

Muskegon County
Board of Public Works
June 30, 2016
4:00 p.m.
Michael E. Kobza Hall of Justice
990 Terrace Street
Muskegon, MI 49442

Benjamin Cross, Chair

Marvin Engle, Vice Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Chair Cross at 4:00 p.m.

ROLL

Present: Benjamin Cross, Muskegon County Commissioner
Susie Hughes, Muskegon County Commissioner
Jeff Lohman, Muskegon County Commissioner
Ken Mahoney, Muskegon County Commissioner
Brenda Moore, Drain Commissioner
Charles Nash, Muskegon County Commissioner
Robert Scolnik, Muskegon County Commissioner
Rillastine Wilkins, Muskegon County Commissioner
Kim Arter, Ex-officio Member
Jerry Bartoszek, Ex-officio Member

Excused: Marvin Engle, Muskegon County Commissioner

Staff

Present: Mark Eisenbarth, Muskegon County Administrator
Beth Dick, Assistant Administrator & Finance Director
Doug Hughes, Corporate Counsel
David Johnson, Wastewater Director
Steve Fink, Public Works Project Manager
Tina Nash, DPW Departmental Clerk
Jonathan Wilson, Economic Development Coordinator
Sara Damm, Sustainability Coordinator

BPW-16-062 APPROVAL OF AGENDA

Moved by Commissioner Lohman, seconded by Drain Commissioner Moore, to approve the agenda as presented.

VOICE VOTE: **Motion carried**

BPW-16-063 APPROVAL OF MINUTES

Moved by Commissioner Wilkins, seconded by Commissioner Lohman, to approve the minutes of the Board of Public Works meeting held on June 16, 2016.

VOICE VOTE: **Motion carried**

PUBLIC COMMENT ON AN AGENDA ITEM

Rich VanderVeen from Tradewind Energy thanked the Board and staff for their time and for calling the special meeting. Rich VanderVeen stated it was a pleasure working with everyone and he hoped Tradewind's proposal would be selected. He looks forward to working with and educating the local municipalities to earn their trust.

David Shiflett from Geronimo Energy thanked the Board for calling the special meeting and staff for their time. He stated he has been working with staff since February and is confident they can move this project across the finish line and get it built. David Shiflett stated he is excited for the opportunity.

Commissioner Scolnick asked Rich VanderVeen what the odds were of this happening. Rich VanderVeen stated they were very good.

Commissioner Scolnick asked Rich VanderVeen what the cost was for a kilowatt produced by gas. Rich VanderVeen state it is about four (4) cents per kilowatt hour.

Commissioner Scolnick asked Rich VanderVeen about the wind turbines in his proposal and the name plate capacity. Commissioner Scolnick stated it is his understanding that these only work about 30% of the time. Rich VanderVeen stated it based on a formula. Rich VanderVeen then explained the formula and stated Commissioner Scolnick would be correct. Rich VanderVeen stated that no one is dependent on one source of power and it is all based on strategy.

ITEMS FOR CONSIDERATION:

BPW-16-064 Accept Energy Proposal

Moved by Commissioner Hughes, seconded by Commissioner Mahoney, to authorize Wastewater staff to work with Tradewind Energy in their efforts to submit proposals to Consumers Energy for a Wind Energy project on Wastewater property north of Apple Avenue and a Solar Energy project on Wastewater property south of Apple Avenue and I authorize the Board Chair to sign the letters of intent and associated leases.

Chair Cross asked Dave Johnson to explain the motion presented to the Board. Dave Johnson stated this was not an easy decision. Dave Johnson stated both companies are extremely competent, he enjoyed working with both David Shiflett and Rich VanderVeen and stated they are masters in their field. Dave Johnson stated the decision was based on the evaluation of both the wind and solar lease proposals and what would give the most benefits to Muskegon County and that is how Tradewind was selected.

Commissioner Lohman asked what experience Tradewind had working with union trade groups. Rich VanderVeen stated they have worked with unions on various projects. Rich VanderVeen stated the

BPW-16-064 Accept Energy Proposal Continued

people they hire, union or non-union, need to be the best and ultimately get the job done on time and on budget. They are open to local labor. They expect the highest quality and the highest value. Commissioner Lohman stated it is important that Tradewind work closely with both Egelston and Moorland Townships.

Drain Commissioner Moore asked Dave Johnson to explain what the benefits to the County were. Dave Johnson stated they looked at the lease and the benefits to Wastewater and the benefits to the surrounding regions as well through taxes. Dave Johnson stated they were impressed by the long term visions of Tradewind.

Kim Arter wanted the Board to know that the User Group met and by unanimous vote recommended the County proceed with this.

Commissioner Wilkins stated she had heard that another municipality was promised a rebate that never happened. Commissioner Wilkins asked Rich VanderVeen if he knew anything about that. Rich VanderVeen stated he had no knowledge of that and it was not one of his projects.

Commissioner Nash asked Dave Johnson what the next step would be in this process. Dave Johnson stated they would need to sign a letter of intent with Tradewind and sign the lease agreement. Dave Johnson explained the lease agreement is confidential until Consumers makes them public. Doug Hughes stated his office has the confidential documents and the lease agreement is in proper form.

Commissioner Hughes asked if this project was contingent on Consumers accepting Tradewind's proposal. Dave Johnson stated that was the goal. Dave Johnson stated there is still a possibility, if the proposal is not accepted by Consumers, to go ahead and develop wind and solar and try to get a power purchase agreement. Doug Hughes stated he has spoken with both companies and they have committed to continue to search for renewable resources.

Commissioner Nash stated he has concerns voting on this without seeing the documents. Doug Hughes assured the Commissioners that the lease was patterned after the Gamesa lease and addresses everything that needs to be.

Commissioner Hughes read the motion.

Roll call:

Yes – Nash, Scolnik, Wilkins, Hughes, Lohman, Mahoney, Moore, Cross

No – None

Excused - Engle

Motion carried

OLD BUSINESS

Drain Commissioner Moore asked for further explanation regarding what taxes would be paid. Doug Hughes stated it was personal property taxes.

Commissioner Nash commented his concerns were not about this project, but do to previous projects he wanted to make sure those in charge are taking care of the community. Doug Hughes stated staff would be happy to take time and go over the details with him.

NEW BUSINESS

None

PUBLIC COMMENT ON A NEW ITEM

Arnold Boezaart, former Director of the Grand Valley State Alternative and Renewable Energy Center, congratulated the Board on making the decision to move ahead with renewable energy on the Wastewater site.

ADJOURN

There being no further business to come before the Board of Public Works the meeting was adjourned at 4:35 p.m.

Benjamin E. Cross, Chair