8%
Administrative Expenses	35,452	24,582	54,131	10,870	(18,679)	35,452	24,582	54,131	10,870	(18,679)	294,983	12%
Total Expenses	\$ 189,609	\$ 460,503	\$ 216,182	\$ (270,895)	\$ (26,574)	\$ 189,609	\$ 460,503	\$ 216,182	\$ (270,895)	\$ (26,574)	\$ 5,526,039	

Net Fund Change \$ (14,884) \$ 68 \$ (55,599) \$ (14,952) \$ 40,715 \$ (14,884) \$ 68 \$ (55,599) \$ (14,952) \$ 40,715 \$ 815

AS OF JUNE 30, 2016

Retained Earnings	\$ 8,246,461
Less Net Capital Assets, minus related LT debt	\$ (5,997,332)
Less Restricted Cash-Debt	\$ (60,763)
Net Undesignated Reserves	\$ 2,188,366

Breakdown:

Cash/Investments	\$ 2,537,118
Current Assets	\$ 952,898
Current Liabilities	\$ (1,301,651)
Net Working Capital	\$ 2,188,366

AS OF CURRENT MONTH END

Retained Earnings-FYE	\$ 8,246,461
Less Net Capital Assets, minus related LT debt	\$ (5,944,748)
Less Restricted Cash-Debt	\$ (60,763)
Net Undesignated Reserves	\$ 2,240,949
Net Income Per Income Statement Revenue > Expenses	\$ (14,884)
Add back Non-cash Depreciation Expense	\$ 52,583
	\$ 2,278,649

Breakdown:

Cash/Investments	\$ 2,768,248
Current Assets	\$ 769,060
Current Liabilities	\$ (1,258,659)
Net Working Capital	\$ 2,278,649

PROJECTED BALANCE AT JUNE 30, 2017

Based on Adopted Annual Budget

Beginning Retained Earnings-July 1, 2016	\$ 8,246,461
Less Projected Net Capital Assets, minus related LT debt	\$ (6,560,833)
Less Restricted Cash-Debt	\$ (60,763)
Net Income Per Income Statement Revenue < Expenses	\$ 815
	\$ 1,625,679

Net Working Capital \$ 1,625,679 Projected thru 6/30/17

The Net Working Capital is shown here for June 30, 2016, Current Month Ended, and Projected at June 30, 2017. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

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
FISCAL 2014								
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%
February	2014	36,711,000	4,907,888	36,230	128,741	3,454,550	89.24%	71.13%
March	2014	36,506,000	4,880,481	37,567	40,914	3,251,264	89.19%	67.39%
April	2014	29,869,000	3,993,182	33,957	57,952	3,321,979	89.46%	84.04%
May	2014	40,638,000	5,432,888	31,283	70,598	4,278,590	89.10%	78.75%
June	2014	53,611,000	7,167,246	37,032	100,575	5,543,066	85.86%	77.34%
		<u>511,630,000</u>	<u>68,399,733</u>	<u>487,843</u>	<u>1,522,412</u>	<u>56,718,922</u>		
FISCAL 2015								
July	2014	64,316,000	8,598,396	38,503	126,739	6,932,597	89.25%	81.07%
August	2014	66,789,000	8,929,011	42,246	34,492	7,841,235	88.61%	88.29%
September	2014	44,601,000	5,962,701	36,096	100,277	6,663,068	89.65%	112.35%
October	2014	33,430,000	4,469,251	34,492	117,932	4,619,497	90.26%	104.13%
November	2014	29,363,000	3,925,535	34,091	102,686	3,359,059	90.37%	86.44%
December	2014	28,908,000	3,864,706	35,294	67,388	3,125,243	90.02%	81.78%
January	2015	31,306,000	4,185,294	35,561	83,432	4,170,131	90.74%	100.49%
February	2015	28,322,000	3,786,364	34,091	81,219	4,470,432	91.70%	118.97%
March	2015	31,937,000	4,269,652	34,091	40,910	3,087,632	91.99%	73.11%
April	2015	29,525,000	3,947,193	31,551	56,153	3,393,749	92.42%	86.78%
May	2015	39,633,000	5,298,529	35,963	54,549	3,758,939	91.60%	70.94%
June	2015	47,141,000	6,302,273	30,749	60,965	4,655,896	90.38%	73.88%
		<u>475,271,000</u>	<u>63,538,904</u>	<u>422,727</u>	<u>926,742</u>	<u>56,077,478</u>		
FISCAL 2016								
July	2015	61,946,000	8,281,551	38,503	78,614	6,437,314	84.12%	78.20%
August	2015	62,360,000	8,336,898	36,364	94,657	7,097,043	83.07%	85.56%
September	2015	46,519,000	6,219,118	31,150	94,659	6,645,302	83.99%	107.35%
October	2015	35,558,000	4,753,743	29,947	93,054	4,625,971	84.62%	97.94%
November	2015	29,110,000	3,891,711	28,743	89,845	3,606,818	85.68%	93.42%
December	2015	28,456,000	3,804,278	28,743	91,450	2,847,372	85.91%	75.60%
January	2016	29,466,000	3,939,305	15,775	93,053	3,223,960	86.57%	82.24%
February	2016	27,269,000	3,645,588	18,717	94,657	2,991,478	86.56%	82.57%
March	2016	30,166,000	4,032,888	4,011	99,470	2,906,571	86.43%	72.17%
April	2016	28,664,000	3,832,086	2,139	93,053	3,119,071	86.78%	81.45%
May	2016	42,083,000	5,626,070	11,096	94,657	3,424,837	85.70%	60.87%
June	2016	54,533,000	7,290,508	29,947	99,470	5,473,039	84.50%	75.07%
		<u>476,130,000</u>	<u>63,653,743</u>	<u>275,134</u>	<u>1,116,639</u>	<u>52,398,776</u>		
FISCAL 2017								
July	2016	74,955,000	10,020,722	37,032	93,053	7,365,793	88.49%	73.88%
		<u>74,955,000</u>	<u>10,020,722</u>	<u>37,032</u>	<u>93,053</u>	<u>7,365,793</u>		
Prior Year-to-date		61,946,000	8,281,551	38,503	78,614	6,437,314		
Two Years Prior		64,316,000	8,598,396	38,503	126,739	6,932,597		

