

REGULAR MEETING

The HBPW Board of Directors met
January 8, 2024
at 4:00 p.m.
625 Hastings Ave.
Holland, Michigan

Chair Thompson called the meeting to order at 4:00 p.m.

Members Present: PJ Thompson, Carolyn Maalouf, Beth Snyder, Paul Lilly, Brian Lynn, City Council Liaison Scott Corbin, and Ex Officio Member Keith Van Beek

Members Absent: Dave Couch, Scott Corbin

Staff Present: Dave Koster, Janet Lemson, Becky Lehman, Pete Hoffswell, Joel Davenport, Ted Siler, Chuck Warren, Steve Bruinsma, Julie DeCook, Tracy York, Pieter Beyer, and Alex Craigmile

24.110 **Approval of Agenda**

Board Member Lilly made a motion to approve the agenda. The motion was seconded by Board Member Lynn.

24.111 **Communications from the Audience**

No in person comment, however motion was made by Lilly the communication from Brenner Excavating, and seconded by Lynn, be received into record.

24.112 **Board Minutes – Regular Meeting Minutes of December 11, 2023, and Study Session Minutes of December 18, 2023.**

As part of the Consent Agenda, the Board of Directors approved the minutes as presented.

24.113 **Public Act 202 of 2017 Pension and OPEB Reports**

The attached report provides information on the funding status of defined benefit retirement plans and retiree health care plans (OPEB) in the State of Michigan. The City and HBPW operate under a shared defined benefit retirement plan but operate separate defined benefit retiree health care plans. None of these plans are in an underfunded status as defined by PA 202 as of the most recent reporting period (FYE June 30, 2023).

As part of the Consent Agenda, the Board of Directors accepted for information the Pension and OPEB Public Act 202 reports. No other action is required.

24.114 **Easement for Holland Charter Township Sanitary Force Main**

Holland Charter Township (HCT) is requesting easements from the City of Holland to locate a portion of a new sanitary force main planned for connecting the northern portion of the township collection system to the Holland BPW Water Reclamation Facility. The route that HCT selected requires an easement along the northern edge of the James Street Substation. The James Street Substation is located on parcels 70-16-20-200-034 & 70-16-20-200-002. The requested easements allow for HBPW to maintain and upgrade its facilities over and under the proposed installation.

As part of the Consent Agenda, the Board of Directors approved a Grant of Easement for The City of Holland, the property owners, and Holland Charter Township for the parcels described in the

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attached Easement and located at 10 James Street, Holland, MI 49424, and 13150 James Street, Holland, MI 49424 with compensation in the amount of \$1.00.

24.115 **Declaration of Surplus Material**

The HBPW has identified materials and equipment which are no longer pertinent for use. The attached list shows the items determined as excess, obsolete, or uneconomical to repair. Once declared surplus, the items will be disposed of in the following order:

1. Offered to other City departments
2. Sell to companies specializing in inventory disposal
3. Auction (utilizing GovDeals online portal)
4. Public auction (in limited cases)
5. Donation
6. Recycling or waste disposal

As part of the Consent Agenda, the Board of Directors approved the attached list of items as surplus.

24.116 Action on Consent items:

Motion to approve, accept, or adopt Consent Agenda items	<i>Maalouf</i>
Second	<i>Snyder</i>
Favor	<i>5</i>
Oppose	<i>0</i>

24.117 **Financial Update – October 2023**

For information only

24.118 **Major Project Update**

For information only

24.119 **Transfer Certain Properties No Longer Needed For Utility Purposes to the City**

The electric production peaking station located at 71 and 111 East 6th Street has been retired; therefore, the land where the peaking station was located is no longer needed for utility purposes by Holland Board of Public Works. The affected parcels are 70-16-29-200-027 and 70-16-20-277-003. In FY23, HBPW determined that it was no longer economically or physically beneficial to continue operating the peaking station. Demolition of the plant began in mid-FY23 and was completed in early FY24. The land on which the peaking station was located no longer serves a utility purpose and is therefore being transferred to the City. Following the precedent established by prior transfers, net book value (NBV) of the parcel on HBPW's financial records will be used to value the transfer. In this particular case, since all property improvements have been removed, only the value of the land (\$14,366) remains.

Recommendation: The Board of Directors Approve the Resolution transferring parcels at 71 and 111 East 6th Street from Holland Board of Public Works to the City, effective on the date the Resolution is approved.

<i>Motion to approve recommendation</i>	<i>Maalouf</i>
<i>Second</i>	<i>Snyder</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

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24.120 **HBPW Broadband Services Holland City Fiber Rate Sheet Approval**

HBPW Broadband Services currently provides three different services: Dark Fiber, Active Ethernet, and Shared Gigabit. To provide service for the Holland City Fiber project, a fourth service, Fiber Internet Service, needs to be created with established service offerings and associated rates.

The Broadband Services Team is recommending two Fiber Internet Service bandwidth options, a 2 Gigabit service at \$45.00/month and a 10 Gigabit service at \$125.00/month. Both services are provided with a WiFi enabled modem. In addition, these services can choose an Enhanced Service option that provides a static IP address and a higher priority of response in case of service interruptions caused by equipment failure. An IP address addition and a WiFi Mesh Extender can also be added individually or in addition to the Enhanced Service option.

Holland City Fiber internet service rates and fees were set by evaluating a proforma that examined estimated costs and take rates of the service offerings to establish expense and revenue projections for the new service. A per-month service cost in the revenue estimates are based on the following blend of service offerings.

- 85% 2G service
- 15% 10G service
- 10% Enhanced service (option for 2G and 10G service)
- 5% Additional IP address
- 3% Mesh Extender

When Holland City Fiber is active, Shared Gigabit customers in the City of Holland will be migrated to the new Fiber Internet Service rate. The Shared Gigabit rate will remain for customers located outside of the City limits taking this service offering.

Recommendation: The Board of Directors approved a new rate sheet for Holland City Fiber Internet Service offerings.

<i>Motion to approve recommendation</i>	<i>Lilly</i>
<i>Second</i>	<i>Maalouf</i>
<i>Favor</i>	<i>5</i>
<i>Oppose</i>	<i>0</i>

24.121 **General Manager Comments**

- Next meeting is January 22, a study session, quarterly reports, water utility issues, wrapping up ends policies (governance), key performance indicators
- Study Session for Council on Holland City Fiber January 24
- An additional BOD joint session w/Council to address a development agreement amendment w/LG Energy Solution
- January 18 asset tour is going to be pushed out to a future date yet to be determined

ADJOURNMENT

A motion to adjourn the meeting of *January 8, 2024*, was made by *Lilly* supported by *Maalouf* and agreed upon by the Board of Directors present.

The Board Meeting of January 8, 2024, adjourned at *4:57 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board

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