

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
AUGUST 17, 2023

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, August 17, 2023, at 6:00 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Meeting.

The meeting was called to order at 6:00 PM by Chairperson Westbrook.

Present: Directors Crum, Hendrick, Knoth, Witherell and Westbrook.

Absent: None.

Others Present: General Manager David Walters, Secretary to the Board Danielle Martin, Finance Manager Lynn Diffell, Operations & Power Supply Manager Erik Booth, and Distribution & Engineering Manager Rob Shelley.

23-13A Director Knoth, supported by Director Witherell, moved to approve the meeting agenda.

Roll Call Vote:

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.
Motion carried.

Public Comment Period:

Jeff Miller, 1120 South Harbor Drive, asked about procedures for the public to submit documents for the Board to receive and file. He asked how much staff time was used to prepare the presentation for agenda item 5C and if the presentation slides will be posted online.

Mike Inman, 18148 Swiss Drive, Spring Lake, stated his family has been BLP customers for over 30 years and they have been more than happy with the service provided. He has no confidence in the City Council's ability to manage the electrical utility.

23-13B Director Knoth, supported by Director Witherell, moved to approve the consent agenda. The consent agenda includes:

- Approve Minutes of the July 20, 2023, Board Meeting and August 1, 2023, Board Work Session
- Receive and file the July Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and file the July Key Performance Indicator (KPI) Dashboard
- Receive and file the MPPA Energy Services Project Resource Position Report (dated 07/28/2023)
- Receive and file the Constellation Energy Market Update Graphs (dated 08/08/2023)
- Receive and file Walters public comments made at the 8/07/2023 City Council meeting

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- Approve paying bills in the amount of \$3,969,478.11 from the Operation & Maintenance Fund
- Approve paying bills in the amount of \$845,088.64 from the Renewal & Replacement Fund

Roll Call Vote:

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.
Motion carried.

23-13C Director Knoth, supported by Director Witherell, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order 22740 in the amount of \$58,130 to Power Line Supply Company for LED street lighting fixtures
- Purchase Order 22749 in the amount of \$11,960 to Power Line Supply Company for tri-plex wire to replenish stock
- Purchase Order 22754 in the amount of \$45,867 to Premier Line Services, LLC. for annual switchgear cleaning maintenance services
- Purchase Order 22756 in the amount of \$20,783 to Brown Wood Preserving Company Inc. for 26 wood distribution poles to replenish stock

Roll Call Vote:

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.
Motion carried.

23-13D Director Hendrick, supported by Director Witherell, moved to Authorize the Revised Power Purchase Commitment for the Savion Calhoun Solar Project.

This project was previously approved by the Board and is included in our power supply projections. The BLP will take about 8.8% of MPPA's 25MW portion of the project. Installation deadlines have not been met and the project was sold to another developer. Prices are now up almost 45%. Resigning at the 45% price increase is the cheapest alternative available for projects in this timeframe. The price will be \$62 flat over the entire contract, which has a 20 year term. This will keep us on course for our hedging program.

Roll Call Vote:

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.
Motion carried.

23-13E Erik Booth provided a "Reviewing the Record" presentation. The Board has the responsibility and obligation to ensure accurate information is provided to voters as they consider

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the proposal to dissolve the Board of Light and Power. Some statements made in support of the proposal are verifiably not true.

Booth reviewed City Council resolutions that directed the Board to build local generation. These resolutions contradict statements claiming the BLP pushed to install local generation despite public objection.

Booth reviewed the public process the Board undertook before implementing the Environmental Remediation Surcharge on July 1. The surcharge was discussed by the Board at open meetings on April 20, May 3, and May 25. Staff provided two press releases to the media and the surcharge was predominantly featured in the July 2023 Plugged In customer newsletter. The City Clerk was notified 30 days prior to the rate becoming effective as is required by the Charter.

Governance structure for public utilities was reviewed. In a joint letter, MMEA and MPPA report that in Michigan, every public power utility, except Bay City, with at least 10,000 customers is governed by an independent utility Board. In another letter, APPA reports that nationally, in the 5,000-20,000 customer class, in which the BLP falls, 38% of public utilities are governed by a city council and 61% are governed by an independent utility board. Not all utilities falling in this category reported for this survey.

No formal action taken.