City of South Haven
Sewer Fund - Fund 592
For the period ended July 31, 2016

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	2016-17 Adopted Budget	% of Annual Budget
Sales	\$ 99,182	\$ 256,705	\$ 93,698	\$ (157,523)	\$ 5,485	\$ 99,182	\$ 256,705	\$ 93,698	\$ (157,523)	\$ 5,485	\$ 3,080,460	3%
IPP Revenues	5,716	6,608	12,596	(892)	(6,880)	5,716	6,608	12,596	(892)	(6,880)	79,300	7%
Interest Income	136	417	1,011	(280)	(874)	136	417	1,011	(280)	(874)	5,000	3%
Special Assessment Revenue	-	58,680	-	(58,680)	-	-	58,680	-	(58,680)	-	704,165	0%
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	#DIV/0!
Other Revenue	165	857,933	469	(857,768)	(304)	165	857,933	469	(857,768)	(304)	10,295,193	0%
Total Revenues	\$ 105,200	\$ 1,180,343	\$ 107,773	\$ (1,075,143)	\$ (2,574)	\$ 105,200	\$ 1,180,343	\$ 107,773	\$ (1,075,143)	\$ (2,574)	\$ 14,164,118	

Expenses	1	2	3	4	5	6	7	8	9	10	11	% of Annual Budget
	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	2016-17 Adopted Budget	
Operating Expenses	\$ 75,231	\$ 148,655	\$ 129,748	\$ (73,424)	\$ (54,517)	\$ 75,231	\$ 148,655	\$ 129,748	\$ (73,424)	\$ (54,517)	\$ 1,783,858	4%
Property Tax Equivalents	8,712	8,733	8,733	(21)	(21)	8,712	8,733	8,733	(21)	(21)	104,795	8%
Capital Outlay	-	924,826	1,398	(924,826)	(1,398)	-	924,826	1,398	(924,826)	(1,398)	11,097,906	0%
Transfers Out	16,667	16,733	16,667	(66)	-	16,667	16,733	16,667	(66)	-	200,790	8%
Depreciation	33,333	33,333	29,583	-	3,750	33,333	33,333	29,583	-	3,750	400,000	8%
Administrative Expenses	42,023	31,048	54,890	10,975	(12,867)	42,023	31,048	54,890	10,975	(12,867)	372,579	11%
Total Expenses	\$ 175,966	\$ 1,188,327	\$ 241,018	\$ (1,012,361)	\$ (65,052)	\$ 175,966	\$ 1,188,327	\$ 241,018	\$ (1,012,361)	\$ (65,052)	\$ 14,259,928	

