

Hillsdale Board of Public Utilities
Regular Meeting

September 12, 2017

The regular Hillsdale Board of Public Utilities meeting was called to order at the BPU offices, 45 Monroe Street, Hillsdale, MI at 7:00 pm by Barry Hill, President of the Board.

Board Members Present: Mr. Barry Hill, President
Mr. Bob Batt, Vice-President
Mr. Eric Hoffman
Mrs. Lois Howard

Board Members Absent: Mr. Chris Sumnar

Board Member, Christopher Sumnar was sick and notified Board President Hill of his absence and was excused.

Others present: Mike Barber, BPU Director; Chris McArthur, Deputy Director; Bill Briggs, Water Distribution Superintendent/WWTP Supervisor; Chad Culbert, Electric Distribution Superintendent; Don Reid, Hillsdale Daily News, David Mackie, City Manager; Bonnie Tew, Finance Director; and Kay Freese, Interim Secretary.

MINUTES:

Motion made by Mrs. Howard and supported by Mr. Hoffman to approve the Board Meeting minutes of August 8, 2017. Motion passed unanimously by voice vote.

BILLS PAYABLE:

Questions were raised regarding bills on vaccination charges; training for BS&A Software; MERS retirement and Bridgestone. Finance Director Bonnie Tew provided detail information on the items. Motion was made by Mr. Batt and supported by Mr. Hoffman to approve the August 2017 bills in the amount of \$458,556.16. Unanimous voice vote approval.

MSCPA bill for August 2017 in the amount of \$858,202.84 also received unanimous approval for payment by a motion from Mrs. Howard and supported by Mr. Batt.

Finance Director Bonnie Tew made comments on the pension liability being reduced, obsolete inventory and MSCPA adjustments. Mrs. Howard asked for clarification on different fund amounts and the Finance Director explained the specifics.

DIRECTOR'S REPORT:

BPU Director Barber indicated he had received a request for Hurricane Irma assistance. After speaking with City Manager David Mackie, they decided to decline participation because of the small utility crew. The City of Coldwater is sending three crews to Florida and our utility crew will provide assistance and backup if needed for Coldwater.

Also, the Waste Water plant project engineer, Fleis & Vandenbrink have provided preliminary information and recommendation to move forward with the digester issues. Further discussions will be held and brought to the BPU Board.

The South Street Water Tower project start date has been moved to the end of September instead of August which was previously reported.

ACTION ITEMS:

1. Cleaning and Overhaul of Well #3 is requiring maintenance and cleaning. Our service provider Northern Well and Pump has quoted a price of \$24,644.20 to perform the work. Staff recommends the Board approve the cost. Motion was made by Mr. Batt and supported by Mrs. Howard to obtain the services of Northern Well and Pump in the amount of \$24,644.20. Motion carried unanimously by voice vote.
2. Well #8 is requiring cleaning services as inspections indicated it is becoming plugged with deposits. Mr. Briggs said that funds were previously allocated to well #2 but requested the service work be postponed and re-allocated to treat well #8. Northern Well and Pump is again our service provider and staff recommends the Board approve the quoted amount of \$7453 for treatment. Motion made by Mr. Batt and supported by Mr. Hoffman to approve Northern Well and Pump in the amount of \$7453 for services. Unanimous voice vote to approve.
3. Replacement of Electric Superintendent Pick-up Truck with Plow. Two bids out of the four requests were received for the replacement of the 2006 ¾ ton pick-up truck and plow. They were from Leutheuser GMC for \$35,195 and Jim Knox Dodge for \$31,669. Staff recommends the Board's approval to the lowest bid of \$31,669 from Jim Knox Dodge. This has been approved in the 2018 capital projects at \$34,000. Mr. Hoffman explained his company, Ken Stillwell Ford is not able to provide the vehicle at this time and therefore did not submit a bid. Motion made by Mr. Hoffman and supported by Mrs. Howard to award the purchase of the vehicle and plow to Jim Knox Chrysler Dodge in the amount of \$31,669. Motion carried by unanimous voice vote.
4. Purchase of Padmount Transformer for Townhouse Project. We requested quotes from T&R Electric and Solomon Corporation for 167 Padmount transformer. Only Solomon Corporation provided a quote in the amount of \$3895. Staff recommends the Board approve the purchase of a 167 KVA Padmount transformer in the amount of \$3895 from Solomon Corporation. Mr. Hoffman made the motion and support followed by Mr. Batt to purchase from Solomon Corporation the transformer in the amount of \$3895. Unanimous voice vote and motion carried.

