

July 12, 2016
45 Monroe Street
Hillsdale, MI 49242

The regular Hillsdale Board of Public Utilities meeting was called to order at 7:04 p.m. by Mr. Duke Anderson, President to the Board.

Board Members Present: Mr. Duke Anderson, President; Mr. Bob Batt, Vice-President, Mr. Barry Hill and Mr. Chris Sumnar.

Others present: Mike Barber, Director; Dawn Townley, Finance Controller and Secretary to the Board; Scott Sessions, Mayor; Bill Briggs, Water Distribution Superintendent/WWTP Supervisor; Don Reid, Hillsdale Daily News; David Mackie, City Manager; Brian Camiller, Plante Moran; Jeff Pugh, Fleis & VanderBrink & Josh Redner, Fleis & VanderBrink.

Moved by Mr. Hill, supported by Mr. Batt to approve the minutes of the June 14, 2016 regular meeting and record in the official minute book.

Motion carried by unanimous voice vote.

Claims Drawn on Operations & Maintenance Fund June 2016

A CLEAN START	300.00
AFLAC	459.78
ALEXANDER CHEMICAL	6,234.68
AMERICAN COPPER &	827.90
AMERICAN ELEC POWER	48,332.26
ANIXTER INC	771.90
APOGEE INTERACTIVE	5,975.00
AT&T	1,197.71
BCBS	24,132.04
BECKER & SCRIVENS	379.75
BEST AIRE, LLC	5,484.50
BIEHER DANIEL EDWARD	41.00
BIRDSALL PAUL	46.00
BOLENBAUH BRADLEY J	43.00
BOSWELL JOHN H	32.00
BOTT MELISSA A	80.00
BRADLEY J MARTIN	50.19
BRENKE MARCIA L	239.75
BRENNINKMEYER AMY J	12.00

BS&A SOFTWARE	37,005.00
BUSINESS CARD	1,599.98
CAPA	200.00
CARMONA SOLIS HECTOR	15.00
CAROENTER BRITTANY L	43.84
CE & A PROFESSIONAL	261.80
CENTURYLINK QCC	131.31
CHESTNEY PUBLISHING	730.00
CHILDERS JESSICA M	86.00
CINTAS LOCATION	3,412.89
CITY OF HILLSDALE	3,208.11
CLARK HILL	100.00
CLOW JR DAVID	274.58
COFFEY CATHERINE E	24.00
COMCAST	145.07
COMMONWEALTH	10,759.80
COMMUNITY ACTION AGENCY	2,621.69
COUCH NORA	14.00
COURTNEY YANCY M P	100.00
CROSSER KELLY L	20.55
CTC ENGINEERING	3,486.02
CURRENT OFFICE	1,110.66
DUBOIS TRUCKING	1,075.00
ELHORN ENGINEERING	3,572.00
ENVIRONMENTAL MGMT	2,927.10
ERIC T KEIBER	475.00
ESRI	12,500.00
FALL LINCOLN E	4.68
FLEIS & VANDENBRINK	27,998.03
GENTRY MATTHEW G	60.22
GILLEN LAURA F	379.69
GLOBAL ENVIRONMENTAL	600.00
GOSSETT STEVEN M	92.32
GRIZZLE DESTINY LEANN	37.83
HEFFERNAN SOFT WATER	129.00
HELTON DAMIAN J	5.00
HILLSDALE DAILY NEWS	806.46
HILLSDALE HARDWARE	695.26
HOLBEN ENVIRONMENTAL	300.00
HOLSCHER BENJAMIN H	52.20
HOOP LAWN & SNOW, LLC	3,150.00
HYDROCORP	2,666.00
IBEW	841.25

IRBY	899.40
ITRON	875.11
JONESVILLE LUMBER CO	458.67
K & B ASPHALT	40,881.77
KEN STILLWELL	2,064.39
KENDALL ELECTRIC	6.93
KSS ENTERPRISES	247.40
KUBRA DATA TRANSFER	2,655.21
LAFORCE	374.70
LAMB FAITH M	134.00
LD DOCSA ASSOCIATES	137,416.50
LEFERE REALTY	29.28
LEWIS JULIE A	149.47
LICKLY EMILY A	91.76
LIVINGSTON MORIAH R	3.00
MARCOUX ALLEN P C	337.50
MARKET HOUSE	28.65
MCCAVID SHAUN B	127.09
MERIT LABORATORIES	4,674.41
MGFOA C/O TREASURER	60.00
MI TECH SERVICES INC	29,764.08
MICHIGAN GAS	1,104.44
MICHIGAN RURAL WATER	610.00
MIKA MEYERS BECKETT	3,315.06
MIKE TODD	90.36
MILLER STEPHEN A	633.00
MILSOFT	7,600.00
MODERN WASTE SYSTEMS	393.00
MORRIS JACQUELINE G	24.22
MSCPA	906.85
MUNGER JOSEPH P	79.88
NONIK TECHNOLOGIES	11,840.00
NORMAN ABRAHAM M M	47.00
NORTH CENTRAL LAB	110.70
NORTHERN PUMP & WELL	21,763.00
ONLINE UTILITY EXCHANGE	134.25
PARNEYS CAR CARE	91.70
PERFORMANCE AUTO	108.27
PLANTE & MORAN, PLLC	2,742.50
POLSTEN MEGAN L	4.00
POWER LINE SUPPLY	3,431.71
PURCHASE POWER	4,040.00
QUAINTON JEFFREY J	48.00