Net Fund Change \$ (70,767) \$ (7,984) \$ (133,245) \$ (62,783) \$ 62,478 \$ (70,767) \$ (7,984) \$ (133,245) \$ (62,783) \$ 62,478 \$ (95,810)

AS OF JUNE 30, 2016

Retained Earnings	\$ 7,745,992
Less Net Capital Assets (Net of related Debt)	\$ (5,828,290)
Net Undesignated Reserves	\$ 1,917,702

Breakdown:

Cash/Investments	\$ 1,385,143
Current Assets	\$ 1,006,502
Current Liabilities	\$ (473,943)
Net Working Capital	\$ 1,917,702

AS OF CURRENT MONTH END

Retained Earnings-FYE	\$ 7,745,992
Less Net Capital Assets	\$ (5,828,290)
Net Undesignated Reserves	\$ 1,917,702
Net Income Per Income Statement Revenue > Expenses	\$ (70,767)
Add back Non-cash Depreciation Expense	\$ 33,333
	\$ 1,880,269

Breakdown:

Cash/Investments	\$ 1,837,874
Current Assets	\$ 452,187
Current Liabilities	\$ (409,792)
Net Working Capital	\$ 1,880,269

PROJECTED BALANCE AT JUNE 30, 2017

Based on Adopted Annual Budget

Beginning Retained Earnings-July 1, 2016	\$ 7,745,992
Less Projected Net Capital Assets, minus related LT debt	\$ (6,231,003)
Net Income Per Income Statement Revenue < Expenses	\$ (95,810)
	\$ 1,419,179

Net Working Capital \$ 1,419,179 Projected thru 6/30/17

The Net Working Capital is shown here for June 30, 2016, Current Month Ended, and projected at June 30, 2017. The amounts represent what is left over after all of the short-term obligations have been met and represents the relatively liquid portion of the Utility's retained earnings or reserves that can be used for future expenditures.

MEMORANDUM

DATE: August 25, 2016

TO: Bill Hunter, Public Works Director
City of South Haven

FROM: Tony McGhee

C: Chris Cook, P.E.
Jason Marquardt, P.E.

RE: **Black River Park Sanitary Sewer Foundation/Pile Design**

Following is an overview of the site conditions and pile design which was selected to support the new sanitary sewer in Back River Park being installed as part of the upgrades to the Wastewater Treatment Plant. The design was developed in conjunction with SME to deliver the maximum dependability for the best value. Furthermore, once the design was completed, we reviewed it with Dave Herweyer P.E. of The King Company of Holland, Michigan. Dave both works in similar conditions on a regular basis building piling and supports as well as possesses a Master's Degree in Structural Engineering. He agreed that the approach taken in the design was the way he would have approached the situation as well further supporting the proposed design.

- Portions of the site are underlain by organic soils (peat and/or marl). Organic soils are compressible, and will compress or settle slowly over time. Therefore, improvements constructed on or above organic soils will be at risk of adverse total and differential settlements over time. For critical utilities (e.g., the new sanitary sewer) that convey flow by gravity, settlements over time could adversely impact the performance of the utility.
- Where feasible, organic soils that extend below critical gravity utilities (including structures such as manholes) will be removed (i.e., undercut) and replaced with engineered fill.
- Where organic soils extend too deep to make it feasible to undercut these soils, the project team elected to support the new sanitary sewer elements on a structural/deep foundation system.
- The structural/deep foundation system consists of a continuous cradle to support the sewer pipe, with pairs of piles spaced along the cradle. The cradle bridges between the pile pairs.

- A treated timber pile was selected for use because these piles provide a reasonable load capacity and are judged economical for use.
- The contractor has the option for utilizing other pile types (e.g., concrete-filled, closed-end, steel pipe piles), provided the alternate pile type can achieve the required design working load.
- Static analysis of timber pile capacity considered a timber pile with a minimum 12-inch diameter butt and a minimum 7-inch diameter tip.
- A single 45-foot-long timber pile will develop a ultimate capacity of 68 kips in compression based on the static analysis.
- Pile design applied a factor of safety (FOS) of 2 after considering downdrag on each pile. Downdrag loads on the piles are significant, and result from the relative downward movement of the soils adjacent to the piles, and from the relative downward movement of the soils adjacent the soil mass above the pipe cradle.
- A single ultimate pile capacity was chosen, and the spacing varied between 10 and 12 feet depending on the existing soils.
- A single pile length was chosen and an estimated pile length for simplicity rather than varying pile capacities and lengths.
- The load capacity of each pile will be developed in large part from resistance along sides of the pile extending into soils below, and to a lesser extent from end-bearing at the pile tip.
- For support of manhole structures, three (3) timber piles will be placed with installation of a reinforced concrete pile cap for structure to be installed on.

