

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

November 10, 2015

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Tuesday, November 10, 2015, 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 4:05 p.m. by Chairperson Smart.

Present were Directors Naser, VanderMolen, Witherell and Smart.

Also present were Dave Walters, General Manager and Renee Molyneux, Administrative Services Manager and Secretary to the Board.

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

Director VanderMolen, supported by Director Naser, moved to approve the consent agenda and the regular agenda. The motion was unanimously approved.

15-11A Director Witherell, supported by Director Naser, moved to nominate Director Smart to serve as Chairperson of the Board. Director Naser, supported by Director Witherell, moved to close nominations for Chairperson and cast a unanimous ballot for Director Smart. The motion was unanimously approved.

15-11B Director Naser, supported by Director VanderMolen, moved to nominate Director Witherell as Vice Chairperson of the Board. Director VanderMolen, supported by Director Naser, moved to close nominations for Vice Chairperson and cast a unanimous ballot for Director Witherell. The motion was unanimously approved.

15-11C Director Naser, supported by Director VanderMolen, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the October 15, 2015 Board meeting
- Approve paying bills in the amount of \$2,350,497.12 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$416,639.85 from the Renewal and Replacement Fund
- Approve paying bills in the amount of \$181,304.25 from the Transfer Fund
- Approve paying bills in the amount of \$662,753.01 from the Receiving Fund
- Confirm Purchase Requisition #13101 to Northern Boiler Mechanical Contractor in the amount of \$25,842 for installation of the scrubber recirculation pump

The motion was unanimously approved.

15-11D Public Comment Period — No comments were received.

15-11E Director Naser, supported by Director VanderMolen, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #13115 to Preiser Scientific in the amount of \$5,967 to replace the coal pulverizer used to prepare coal pellets for BTU measurement in calorimeter

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- Approve Purchase Requisition #13118 to Environmental Systems Corp. in the amount of \$5,250 for CEM data reporting assistance
- Approve Purchase Requisition #13119 to Environmental Systems Corp. in the amount of \$9,700 for the annual Maintenance Agreement on the CEM Data Acquisition System

The motion was unanimously approved.

15-11F Approve Policy on De Minimis Benefits for Employees — Director Naser, supported by Director VanderMolen, moved to approve the policy on de minimis benefits to employees. This policy was written in response Peter Haefner's recommendation presented at last month's meeting. The motion was unanimously approved.

15-11G Approve 2016/2017 Coal Supply and Purchase Agreement — Director Witherell, supported by Director VanderMolen, moved to approve the Amended and Restated Coal Supply and Purchase Agreement between the City of Grand Haven, Board of Light and Power, C. Reiss Coal Company, and Williamson Energy LLC in substantially this form and to authorize the General Manager to finalize the agreement. The motion was unanimously approved.

15-11H Approve 2016 Board Calendar of Meetings — Director Naser, supported by Director Witherell, moved to approve the 2016 Board meeting calendar. The motion was unanimously approved.

15-11I MPPA Quarterly Power Supply Plan of October 2015 — This report is consistent with what has been presented before and is being provided for information only. No formal action taken.

15-11J Strategic Planning Information/Capital Asset Planning — In preparation for January's strategic planning session, the Board discussed how the BLP's assets are depreciated. We use a straight line depreciation method based on the life of the asset. Using this system, we can determine an approximate average age of our system to plan for future capital investment in the following four areas: (1) steam plant, (2) diesel plant, (3) transmission and distribution, and (4) general office. The Board should plan to invest between \$3.5 to \$4 million annually over the next 10 years (\$35 to \$40 million) for capital improvement projects. No formal action taken.

At 6:05 p.m. by motion of Director Naser, supported by Director VanderMolen, the November 10, 2015 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux  
Secretary to the Board

RM/ak