

Hillsdale Board of Public Utilities  
Regular Meeting

January 8, 2019

The regular Hillsdale Board of Public Utilities meeting was called to order at the BPU Offices, 45 Monroe Street, Hillsdale, Michigan at 7:00 p.m. by Mr. Barry Hill, President of the Board.

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

Board Members Absent:           Mr. Eric Hoffman and Mr. Chris Sumnar

Others present: Chris McArthur, BPU Director; Chad Culbert, Electric Distribution Superintendent; Bill Briggs, Water Distribution Superintendent/WWTP Supervisor; Bonnie Tew, Finance Director and Kelley Newell, BPU Acting Board Secretary.

**BPU MINUTES**

Mr. Batt, supported by Ms. Howard, moved to approve the December 11, 2018 minutes as presented. Motion carried unanimously by voice vote.

**BILLS PAYABLE**

Ms. Howard, supported by Mr. Batt, moved to approve the December 2018 bills in the amount of \$196,273.26. Motion carried unanimously by voice vote.

**SEWER FUND BILLS**

Mr. Batt, supported by Ms. Howard, moved to approve the December 2018 Sewer Fund bills in the amount of \$146,872.76. Motion carried unanimously by voice vote.

**MSCPA BILL**

Ms. Howard, supported by Mr. Batt, moved to approve the December 2018 MSCPA bill in the amount of \$727,321.09. Motion carried unanimously by voice vote.

**NOVEMBER 2018 FINANCIAL STATEMENTS**

Mr. Batt, supported by Ms. Howard, moved to approve the November 2018 financial statements as submitted. Motion carried unanimously by voice vote.

## **DIRECTOR'S REPORT**

1. Director McArthur provided an update on the Wastewater Treatment Plant project. He reported on December 7<sup>th</sup> Fleis & Vandenbrink had their digester professional review our digester operations and testing. He recommended a few more tests that we should be running, the equipment for these tests were ordered and are now being used. The digester is now making gas and will be reviewed by Fleis. Once we receive their approval the company will be notified to commission the flare and boiler on digester gas, anticipation of February.
2. Director McArthur provided an update on the Garden, Mead, Vine and Rippon Street project. All of the fire hydrants have been raised to the required height. The tie in of the water main on the north side of Rippon has also been completed. The water services on that section are scheduled to be completed this month. Once completed the box culvert will be installed. The south end of Rippon has not had their sewer lines replaced. We will be inspecting the lines on that part of the street.
3. Director McArthur reported on the Township Electric Franchise Agreements. We are currently working on updating our electric franchise agreements with the townships that we serve. They include Hillsdale, Adams, Cambria, Fayette, Jefferson, and Pittsford. The previous agreements expired in 2012. All agreements have been approved by the City Attorney.
4. Director McArthur reported on the Phase II Server Upgrade. The main portion of the second phase server upgrade has been completed. The new server and storage area network has been installed and is now in operation. Minor software changes will be completed in the next couple of weeks to complete this project.
5. Director McArthur also reported on the phone system upgrade. The phone system upgrade is underway. The City DPS department along with the BPU have received the new phones and are operational. The City Hall and remaining buildings will have their numbers ported over the week of January 8<sup>th</sup>.
6. Director McArthur reported on the MSCPA Update. The evaluation of joining MPPA joint action agency is ongoing. A planning meeting is scheduled at the end of January to

discuss this evaluation with the MSCPA Board. A lease agreement was approved at the last Board meeting; the lease amount is \$6,500 per month. An invoice from ITC was received for transmission line work on the transmission line owned by MSCPA. The decision was made to take our amount owed for this work out of the rate stabilization fund. These costs will be spread out over the next couple of months. We locked the power cost price at \$.0710 per kWh. This took \$49,404 out of the rate stabilization account.

7. Director McArthur reported on the Christmas Lighting Contest Winners. The community has chosen their favorites. The winners of the Christmas Light contest are:  
**HOMES:** 1<sup>st</sup> Place: 1255 Hideaway Lane (Schneider) \$100 credit; 2<sup>nd</sup> place: 158 S. West Street (Henthorne) \$75 credit and 3<sup>rd</sup> Place: 41 Leroy Street (Smith) \$50 credit.  
**BUSINESSES:** 1<sup>st</sup> Place: 30 N. Howell Street (Nash Drugs) \$100 credit; 2<sup>nd</sup> Place: 106 N. Broad Street (Smiths Flowers – Stewart) \$75 credit and 3<sup>rd</sup> place: 390 W. Carleton Road (Hillsdale Community Thrift – DesJardin) \$50 credit.  
Congratulations to all our winners! Thank you to all our participants and voters for helping our community shine a little brighter this Christmas season.

#### **Future Projects Out for Bid**

Battery replacement at Power Plant and Industrial Sub, fuel oil tank painting, equipment trailer and one ton dump truck. All are capitalized projects.

#### **ACTION ITEMS**

##### **1. Purchase of Primary Underground**

We need to replenish our inventory levels of single and 3-phase primary underground wire. Normally we restock this type of wire every 5 to 7 years. We are looking to purchase 10,000ft of single phase wire and 4,500ft of 3-phase wire (13,500ft). We requested price quotes from four suppliers and have three offers. Current prices appear to be similar to purchases we made in 2006 and 2011.

Irby	\$2.82/ft.
Resco	\$3.22/ft.
Powerline	\$2.95/ft.

The purchase breaks down as follows for the Irby price of \$2.82/ft:

\$28,200 for 10,000ft of single phase

\$38,070 for 4,500ft of 3-phase plus 3 x \$79 for parallel charge

Total Charge \$66,507.00

Mr. Batt, seconded by Ms. Howard moved to approve the purchase of the primary underground wire from Irby at \$2.82/ft. for a total purchase of \$66,507.

## **DEPARTMENT PROJECT PROGRESS REPORTS**

Superintendent Bill Briggs reported on his department's activity. Jetted sewer line blockage on Carleton Road, Sanitary sewer overflow from manhole in swamp east of Logan and south of Marion Street, no permit violations for December.

Superintendent Culbert presented the Electric Distribution report. Repairs to the distribution breakers at the Union Street Substation have been made and the transformers are back in service, tree trimming for FYE 2019 is nearing completion. We are starting work on the replacement of the H-structure at the Hi-Rise Substation. New poles and braces will be installed this month.

Director McArthur reported there were alarm issues this month at the Power Plant with the heat sensor in two different locations. Tyco the alarm service was contacted to repair faulty sensors. Director McArthur met with Travelers Insurance Company representatives to review maintenance procedure and equipment they insure at the power plant and throughout the electrical system. UIS was on site to work on SCADA system upgrade project. We took delivery of 10,000 gallons of diesel fuel for engines, also added 182 gallons of diesel fuel to back up generator at power plant. Work continued on decommissioning engines 2, 3, and 4.

## **PUBLIC COMMENT**

No public comments were offered.

## **ADJOURNMENT**

Ms. Howard, seconded by Mr. Batt, moved to adjourn the meeting. The motion carried unanimously by voice vote.

The meeting adjourned at 8:13 p.m.

---

Kelley T. Newell, BPU