In summary, we believe the proposed design delivers the performance and durability desired at the best value. If you have any questions or need additional information, please do not hesitate to call me at (269) 252-8980 or via email at tmcghee@abonmarche.com

From: [Bill Hunter](#)
To: [Larry Halberstadt](#)
Subject: BPU Board meeting-Questions answered
Date: Thursday, August 25, 2016 2:14:47 PM
Attachments: [Sludge Hauling WWP_04262016.pdf](#)
[image002.png](#)

1. Squirrel Guard. I spoke to Jim and these are the types of squirrel guards we are currently installing. Jim tells me that they are installed during new installations, as well as in situations where a squirrel caused an outage.



2. Albemarle Corporation-billing for sludge hauling. I attached is a copy of the memo, invoice and calculation of sludge billed to Albemarle. DPW staff handles the invoicing each time sludge is hauled.
3. Muskegon County Waste Water Plant information. I spoke to Dave Johnson the Wastewater Director. He provided to me the following information:
 - a. SYSTEM CAPACITY
 - 43 MGD of wastewater

30 MGD currently available

- 73 Tons per day of suspended solids
50 Tons per day currently available
- 72 Tons per day of biochemical oxygen demand
40 Tons per day currently available
- The plant reserves 4.5 MGD for waste hauling
- Our sludge is deposited in the second stage of the plan, the settling cell.

William Hunter // Director of Public Works

City of South Haven // (269) 637-0719 // bhunter@south-haven.com

Department of Public Works // 1199 8th Avenue, South Haven, MI 49090

<http://south-haven.com/>



City of South Haven

City Hall • 539 Phoenix Street • South Haven, Michigan 49090

Telephone (269) 637-0700 • FAX (269) 637-5319

April 26, 2016

Andrew Baner
Senior Environmental Specialist
Albemarle Corporation
1421 Kalamazoo Street
South Haven, MI 49090

*COPY
WWTP*

RE: Sludge Hauling

Enclosed is an invoice for sludge hauling in April. The scheduled March hauling was delayed until April because of wet field conditions.

The breakdown of charges is as follows:

- | | |
|-------------------------------|-----------------|
| • Gallons hauled to farmland | 418,000 gallons |
| • Gallons generated by city | 148,480 gallons |
| • Balance of sludge Albemarle | 269,520 gallons |

I have provided you with a copy of the invoice from NutriGro.

NutriGro was hauling the sludge under the umbrella of GroAmerica. NutriGro has purchased the sludge hauling equipment from GroAmerica and have taken over the balance of the sludge hauling contract.

Thank you for your cooperation.

Sincerely,

David Mulac, Superintendent
City of South Haven, WWTP

South Haven WWTP Operational Data
Monthly Average 2015-16

Month	Flow MGD	Inf. BOD lbs/d	% Solids
Dec.	1.18	897	
Jan.	1.33	819	
Feb.	1.32	888	
Average	1.28	868	2.1

Solids Calculation:

$$\frac{580,000 \text{ gal.}}{4 \text{ hauling events}} = 145,000 \text{ gal.}$$

$$\frac{145,000 \text{ gal.} \times 1.28 \text{ MGD}}{1.25 \text{ MGD Base Flow}} = 148,480 \text{ gal.}$$

NutriGro Environmental Solutions Inc.

