

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
September 22, 2016

A rescheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, September 22, 2016, 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; Rob Shelley, Distribution & Transmission Engineer; Jan O'Connell, Sierra Club; and Jeffrey Miller and Robert Allen, BLP customers.

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

16-09A Director Naser, supported by Director Kieft, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the August 25, 2016 Board meeting
- Accept and file the August 2016 Financial Report
- Approve paying bills in the amount of \$1,161,144.60 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$30,270.22 from the Renewal and Replacement Fund
- Approve paying bills in the amount of \$202,816.95 from the Transfer Fund
- Confirm Purchase Requisition #13680 to PKM Consulting in the amount of \$17,500 for substation relay control panel engineering
- Confirm Purchase Requisition #13687 to Carrier & Gable, Inc. in the amount of \$12,814 to replace a damaged traffic signal control cabinet
- Confirm Purchase Requisition #13688 to Wylie Electric Motor Service in the amount of \$5,780 to repair the spare pulverizer motor
- Confirm Purchase Requisition #13713 to Harlo Corporation in the amount of \$27,524 for a new relay control panel at the Morford Substation
- Confirm Purchase Requisition #13718 to Northern Boiler Mechanical Contractor in the amount of \$5,019 for repairs to the high pressure ash tail water line

The motion was unanimously approved.

16-09B Public Comment Period — Robert Allen, a BLP customer, thanked the Board for purchasing 9% of alternative energy. He stated he looks forward to adding more in the future.

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Jeffrey Miller, BLP customer, is attending his second meeting to familiarize himself with the Board. No formal action taken.

16-09C Director Witherell, supported by Director Kieft, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #13615 to Michigan Cat, Inc. in the amount of \$48,198 for a 2015 Caterpillar skid steer and attachments
- Approve Purchase Requisition #13674 to SPX Flow Control in the amount of \$5,941 for a diaphragm operated replacement control valve
- Approve Purchase Requisition #13675 to Dubric Packing & Seals in the amount of \$11,880 for field service work on the boiler feed pump
- Approve Purchase Requisition #13676 to Grand Haven Gasket in the amount of \$5,769 for Teflon gaskets for the precipitator rapper seals
- Approve PR #13692 to Power Line Supply in the amount of \$94,665 for the 69kV transmission line conductor
- Approve PR #13693 to Power Line Supply in the amount of \$47,768 for the 69kV transmission line optical ground wire
- Approve PR #13694 to Power Line Supply in the amount of \$54,080 for the 69kV transmission line insulators and conductor clamps
- Approve PR #13698 to Hometown Connections in the amount of \$23,500 for customer research and analysis
- Approve PR #13702 to RS Technical Services, Inc. in the amount of \$15,766 for slaker repair parts
- Approve PR #13704 to Andantex USA, Inc. in the amount of \$10,292 for a replacement planetary drive for slaker
- Approve PR #13707 to Dubric Packing & Seals in the amount of \$16,960 to repair and recoat the acid tank containment and truck loading areas
- Approve PR #13711 to Itron, Inc. in the amount of \$7,844 for the MV-90 maintenance renewal service contract
- Approve PR #13721 to Babcock & Wilcox Co. in the amount of \$67,892 for replacement expansion joints for the ID fan inlets
- Approve PR #13723 to Northern Boiler Mechanical Contractor in the amount of \$34,480 to re-tube the Johnston utility boiler
- Approve PR #13727 to Evan Consoles in the amount of \$20,609 for a Control Room console addition to facilitate Asset-360

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- Approve PR #13733 to CDW Computer Government in the amount of \$5,600 to purchase four laptop computers for the line crew trucks

These purchase requisitions include materials for the 69 kV transmission line and materials for the fall outage that starts October 1, 2016. One of our strategic objectives is to conduct customer research with the goal to better understand customer desires. Purchase Requisition #13698 to Hometown Connections is for that purpose. The motion to approve items 5.A. 1 through 16 was unanimously approved.

16-09D Highlight Sims III Fall Planned Outage Work/Schedule — There are six major items to be addressed during the fall outage. The total projected cost is \$580,000. This amount is well within our budget plan and is consistent with typical outage work. We are expecting to receive three more shipments of coal that are due to be delivered this fall, one more in September and two in October. No formal action taken.

16-09E Sims III 2016 Calendar Year Model to Actual Comparison — The General Manager reviewed the results of the current run schedule. The cumulative total year-to-date through September is at approximately 103% of goal. We have substantially lowered net transactions to the market as well as substantially lowered fuel expenses. The General Manager reviewed the recent history at Sims in regards to tons of coal burned and net megawatt-hours generated. We had a very good summer this year and kept the plant online while running it cost effectively. We are down approximately 15% in fuel cost per kWh by running in this manner. No formal action taken.

16-09F Sims III Mortgage Burning Celebration — The event format was discussed with the Board for the upcoming celebration on Tuesday, October 4. No formal action taken.

16-09G Schedule for October Board Meeting — Tentatively the Board will reschedule to Monday, October 17, 2016, at 4:00 p.m. based on auditor availability and Board member calendars. Updates to that schedule will be provided by the Administrative Services Manager. No formal action taken.

At 5:10 p.m. by motion of Director Witherell, supported by Director Naser, the September 22, 2016 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

RM/ak