RADIO ACCOUNTING	645.00
RESCO ELECTRIC	319.15
RITTENHOUSE GARY L	71.00
RUPERT'S CULLIGAN	52.00
RYAN & BRADSHAW	1,078.75
SACCO NICHOLAS T	66.00
SAFETY SYSTEMS, INC.	165.00
SALYER JR GOEBEL	44.36
SEQUOIA LAND INVESTMENTS LLC	84.36
SIMONS, MIKE	126.13
SLC METER LLC	830.33
SMITH & LOVELESS	327.39
SMITH WILLIAM H	112.58
SPRATT'S TRADING	139.78
SPRINT	1,242.84
STATE OF MICHIGAN	13,780.46
STEWART ARIANNA J	38.00
STOCKHOUSE COMPUTER	320.04
SUMNAR & SCHOLL INS	100.00
SUN LIFE FINANCIAL	789.70
SUTTERFIELD LAND COMPANY	42.80
TEREX SERVICES	3,352.62
THE WATER STORE	51.00
THOMAS MARY-QUINN	86.00
TOWN MITCHELL M	157.00
USABLUBOOK	5,006.56
UTILITIES INSTRUMENT	2,248.77
WATKINS OIL COMPANY	1,463.18
WATKINS, CANDICE	173.00
WCSR	360.00
WHEELR WORLD LLC	106,792.87
WHITE'S WELDING	1,429.00
WIL-MAC SALES	874.00
WORKHEALTH	70.00
	<u>\$641,193.73</u>

Moved by Mr. Batt, supported by Mr. Hill to approve the above June bills in the amount of \$641,193.73.

Motion carried by unanimous voice vote.

Moved by Mr. Batt, supported by Mr. Hill, to approve the July MSCPA bill usage in the amount of \$707,536.02.

Motion carried by unanimous voice vote.

Items:

1. Water & Sewer Utility Rate Model

Brian Camiller from Plante & Moran will be discussing the rate model they developed, as well as making recommendations for the water and wastewater funds.

Recommendation: Approve the recommendation as presented by Plante & Moran.

Moved by Mr. Sumnar, supported by Mr. Hill to approve the Water & Sewer Utility Rate Model and increase as recommended.

Motion carried by unanimous voice vote

2. Fleis & VanderBrink

Jeff Pugh and Josh Redner from Fleis & VanderBrink will be here to discuss the ongoing construction at the Wastewater Treatment Plant. Discussion items include a project recap, the current status of the project, the proposed Segment 2 and recommended next steps.

Moved by Mr. Sumnar, supported by Mr. Batt, to approve and move forward on the Phase 2 as outlined in the SRF2.

Motion carried by unanimous voice vote.

3. Life Station Communication Replacement

As stated in the FYE2017 budget, the lift stations require an upgrade to their communications. The units currently in place have not had spare parts available for at least two years. The unit at Barber Drive had to be replaced in February of 2016 due to failure/malfunction. Utilities Instrumentation currently provides all of the maintenance for our lift station radios, and has an understating with how they operate and communicate.

We have budgeted \$20,000 this FYE2017 for the upgrade for this. The costs came in higher than anticipated so we are looking at doing three of the five this year and working off the available spare parts we now have. The cost of the three lift stations will be \$16,260.00.

Recommendations: It is Staff's recommendation to waive the bid process and award to Utilities Instrumentations Services for the cost of \$16,260.00.

Moved by Mr. Batt, supported by Mr. Sumnar to approve to waive the bid process and award to Utilities Instrumentations Services for the cost of \$16,260.00.

Motion carried by unanimous voice vote.

4. Repairs to Well # 4

The motor to #4 well has failed and needs to be repaired which has been quoted as \$3,510.00.

Additionally, the FYE2017 budget calls for an expenditure of \$26,000.00 for the cleaning and overhaul of well #4. Our wells lose capacity over time due to the accumulation of mineral in the well screen and erosion of the pump bowl. This is an annual expense to extend the life of our well infrastructure. Unfortunately, after Northern Pump came in and looked at the motor issue they evaluated the well. The well is in need of more work than originally planned. The quote from Northern Pump and Well totals \$32,781.40, which may be reduced to \$6,979.00 if a new stainless steel bowl is not required.

Recommendation: It is Staff's recommendation to approve the cost of \$3,510.00 to repair the well motor, and an additional \$32,781.40 to clean and overhaul the well #4.

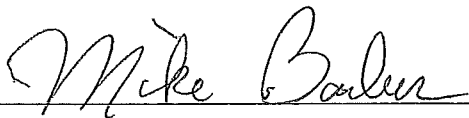
Moved by Mr. Batt, supported by Mr. Sumnar to approve the cost of \$3,510.00 to repair the well motor, and an additional \$32,781.40 to clean and overhaul the well #4.

Motion carried by unanimous voice vote.

Board Member Roundtable – None

Public Comment - None

Adjourned – 8:37 p.m.



~~Dawn Fownley, Finance Controller & Secretary to the Board~~
Mike Barber