P.O. Box 84
Charlotte, MI 48813P. 517-204-4492 F. 517-541-9880
E. jg@nutrigrroesi.com*copy*
Invoice

Date	Invoice #
4/24/2016	NG-105

Bill To
CITY OF SOUTH HAVEN WWTP ATTN. MR. DAVE MULAC 539 PHOENIX STREET SOUTH HAVEN, MI 49090

P.O. No.	Terms	Due Date
	Net 30	5/24/2016

Quantity	Description	Rate	Amount
44,000	APRIL 16, 2016 LAND APPLY BOBSLEDS FIELD # 01S14W20-MA01 GALLONS TRUCK # 35 FUEL SURCHARGE	0.031	1,364.00
33,000	GALLONS TRUCK # 30 FUEL SURCHARGE	0.031	1,023.00
55,000	APRIL 18, 2016 LAND APPLY BOBSLEDS FIELD # 02S13W17-DB01 GALLONS TRUCK # 30 FUEL SURCHARGE	0.031	1,705.00
55,000	GALLONS TRUCK # 35 FUEL SURCHARGE	0.031	1,705.00
66,000	APRIL 19, 2016 LAND APPLY BOBSLEDS FIELD # 02S13W17-DB01 GALLONS TRUCK # 35 FUEL SURCHARGE	0.031	2,046.00
55,000	GALLONS TRUCK # 30 FUEL SURCHARGE	0.031	1,705.00
55,000	APRIL 20, 2016 LAND APPLY BOBSLEDS FIELD # 02N16W35-RS01 GALLONS TRUCK # 35 FUEL SURCHARGE	0.031	1,705.00
55,000	APRIL 20, 2016 LAND APPLY BOBSLEDS FIELD # 02S13W17-DB01 GALLONS TRUCK # 30 FUEL SURCHARGE	0.031	1,705.00

418,000

We appreciate your business!

Total \$12,958.00**Payments/Credits** \$0.00**Balance Due** \$12,958.00



City of South Haven

Agenda Item #9

MPPA Membership

Background Information:

Over the past several years, the City has been an associate member of the Michigan Public Power Agency (MPPA). The mission of the MPPA is to help local public power utilities realize the benefits of joint action in the planning, development, acquisition, and management of services that meet their needs.

The primary benefit of participating as an associate member is the ability to participate in various service committees that do not require financing or the acquisition of assets while also exploring and studying potential new projects.

Recently, South Haven provided a letter of termination to Indiana-Michigan Power Company which cancels our Amended and Restated Cost-Based Formula Rate Agreement for Full Requirements Electric Service as of May 31, 2020. Although South Haven intends to continue to participate with other IMMUDA members to seek a replacement for this contract, participating as an associate member of MPPA is beneficial to keep abreast of various power supply options and alternatives that could potentially be utilized by the City in the future.

MPPA is filing revised documentation with the State of Michigan pursuant to Act 488 of the Public Acts of 1976. As part of this filing, MPPA is requesting that each member or associate member pass a resolution ratifying and confirming their membership status.

The cost of associate membership is currently set at \$1,000 per year.

Recommendation:

Board should recommend passage of a resolution by Council ratifying and confirming our membership in MPPA.

Support Material:

Draft Resolution.

CITY OF SOUTH HAVEN, MICHIGAN

At a regular meeting of the City Council of the City of South Haven, Michigan held at _____{TIME} Eastern Time, on ____{Day & Date}_____, in the _____
_____ {Meeting Location, including Street Address}.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Council Member _____, who moved its adoption, and the motion was seconded by Council Member _____;

WHEREAS, the electric department previously determined that additional power supply capacity will be required in order to meet the future needs of its customers; and

WHEREAS, the Michigan Public Power Agency ("MPPA") was established pursuant to Act 448 of the Public Acts of 1976 (the Michigan Energy Employment Act) for the purpose of undertaking various projects authorized by the Act; and

WHEREAS, the existence of MPPA and membership in MPPA by the City of South Haven, and other municipalities will foster the continuation of joint planning and undertaking of projects, and the resulting economies and efficiencies to be realized thereby will serve the interests of the residents of the City of South Haven; and

WHEREAS, Member municipalities may elect to participate in only those MPPA projects from which they determine they will benefit; and

WHEREAS, the electric department has recommended and the City Council determines it to be in the best interest of the City of South Haven to become a member of MPPA for the purpose of undertaking and planning, financing, development, acquisition, construction, reconstruction, improvement, enlargement, betterment operation or maintenance of the projects authorized under and pursuant to Act 448;

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. The Council hereby ratifies and confirms:
 - a. Staff seeking admission of the City of South Haven as an Associate Member of MPPA.

- b. The City of South Haven electing to become an Associate Member of MPPA.
 - c. The initial appoint of _____ of the electric department to be its representative on the MPPA's Board of Commissioners, and the _____ to be its alternate representative.
2. The City of South Haven may at a later date make a request to MPPA's Board that it desires to become a Full Member of MPPA.
 3. This resolution shall be effective immediately.

