

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
FEBRUARY 11, 2020

A special work session of the Grand Haven Board of Light and Power was held on Tuesday, February 11, 2020, at 1:00 p.m. at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The meeting was called to order at 1:00 p.m. by Vice Chairperson Witherell.

Present were Directors Crum, Kieft, Naser, and Witherell.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; Lynn Diffell, Accounting & Finance Manager; Rob Shelley, Distribution & Engineering Manager; and Erik Booth, Power Supply Manager.

Director Kieft, supported by Director Naser, moved to excuse Chairperson Smant from the meeting. The motion was unanimously approved.

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

Public Comment Period – Walter Davis, BLP customer, stated ecocide is genocide. New York divested \$2 billion of pension funds and fossil fuels. Fracking is the worst possible source of energy due to methane emissions, and 1.4 million citizens are affected by fracking wells that are located within 500 feet of residential areas.

Shannon Donley, BLP customer, stated she has environmental concerns. She asked if it's the intent of the Board to turn a profit on incentivizing renewables or to just build something. The age of fossil fuel energy is gone. The Board should be forward thinking and environmentally responsible.

No formal action taken.

Erik Booth provided a presentation of the proposed interim snow melt solution to the Board. The design utilizes five smaller low mass condensing boilers that can fit inside the existing snowmelt building. Utilizing smaller units will minimize annual operating costs during idle mode and will be less expensive to replace in the future. This design will also allow for a greater use of the existing piping. The project was competitively bid with construction costs ranging from \$953,385 to \$1,308,400. Much of the work can be performed inhouse, which reduces the overall cost of the project. Staff will seek Board approval in the amount of \$750,000 at its February 20, 2020 meeting so we may begin ordering equipment. This covers the cost to implement the full system; however, the City will need to install a new gas line and connect the system to City water. A future discussion will also need to be held between the Board and City Council to determine how the project will be funded.

No formal action was taken.

David Walters, General Manager reviewed the approved 5-Year Capital Financing Plan with the Board, which includes \$87,543,000 in capital projects including:

- \$2.3 million for AMI
- \$3.25 million for the island substation rebuild
- \$5 million for the demolition of Sims

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- ~~\$5 million for mitigation of Sims~~
- \$57 million for construction of a few facility on Harbor Island
- \$3 million for Sims site remediation

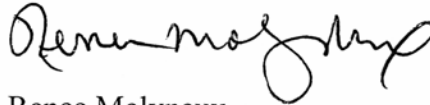
Installing 10 or 20 MWs of backup capacity makes economic sense from a capacity perspective. These units will only run when it's economical, which is when power purchases are at a price higher than our costs. Whether we run or not, we still gain capacity by installing backup generation.

No formal action was taken.

A discussion regarding communications with the media was held. Media requests are to be directed to BLP staff, the Board Chair or Board Vice Chair. No formal action was taken.

At 3:37 p.m. by motion of Director Naser, supported by Director Kieft, the February 11, 2020 work session was adjourned.

Respectfully submitted,



Renee Molyneux
Secretary to the Board

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