

Board of Public Utilities

Regular Meeting Minutes

Monday, June 24, 2013
4:00 p.m., DPW Conference Room, 1199 8th Avenue



City of South Haven

1. Call to Order by Stickland at 4:00 p.m.

2. Roll Call

Present: Burr, Henry, Overhiser, Stein, Stickland, Winkel

Absent: Rose (Arrived a few minutes late)

3. Approval of Agenda

Huff requested that items 7 B, C and E be removed from the June 24, 2013 regular meeting agenda.

Motion by Burr, second by Henry to approve the June 24, 2013 regular meeting agenda as amended.

All in favor. Motion carried.

4. Acceptance of Minutes for the Record – March 25, 2013

The March 25, 2013 Special Meeting minutes and Regular Meeting minutes were accepted for the record by Burr.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

There were none.

REPORTS

6. Cost of Energy from Indiana-Michigan Power Company (AEP)

A. 2013 Billings – All Charges

B. 2012 Billings – All Charges

Discussion occurred on this item.

Burr inquired why monthly payments were not being made to AEP.

Finance Director Hochstedler said that there was a fund balance on our account so no additional payment was needed. Regular monthly payments applied toward the true-up have resumed.

7. Financial Reports

- A. Water Fund CuFt Comparisons
- B. Water Fund Financial Statement

Discussion occurred on this item, it was noted by Stickland that the water usage from 2012 to 2013 was fairly steady.

Rose inquired whether the valve turning machine was being used in Covert. City Engineer Halberstadt explained that it has not been used much this year due to staffing issues but it is intended that it will get more use in the future.

- C. Sewer Fund Financial Statement

Discussion occurred regarding the status of water and sanitary sewer extension in Miami Park.

- D. Electric Fund KWH Comparisons
- E. Electric Fund Financial Statement

Stickland stated that the BPU is selling over 95% of the Electricity that it buys.

8. Indian Grove Infrastructure Project

- A. Sewer Study Progress Report

Dan Dombos and Chris Cook from Abonmarche presented a power point highlighting the progress and initial findings for the S2 Sewer Study. Dombos explained that the SRF Final Plan will be submitted by July 1, 2014.

9. Unresolved Issues Report

No discussion occurred on this item.

NEW BUSINESS

10. Board will be requested to approve a recommendation to amend the utility policy for Hydrant Water Sales.

Discussion occurred on this item.

Burr requested that Huff change the word "installation" to "use" (last sentence under "Location of Hydrant Meters").

Stein inquired whether farmers could have a hydrant meter for more than seven days. Stein suggested that if there are no meters available that a customer should be able to purchase a meter to use.

Halberstadt stated that he had no problem if someone wanted to buy a meter, however the meter would be the property of the City.

Stein suggested that the phrase "high demand" be changed to "high demand for hydrant meters" in reference to the 7 day limitation on the use of hydrant meters.

Overhiser suggested that the rates be adjusted so that there would be enough revenue generated to purchase additional hydrant meters.

Burr inquired into how the Standby rate was established.

Halberstadt explained that he took the monthly standby rate that customers pay and divided it by the average number of days in a month, to come up with the suggested daily standby rate for hydrant meters.

Burr asked if the standby rate could be increased and how the usage rates were determined.

Halberstadt explained that the usage rates were based on the current water policy usage rates, with the exception of the first 2,500 cubic feet where a flat rate was established.

Stickland suggested that the BPU could have a policy that would allow a farmer to be able to purchase a meter that would be then owned by the City. Stickland also suggested that the standby rate be raised in order to supplement the purchase of additional hydrant meters.

Rose asked if Huff could obtain the number of hydrant meter requests from last year.

Huff suggested that the 7 day limitation be removed and that the language in the hydrant meter policy be changed to state that during times of high demand for hydrant meters the city has the right to limit the numbers of days a customer can use the hydrant meter.

Stickland suggested that the City purchase 3 or 4 additional hydrant meters.

Burr suggested that we find out what standby fees for hydrant meters are in other communities.

Stickland said that this item would be tabled until next month.

All in favor. Motion carried.

11. Board will be requested to consider the Monroe Boulevard Sewer Main Extension

Halberstadt provided background information on this request.

Discussion occurred on this item.

Motion by Henry, Second by Winkel to adhere to current policies and ordinances regarding the Monroe Boulevard sanitary sewer extension.

All in favor. Motion carried.

12. Next meeting is scheduled for Monday, July 29, 2013 at 4:00 pm in the DPW Conference Room, 1199 8th Avenue, South Haven, Michigan.

No discussion occurred.

13. Director's Comments

Huff stated that GRP Engineering forwarded their report for staff review and that the report would be presented at the July BPU meeting.

Halberstadt explained that House Bill 284 recently passed for low income Energy Assistance. The BPU needs to either add \$1 to everyone's electric bill or agree to not shut off electricity to low income customers during a specified time period of the year.

Discussion occurred and the Board was in favor of adopting the no shut off policy during a specified time period of the year, because this is already the policy of the BPU during most of the specified time period in the Bill.

14. Board Member Comments

Stein: Said that there is a standing water issue at Aylworth Avenue and Bailey Avenue that needs to be addressed.

Stickland: Asked that the church reclassification to “residential” for the Summer Sewer Credit be taken before the City Council for Approval.

15. Adjourn

Meeting adjourned at 6:27 p.m.

RESPECTFULLY SUBMITTED,

Ryan Bosscher
GIS Technician