Yeas: Council Members: _____

Nays: _____

Absent: _____

Abstain: _____

RESOLUTION DECLARED ADOPTED.



City of South Haven

Agenda Item #10

North Shore Dr. and Monroe Blvd.
Electric Line Rebuild Contract Award

Background Information:

The City recently awarded a contract to Milbocker & Sons, Inc for reconstruction of North Shore Drive. In addition, Kalin Construction was awarded a contract for reconstruction of Monroe Boulevard. Both of these construction projects are scheduled to begin in the fall of 2016. Each project will require the relocation of electric poles and conductors to permit roadway widening and other improvements such as the addition of sidewalks to Monroe Boulevard.

To plan for these relocations, the City contracted with GRP Engineering, Inc. to design the improvements and to solicit bids from qualified contractors. Bids were solicited from six contractors with offices in Michigan or Indiana. On August 18, 2016 we received bids from three contractors for the North Shore Drive & Monroe Blvd Line Rebuild projects. Kent Power, Inc. submitted the low bid for the project in the amount of \$466,871.44. The two other bids were significantly higher than this amount.

The City budgeted \$385,000 for construction of these two projects, including materials. The low bid amount of \$466,871.44 does not include the materials cost. Materials for these projects are estimated to cost an additional \$110,000. GRP Engineering has discussed the bid results with the three firms that submitted bids and determined that the high bid results are due to a competitive marketplace where qualified contractors are already extremely busy.

Because the roadway reconstruction projects are beginning in the next few weeks, the City does not have the option of rebidding the line rebuild project without impacting the completion schedule for these two projects. As a result, staff recommends moving forward with Kent Power, Inc. for this project.

Recommendation:

Board should pass a motion recommending that Council award the North Shore Dr. and Monroe Blvd. Line Rebuild projects to Kent Power, Inc. of Kent City, Michigan in the amount of \$466,871.44.

Support Material:

GRP Bid Recommendation Letter
Bid Tabulation

August 22, 2016
16-0817.01

Mr. Bill Hunter
DPW Director
City of South Haven
1199 8th Avenue
South Haven, MI 49090

**RE: North Shore Dr & Monroe Blvd Line Rebuilds
Contractor Bid Evaluation & Recommendation**

Dear Bill:

GRP Engineering, Inc. has completed reviewing the bids submitted on August 18, 2016 for construction of the North Shore Drive & Monroe Blvd Line Rebuild projects. Of the six contractors solicited for bids, three (3) bids were received. Kent Power, Inc. submitted the low bid for the project in the amount of \$466,871.44. A complete bid tabulation is attached to this letter.

Kent Power, Inc. has submitted a complete and conforming bid. Kent Power's bid is significantly higher than the engineering estimate, although the project scope was revised by South Haven staff during the design phase. GRP Engineering, Inc. sees no reason not to accept their bid in the full amount for these projects.

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

Sincerely,
GRP Engineering, Inc.



Michael P. McGeehan, P.E.
Project Manager

cc: City of South Haven
Bill Conklin, Jim Pezzuto, Larry Halberstadt

BID TABULATION #2016-01

OWNER:

**CITY OF SOUTH HAVEN
1199 8TH AVENUE
SOUTH HAVEN, MI 49090**

**NORTHSHORE DRIVE LINE REBUILD
MONROE BOULEVARD LINE REBUILD**

ENGINEER:

**GRP ENGINEERING, INC.
459 BAY STREET
PETOSKEY, MI 49770**

BIDDERS	BID BOND	TOTAL CONTRACTOR BASE BID PRICE	REMARKS
CC Power 3850 Beebe Road Kalkaska, MI 49646	10% Bid Bond	\$798,934.50	
Henkels & McCoy 985 Jolly Rd Blue Bell, PA 19422			No Bid
The Hydaker-Wheatlake Company 420 N. Roth Street Reed City, MI 49677			No Bid
Kent Power 90 Spring St Kent City, MI 49330	10% Bid Bond	\$466,871.44	
NG Gilbet 101 S. Main St Parker City, IN 47368			No Bid
Newkirk Electric, Inc. 1875 Roberts Street Muskegon, MI 49442	10% Bid Bond	\$1,101,155.50	

This is to certify that at 2:00p.m., local time on Thursday, August 18, 2016, the bids tabulated herein were publicly opened and read.

GRP Engineering, Inc.



Michael P. McGeehan, PE