

October 11, 2016
45 Monroe Street
Hillsdale, MI 49242

The regular Hillsdale Board of Public Utilities meeting was called to order at 7:00 p.m. by Mr. Duke Anderson, President of the Board.

Board Members present: Mr. Duke Anderson, President; Mr. Bob Batt, Vice-President, Mr. Barry Hill.

Board Members Absent: Mr. Chris Sumnar

Others present: Mike Barber, Director; Chris McArthur, Assistant Director; Kelley Newell, Acting Secretary to the Board; Scott Sessions, Mayor; Bill Briggs, Water Distribution Superintendent/WWTP Supervisor; Don Reid, Hillsdale Daily News; Chad Culbert, Electric Distribution Superintendent; Bonnie Tew, City of Hillsdale Finance Director; David Mackie, City Manager.

Moved by Mr. Hill, supported by Mr. Batt to approve the minutes of the September 13, 2016 regular meeting and record in the official minute book.

Motion carried by unanimous voice vote.

Claims Drawn on Operations & Maintenance Fund September 2016

A CLEAN START	300.00
ACD INC	214.00
ACTION ASSOCIATES	6.57
AFLAC	964.60
ALEXANDER CHEMICAL	534.78
AMERICAN COPPER &	344.68
AMERICAN ELEC POWER	7,426.99
ANIXTER INC	1,189.90
APPLIED INDUSTRIAL	8,095.71
AT&T	1,069.13
BATTERY SOLUTIONS, LLC	402.60
BCBS	32,757.25
BECK CHEVROLET	885.40
BECKER & SCRIVENS	831.25

BELL LUMBER & POLE	11,719.00
BRADLEY J MARTIN	28.38
BRANDENBURG BRADLEY E	3.36
BRANDON RAY JOHNS	100.00
BURNIPS EQUIPMENT	50.69
BUSINESS CARD	861.61
CANNON TECHNOLOGIES	7,638.00
CEM	1,946.31
CENTURYLINK QCC	63.55
CHAMBER OF COMMERCE	5,000.00
CINTAS LOCATION	2,473.59
CITY OF HILLSDALE	96,418.00
CLARK HILL	340.00
COLDWATER BPU	378.60
COMCAST	145.07
COMMUNITY ACTION AGENCY	5,466.23
CONCRETE PUMPING	500.00
COOPER POWER SYSTEMS	2,922.54
COUNTY NATIONAL BANK	186,568.50
CTC ENGINEERING	1,098.00
CURRENT OFFICE	923.23
DENTON KELLEY	100.00
DUBOIS TRUCKING	5,794.00
EASYPERMIT POSTAGE	4,040.00
ELHORN ENGINEERING	1,240.80
ENVIROSCAPE	6,548.69
ETNA SUPPLY COMPANY	2,157.08
FASTENAL COMPANY	163.64
FLEIS & VANDENBRINK	40,701.89
FREDERICKS LAURA A	20.67
GLOBAL ENVIRONMENTAL	600.00
GOWAN DOUG L	12.34
HACH COMPANY	3,742.07
HEFFERNAN SOFT WATER	79.00
HERNANDEZ DIEGO G	142.00
HILLSDALE HARDWARE	566.70
HILLSDALE RURAL	250.00
HOOP LAWN & SNOW, LLC	3,150.00
HOPPER RUBIE A	39.27
HYDROCORP	1,333.00
IBEW	577.20
IRBY	162.72
JACK DOHENY SUPPLIES	2,159.72

JEFF GIER	140.00
JOHNSTON ROBERT R	184.94
JONESVILLE LUMBER CO	491.01
KEN HODGE	75.00
KUBRA DATA TRANSFER	3,436.07
LD DOCSA ASSOCIATES	152,397.00
LINDSEY CHAREMON T	246.00
LIPSCOMB CHELSE M	36.00
MARCOUX ALLEN P C	150.00
MAXON DANEEN RUTH	19.64
MERIT LABORATORIES	4,688.78
MERIT NETWORK	2,792.64
MICHIGAN GAS	947.08
MICHIGAN MUNICIPAL	175.00
MIDSTATE TITLE COMPANY	737.99
MIKA MEYERS BECKETT	9,582.25
MMEA	250.00
MODERN WASTE SYSTEMS	236.00
NEGUS SAMUEL D	90.00
NONIK TECHNOLOGIES	5,920.00
NORM'S TIREMAN	1,694.86
NORTH CENTRAL LAB	104.08
NORTHERN PUMP & WELL	26,169.80
NORTHERN SAFETY	69.47
NORTHRUP ANNETTE M	3.00
ONLINE UTILITY EXCHANGE	162.55
PERFORMANCE AUTO	265.76
PITNEY BOWES	816.00
PLANTE & MORAN, PLLC	18,531.00
POINT RENTAL & SALES	32.06
POWER LINE SUPPLY	7,628.65
POWERS CLOTHING, INC	168.00
PRICE MELODY S	15.01
PSI	500.00
QUALITY ASSURANCE	130.00
RAYMOND SHARON R	78.87
REPUBLIC WASTE	1,214.82
RUPERT'S CULLIGAN	7.50
SAFETEC	1,000.00
SAFETY KLEEN SYSTEMS	217.40
SD MYERS	4,020.00
SMITH & LOVELESS	90.21
SPRINT	750.52