23-13F Director Crum, supported by Director Witherell, moved to Approve the Board Resolution Regarding General Employee Benefits (Attachment A).

At its July meeting, the Board approved executing short-term contracts for three executive staff employees which included a severance and healthcare provision. Today's resolution extends the same severance and healthcare provision to the remaining non-contract employees. This is in an effort to retain the non-contract employees during the January 1, 2024 to June 30, 2024 time period should the Charter amendment pass. The union employees are governed by a collective bargaining agreement.

Roll Call Vote:

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.
Motion carried.

23-13G Chairperson Westbrook reported a meeting was held on August 12, 2023 between himself, the General Manager, and Ferrysburg's Mayor and City Manager. The information gathered by the BLP subcommittee, including the franchise agreement review and legal opinion from the City attorney, were provided. The next step is for the Mayor and City Manager to bring that information to the rest of their Board. They seemed interested in reviewing and updating the franchise agreement.

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The General Manager encouraged a review and update of all franchise agreements in 2024 regardless of if the Charter amendment does or does not pass.

No formal action taken.

Public Comment Period

Jeff Miller, 1120 South Harbor Drive, asked for the cost and number of staff hours spent preparing the “Reviewing the Record” presentation to be reported at the Board’s next meeting. Miller stated he is not a spokesman for the BLPCCC.

Mike Inman, 18148 Swiss Drive, Spring Lake, asked the Board to consider reaching out to its customers who live outside the City limits to see what they think about the Charter amendment proposal. He has no faith in the City managing power concerns.

Jacob Welch, 625 Franklin, stated a spot on the Advisory Board of the proposed Charter amendment is reserved for non-City residents.

David Barnosky, 14477 Shady Hollow, West Olive, is happy to see the hostility level has gone down. He considers the Board to be captured by management.

Chairperson Westbrook read a comment from Dennis McKee, 17537 Doric, who said he needed an explanation on his bill and was helped by Tammy. He said thank you and it’s great to deal with his hometown electric utility.

Chairperson Westbrook read a comment from Bonnie Tammen, 310 Woodside, who said her husband was the City Manager a long time ago and they were proud to have their own independent electric utility. She hopes the BLP will stay independent, and it does a great job.

Adjournment

At 7:07PM by motion of Director Knoth, supported by Director Hendrick, the August 17, 2023 Board meeting was unanimously adjourned.

Respectfully submitted,



Danielle Martin
Secretary to the Board

DM

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Attachment A

RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER

**TO EXTEND A SEVERANCE AND HEALTH CARE PROVISION TO NON-CONTRACT EMPLOYEES OF THE
GRAND HAVEN BOARD OF LIGHT AND POWER**

WHEREAS A PROPOSED GRAND HAVEN CITY CHARTER AMENDMENT TO DISSOLVE THE BOARD OF LIGHT AND POWER WILL APPEAR ON THE NOVEMBER 2023 ELECTION BALLOT, AND

WHEREAS SHOULD THE AMENDMENT PASS, LIMITED DIRECTION FOR THE TRANSFER OF NON-CONTRACT BOARD OF LIGHT AND POWER EMPLOYEES TO THE CITY OF GRAND HAVEN IS PROVIDED BY THE PROPOSAL, AND

WHEREAS THE BOARD DESIRES TO RETAIN THESE NON-CONTRACT EMPLOYEES DURING THIS PERIOD OF UNCERTAINTY.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT AND POWER, OR ITS SUCCESSORS AND ASSIGNED, RESOLVES TO PAY NON-CONTRACT EMPLOYEES SIX MONTHS' SEVERANCE PAY AND SIX MONTHS OF HEALTH CARE, CONSISTENT WITH THAT PROVIDED TO OTHER EMPLOYEES DURING THE SIX-MONTH PERIOD, IF THEY EXPERIENCE A SUBSTANTIAL CHANGE IN BENEFITS OR PAY AS A RESULTS OF THE PROPOSED CHARTER CHANGE AMENDMENT BECOMING EFFECTIVE JANUARY 1, 2024.

BE IT FURTHER RESOLVED THAT THIS SEVERANCE AND HEALTH CARE PROVISION OPTION SHALL TERMINATE JUNE 30, 2024.

RESOLUTION DECLARED ADOPTED

August 17, 2023

BOARD OF LIGHT AND POWER

By: Danielle Marti

Its: Board Secretary