5. Purchase of Padmount Transformer for College Housing Project. Quotes were again solicited from T&R Electric and Solomon Corporation for 225 KVA Padmount transformer. Quotes received were T&R Electric for \$6875 and Solomon Corporation \$7695. It is the recommendation of staff to purchase from the lowest bidder of T&R Electric for \$6875. Motion made by Mrs. Howard and supported by Mr. Hoffman to approve the transformer purchase of 225 KVA Padmount transformer in the amount of \$6875. Motion carried by unanimous voice vote.
6. Reconditioning of Hillsdale Owned Transformers. Six Padmount transformers need to be reconditioned for inventory purposes. Quotes were received from both Solomon Corporation and T&R Electric for all six. T&R Electric provided the lowest quotes and will either repair at the quoted amounts or sell for scrap after evaluating the condition of the transformers. Mr. Hoffman motioned to approve the amounts of the three 150 KVA 3 phase of \$2105; one 50 KVA 1 phase of \$404; one 300 KVA 3 phase of \$2950; and one 500 KVA 1 phase of \$3750. Mr. Batt supported the motion and there was a unanimous voice vote.
7. Licensing Equity Adjustment for the Waste Water Treatment Plant Employees. City Manager David Mackie explained the previous equity adjustment on licensing for the water department employees that was provided in the International Brotherhood of Electrical Workers (IBEW) on July 1, 2017. The Waste Water employees have similar licenses and he would like to provide increases for all future license attainment. For C and D license an amount of 50 cents and 75 cents for the B license. Also 50 cents for the water licensing of D4, D3, S4, S3 and 75 cents for D2 and S2 Licenses. Motion made by Mr. Hoffman and supported by Mr. Batt to approve the adjustment as presented. Motion carried unanimously by voice vote.

PROJECT PROGRESS REPORTS:

Chris McArthur, Deputy Director shared the engine upgrade project is continuing and UIS has picked up the PLC for the project. Other specifics on Engine #5 and #6 were discussed. Also the cooling tower is set up and the chemical injection and discharge are functioning. Testing is being completed and results sent to the DEQ as required.

Chad Culbert Electrical Superintendent reported on the underground installations. He is working with Chris and Scott obtaining right of way easements and is almost completed. He will be meeting 9-14-2017 with ACD.net to encourage their participation. City Manager, David Mackie shared that a High Speed Fiber Committee is being formed to discuss options. Barry Hill, Rob Socha, David Holcomb, Chad Culbert and City Manager Mackie comprise the committee. A meeting should be scheduled in the next few weeks. General discussion was held on other items.

Bill Briggs WWTP Supervisor discussed the digester and continuing cleaning efforts. The possibility of access hatch, cost and how to pay for it. The generator work has begun with pads now poured and wiring being placed. The valve that froze and broke last winter has been replaced.

DEPARTMENT & INCIDENT REPORTS:

No particular incidents were discussed.

ROUND TABLE DISCUSSION:

No Board Member discussions.

PUBLIC COMMENT:

None

ADJOURNMENT:

Mr. Hoffman made a motion to adjourn the meeting, supported by Mrs. Howard. Unanimous voice vote approval.

Meeting adjourned at 8:30 PM

Kay Freese, Interim Secretary

MINUTES APPROVED: 10-10-2017