STAR CRANE & HOIST	1,205.00
STATE OF MICHIGAN	11,639.22
STOCKHOUSE COMPUTER	655.81
SUN LIFE FINANCIAL	926.80
SUPERIOR INDUSTRIAL	2,308.50
TELEDYNE ISCO, INC	292.50
THE BANK OF NEW YORK	1,232.56
THE WATER STORE	10.00
TRC	8,500.00
TYCO INTEGRATED	479.25
USABLUBOOK	7,585.15
UTILITIES INSTRUMENT	7,410.14
WATKINS OIL COMPANY	18,493.60
WCSR	360.00
WHEELER WORLD INC	108,871.19
WHITE'S WELDING	80.00
	869,636.41

Moved by Mr. Hill, supported by Mr. Batt, to approve the above September bills in the amount of \$869,636.41.

Motion carried by unanimous voice vote.

Moved by Mr. Batt, supported by Mr. Hill to approve the August MSCPA bill usage in the amount of \$943,272.13.

Motion carried by unanimous voice vote.

Director's Report

AMP report update

Items:

1. **2016 Vacuum Type Catch Basin/Hydro-Excavator with a High Pressure Jet Rodder (Vactor Truck).**

The current budget includes funds for the replacement of a 1999 Vactor 2110 Jet Rodder. The Vactor was put out for bids to 3 vendors; Jack Doheny Supplies, Coe Equipment and Vactor Manufacturing. We had one (1) bid supplied to the Utility: Jack Doheny Supplies...\$383,282.00.

The budget allows for \$285,000 for FYE 2017 in Capital Projects.

Recommendation: With the bids coming in higher than anticipated, the current status of our water/sewer fund and the deteriorating operating condition of the 1999 Vactor, I am recommending that we purchase the purposed 2016 Vacuum Type Catch Basin Cleaner/Hydro-Excavator with a High pressure Jet Rodder at a cost of \$80,855.63 per year for 5 years. In this cost is an interest rate of 2.74%.

Moved by Mr. Hill, supported by Mr. Batt to approve the purchase of the 2016 Vacuum Type Catch Basin Cleaner/Hydro-excavator with a High Pressure Jet Rodder at a cost of \$80.855.63 per year for 5 years.

Roll Call: Unanimous. Motion Carried.

2. Sale of 2010 Field Gymmy

Last year it was decided to sell the field equipment utilized for putting the sludge into the ground at certain chosen fields. This has been accomplished for the most part, with the exception being the 2010 Field Gymmy. To date we have received little interest but we were able to secure several bids in the \$50,000 to \$60,000 range. At that time we felt this was too far under value for the unit and passed on those offers.

After a year of sitting at the WWTP, we have recently secured an offer of \$60,000.

Recommendation: It is Staff's recommendation to accept the offer of \$60,000 from Terry Wickenhiser for the 2010 Field Gymmy.

Moved by Mr. Hill, supported by Mr. Batt to accept the offer of \$60,000 from Terry Wickenhiser for the 2010 Field Gymmy.

Roll Call: Unanimous. Motion Carried.

3. SRF Project 5610-02 – Resolution to Approve & Recommend Action Items to City Council.

This resolution contemplates that the four action items (i.e. the Resolution to Make Conditional Award of Construction Contract to Consumers Energy Company, the Resolution to Make Conditional Approval of Change order No. 2 and Change Order No. 3 to Contract with L.D. Dosca Associates, Inc., the Resolution to Approve State Revolving Fund Agreements and Documents, and the City Bond Ordinance) are attached to this resolution.

Recommendation: It is recommended that the Board approves the Resolution to Approve and Recommend Action Items to City Council.

Moved by Mr. Batt, supported by Mr. Hill to send the SRF Project 5610-02 to City Council for Approval.

Roll Call: Unanimous. Motion Carried.

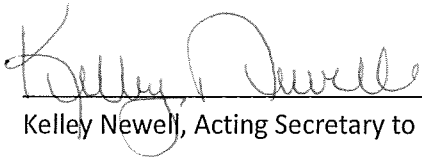
4. Recommendation of a Candidate to fill the Vacant Board Seat.

The Board would like to submit the name of Lois Howard, to City Council, to be considered for the vacant board seat.

Board Member Roundtable: There will be a tour of the WWTP at 6:00 p.m. on November 8, 2016. Meet at the WWTP on Galloway Drive.

Public Comment – None.

Meeting Adjourned – 7:49 p.m.

A handwritten signature in cursive script, appearing to read "Kelley Newell", is written over a horizontal line.

Kelley Newell, Acting Secretary to the Board