

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
SEPTEMBER 19, 2019

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, September 19, 2019, at 4:00 p.m. at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The meeting was called to order at 4:00 p.m. by Chairperson Smart.

Present were Directors Kieft, Naser, VanderMolen, Witherell and Smart.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; and Rob Shelley, Distribution and Engineering Manager.

Director Witherell, supported by Director Kieft, moved to approve the meeting agenda. The motion was unanimously approved.

19-11A Director Witherell, supported by Director Kieft, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the August 15, 2019 Board Meeting
- Accept and file the August 2019 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$3,717,876.32 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$281,287.61 from the Renewal and Replacement Fund
- Confirm Purchase Order #20883 to Northern Boiler Mechanical Contractors in the amount of \$20,346 for emergency repairs at Sims
- Confirm Purchase Order #20888 to Jaffe Raitt Heuer & Weiss in the amount of \$5,490 for CCR legal consulting services
- Confirm Purchase Order #20898 to Michigan CAT, Inc. in the amount of \$26,059 for front axle repair on the 824G dozer at Sims
- Confirm Purchase Order #20902 to PCM Sales, Inc. in the amount of \$8,009 for annual support and subscription fees for Microsoft Office 365 and Outlook
- Confirm Purchase Order #20904 to Kent Power Inc. in the amount of \$49,696 for contractor line crew assistance
- Confirm Purchase Order #20917 to Northern Boiler Mechanical Contractors in the amount of \$98,000 for emergency south wall boiler tube repairs
- Confirm Purchase Order #20921 to Precision Trenching, Inc. in the amount of \$12,620 for directional boring for service relocation
- Confirm Purchase Order #20936 to GRP Engineering Inc. in the amount of \$59,000 for the Harbor Drive, Columbus to Howard, engineering design services

The motion was unanimously approved.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
SEPTEMBER 19, 2019

19-11B Public Comment Period – Jeff Miller, BLP residential customer, thanked Director VanderMolen for his years of service to the BLP. He asked the Board to continue its focus on safety, reliability, affordability and environmental impact. He urged the Board to methodically move forward while allowing the new Board member to share their viewpoints. He also wanted to dispel the notion that the community wants to generate its own power based on the survey results of the two townhall meetings held in August 2018. These were not scientific surveys.

The General Manager reminded the Board the BLP contracted with GreatBlue to conduct scientific customer satisfaction surveys in each of the last three years. During the 2018 survey, we asked if it is important to replace Sims with some local generation and, if it is important, how much more are they willing to pay for local generation. Interest drops off significantly at the 5% level. We also asked about renewable energy and how much more they are willing to pay. Once again, interest drops off significantly at the 5% level.

No formal action taken.

19-11C Director Witherell, supported by Director Kieft, moved to approve the following purchase orders:

- Approve Purchase Order #20896 to Altec Industries, Inc. in the amount of \$5,825 for annual distribution truck inspections and dielectric testing
- Approve Purchase Order #20905 to Sauber Manufacturing Company in the amount of \$29,629 for a pole and reel trailer for the line crew
- Approve Purchase Order #20910 to Bridgewell Resources, LLC in the amount of \$23,345 for 22 treated yellow pine power poles primarily for the West Spring Lake Road rebuild project
- Approve Purchase Order #20914 to Power Line Supply Company in the amount of \$13,165 for six 50 kVA padmount transformers
- Approve Purchase Order #20915 to Power Line Supply Company in the amount of \$6,303 for six 25 kVA polemount transformers
- Approve Purchase Order #20927 to Power Line Supply Company in the amount of \$45,482 for Hendrix cable and materials for the West Spring Lake Road rebuild project
- Approve Purchase Order #20934 to Trace Analytical in the amount of \$5,300 for September 2019 groundwater sampling and testing at Sims
- Approve Purchase Order #20937 to GRP Engineering Inc. in the amount of \$29,000 for the Harbor Drive, Columbus to Howard, contract and construction engineering services

The motion was unanimously approved.

19-11D The Board received the most recent Bylaws draft and redlined version in the Board packet for the Board's Second Reading. Staff and the City Attorney are standing by for any

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
SEPTEMBER 19, 2019

further questions or comments. The final draft of the Board Bylaws are anticipated to be brought to the October meeting for final review and approval.

No formal action taken.

19-11E Director Witherell, supported by Director Kieft, moved to approve the Electric Service Rules, Standards & Rates as presented. The Second Reading included a couple minor revisions after the August meeting. There are no significant revisions to the policies or rate changes from those set in 2016.

The motion was unanimously approved.

19-11F The General Manager provided an overview of the MPPA Quarterly Hedge Plan Report. We are beginning to use these reports more as a basis for power purchases moving forward.

We buy all power through MPPA that is not generated locally. The Board selected a 5-year stable hedge plan, which is a routine practice for buying power in blocks. MPPA runs an analysis on our behalf and provides a planning model for the next 5 year period. If MPPA's transaction recommendation is less than \$2 million and less than a one-year term, the Member Authorized Representative, (which is the General Manager) approves the transaction consistent with pre-established parameters. Transactions longer than a one-year term or over \$2 million must be approved by the Board and the Member Authorized Representative prior to MPPA execution.

The load pattern for both energy and capacity has been very flat for the last 10 years and is projected to remain flat going forward, which is consistent with a nationwide trend. We have been seeing GDP gains, but little energy load gains.

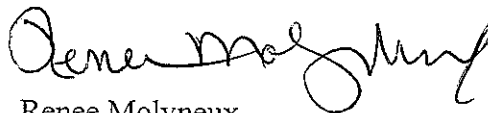
No formal action taken.

19-11G The Sims Farewell Celebration will be held from 11 AM – 1 PM on Saturday, October 5, 2019. Acknowledgements will be presented at noon.

No formal action taken.

At 5:23 p.m. by motion of Director Kieft, supported by Director Witherell, the September 19, 2019 Board meeting was adjourned.

Respectfully submitted,



Renee Molyneux
Secretary to the Board

RM