

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
DECEMBER 28, 2017

A rescheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, December 28, 2017, at 4:00 p.m. at the Grand Haven Board of Light & Power located at 1700 Eaton Drive in Grand Haven, Michigan.

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

Present were Directors Kieft, VanderMolen and Witherell.

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

Director Kieft, supported by Director VanderMolen, moved to excuse Directors Naser and Smart from the Board Meeting. The motion was unanimously approved.

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

17-13A Director Kieft, supported by Director VanderMolen, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the November 9, 2017 Board meeting
- Accept and file the November 2017 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$8,972,621.79 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$416,605.89 from the Renewal and Replacement Fund
- Confirm Purchase Requisition #14645 to Flex-Kleen Division in the amount of \$6,898 for bags and cages for the crusher bag house
- Confirm Purchase Requisition #14650 to Corrosion Fluid Products Corp. in the amount of \$13,786 for a replacement valve for A Module
- Confirm Purchase Requisition #14686 to Thermo Vac in the amount of \$17,850 for balance gates for the pulverizers
- Confirm Purchase Requisition #14710 to Star Crane & Hoist Service Inc. in the amount of \$6,974 for labor and parts for the Scrubber hoist repairs
- Confirm Purchase Requisition #14716 to Duratech Systems, LLC in the amount of \$13,640 for rubber repairs during the fall shutdown

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- Confirm Purchase Requisition #14718 to ABB Service in the amount of \$5,280 to repair DFAH malfunction processors
- Confirm Purchase Requisition #14724 to Northern Boiler Mechanical Contractor in the amount of \$163,732 for fall shutdown mechanical repairs
- Confirm Purchase Requisition #14726 to ABB Service in the amount of \$18,032 for INFI90 boiler tuning
- Confirm Purchase Requisition #14729 to State of Michigan in the amount of \$8,700 for the annual NPDES Permit
- Confirm Purchase Requisition #14742 to Northern Boiler Mechanical Contractor in the amount of \$11,640 to repair wind damage to the ductwork on the Scrubber
- Confirm Purchase Requisition #14748 to Renew Valve & Cleveland Valve in the amount of \$25,248 for fall shutdown valve repairs
- Confirm Purchase Requisition #14764 to Wylie Electric Motor Service in the amount of \$11,966 for repaired and replacement motors
- Confirm Purchase Requisition #14765 to Black & Veatch in the amount of \$69,500 for annual monitoring and diagnostic software services associated with Asset 360

The motion was unanimously approved.

17-13B Public Comment Period — No public present. No formal action taken.

17-13C Director Kieft, supported by Director VanderMolen, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #14698 to RS Technical in the amount of \$7,632 for replacement paddles for the slaker
- Approve Purchase Requisition #14713 to Applied Industrial Technologies in the amount of \$14,628 for a replacement bearing for the primary air fan
- Approve Purchase Requisition #14717 to Lisbon Hoist, Inc. in the amount of \$14,688 for boiler PIC replacement hoists
- Approve Purchase Requisition #14734 to C.C. Power, LLC in the amount of \$394,655 for Phase 2 Transmission Rebuild Project construction contract
- Approve Purchase Requisition #14739 to Reliable Turbine Services in the amount of \$6,735 for Turbine bearing inspection and UT testing

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- Approve Purchase Requisition #14761 to Z Services LLC in the amount of \$7,200 for Service Center January-June 2018 janitorial services

Purchase Requisition #14734 to C.C. Power, LLC is for construction of Phase II of the Transmission Rebuild project. The bid is significantly under budget. No materials are included – this contract is for labor only.

The motion was unanimously approved.

17-13D Approve 3-Year Commercial Cleaning Service Contract for Office Facilities — Director VanderMolen, supported by Director Kieft, moved to approve a 3-Year Commercial Cleaning Service Contract for the Service Center. The contract is fixed at \$14,400 per year.

The motion was unanimously approved.

17-13E Customer Payment Options Associated with New CIS System (with NISC) — Lynn Diffell, Finance and Accounting Manager, updated the Board on new customer payment options that will roll out with our CIS conversion in May 2018.

GHBLP will be using new vendors for credit card payments (First Data) and electronic check processing (ProfitStars). NISC has worked with these companies for a long period of time. We currently use AMS.

Today, we only accept credit card payments online. Fees for that purpose are approximately \$100,000 per year for approximately \$4,800,000 in sales. Going forward, we will accept credit card payments at the customer service counter, online and via telephone. We will install a scanner at the customer service counter for immediate credit card verification. We estimate a 10 to 15% reduction in fees per transaction with the new vendor. Customers will also be able to pay on mobile devices through an App.

Fees for electronic check processing are approximately \$2,000 for approximately \$400,000 in sales. NISC estimates a 50% reduction in fees per transaction.

Recurring Bank Drafts are handled through Huntington Bank. Fees are \$8,500 per year for \$400,000 in sales.

We will continue to accept cash at the counter.

No formal action taken.

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17-13F MPPA Quarterly Power Supply Plan, October 2017 — The October MPPA Quarterly Power Supply Plan was distributed for informational purposes only. We are down approximately 2.5% for the calendar year and are on track with the must run model. Forced outage rate is less than 0.5%. No formal action taken.

At 4:32 p.m. by motion of Director Kieft, supported by Director VanderMolen, the December 28, 2017 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux  
Secretary to the Board

RM