

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

December 15, 2016

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, December 15, 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 Vice Chairperson Witherell.

Present were Directors Kieft, Naser and Witherell.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; Lynn Diffell, Controller; and Rob Shelley, Distribution & Transmission Engineer.

Director Kieft, supported by Director Naser, moved to excuse Director VanderMolen and 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.

16-12A Director Kieft, supported by Director Naser, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the November 10, 2016 Board meeting
- Accept and file the November 2016 Financial Report
- Approve paying bills in the amount of \$2,061,285.58 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$151,120.01 from the Renewal and Replacement Fund
- Approve paying bills in the amount of \$275,662.49 from the Transfer Fund
- Confirm Purchase Requisition #13890 to Shoreline Metal Fabricators in the amount of \$7,265 to fabricate the slaker grit paddle boxes and high pressure ash water strainers at Sims
- Confirm Purchase Requisition #13891 to Double L Enterprises in the amount of \$66,209 for additional clean up, removal, and disposal of contaminated soils and unknown abandoned underground piping at the Diesel Plant tank site
- Confirm Purchase Requisition #13893 to Duratech Systems LLC in the amount of \$20,809 for rubber repair to the scrubber modules and thickener at Sims
- Confirm Purchase Requisition #13894 to Northern A-1 Services in the amount of \$7,647 for vacuum truck services during the October shutdown at Sims

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

December 15, 2016

- Confirm Purchase Requisition #13899 to Northern Boiler Mechanical in the amount of \$12,473 for various repair and fabrication work done at Sims over the last two months

The motion was unanimously approved.

16-12B Public Comment Period — Michelle Rison, a resident of Spring Lake and a Consumers Energy customer, presented a smart meter that had burned to the Board. The General Manager emphasized this is not the appropriate place for this discussion. The Board of Light and Power currently does not have any smart meters on our system. He offered Michelle the opportunity to send any information to him and he will respond accordingly. No formal action taken.

16-12C Director Naser, supported by Director Kieft, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #13778 to Servicewear Apparel, Inc. in the amount of \$5,424 for fiscal year 2017 contract employee uniforms for line, meter and tree crews
- Approve Purchase Requisition #13849 to Babcock & Wilcox Company in the amount of \$7,120 to rebuild the pulverizer towers for Sims
- Approve Purchase Requisition #13860 to Berger Chevrolet in the amount of \$33,221 to purchase a 2017 Silverado 1500 4WD crew cab for Sims
- Approve Purchase Requisition #13861 to Bridgewell Resources, LLC in the amount of \$23,589 to purchase distribution poles for Osipoff-Island line rebuild and stock
- Approve Purchase Requisition #13862 to GE Measurement & Control in the amount of \$5,750 to replace a broken oxidation air flow probe at Sims
- Approve Purchase Requisition #13867 to Kendall Electric in the amount of \$6,323 for a snowmelt pump drive
- Approve Purchase Requisition #13870 to Power Line Supply in the amount of \$11,118 for underground service wire for stock
- Approve Purchase Requisition #13876 to Bell Lumber & Pole Company in the amount of \$158,775 to purchase poles for the Osipoff-Island transmission line rebuild
- Approve Purchase Requisition #13880 to Bridgewell Resources, LLC in the amount of \$76,857 for steel poles for the Osipoff-Island transmission line rebuild

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

December 15, 2016

- Approve Purchase Requisition #13885 to Power Line Supply in the amount of \$8,139 for polemount transformers for the Osipoff-Island transmission line rebuild
- Approve Purchase Requisition #13886 to Power Line Supply in the amount of \$95,625 for Hendrix materials for the Osipoff-Island transmission line rebuild
- Approve Purchase Requisition #13887 to Power Line Supply in the amount of \$101,997 for line material for the Osipoff-Island transmission line rebuild
- Approve Purchase Requisition #13895 to Corrosion Fluid Products Corp. in the amount of \$9,045 for thickener underflow pump replacement parts at Sims
- Approve Purchase Requisition #13905 to Kent Power Inc. in the amount of \$1,052,579 for the construction contract for Osipoff-Island transmission line rebuild
- Approve Purchase Requisition #13910 to Williams Scotsman Inc. in the amount of \$28,751 for delivery, installation and five month rental of two temporary office trailers for use during the office reconstruction period

The motion was unanimously approved.

16-12D Board Discussion on Selection of “Preferred” Contractors — In the past, we have approved two preferred vendors for Distribution Department emergency work. They provide us with their hourly rates; however, if they are not available, we go to another vendor. This is used for smaller work items and emergency jobs. Larger jobs are bid out. There is not any great reason to select a preferred vendor because we are not signing a contract. We will follow Purchasing Policy provisions for all necessary work and will also always try to use the lowest cost vendor. Contractors for Sims work is a different situation. They are almost an extension of our own staff and are more of a sole source type of contractor. We will continue to check pricing on all contractors. The General Manager will draft a summary of how we will proceed going forward. No formal action taken.

16-12E Calendar Year 2016 Sims Operations Model to Actual Comparison — The Board received an updated calendar year 2016 Sims operations model to actual plant performance comparison. Through November 2016, overall plant performance has been much more efficient and economical under the calendar year 2016 operations model. The General Manager and Board recognized Sims employees for their efforts. No formal action taken.

16-12F Calendar Year 2017 Sims Operations Model — The Board reviewed and discussed Sims proposed calendar year 2017 must run operations model. This model has the plant producing 285,000 megawatt hours which is slightly higher than the calendar year 2016 model but is a very similar schedule. No formal action taken.

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

December 15, 2016

16-12G MPPA Quarterly Power Supply Plan (3<sup>rd</sup> Quarter CY16) — The Board reviewed the third quarter MPPA power supply plan. No formal action taken.

16-12H Greatblue BLP Customer Satisfaction Study — The Board reviewed and discussed the results of Greatblue's initial GHBLP customer satisfaction survey. We received fairly high marks for customer satisfaction. Local generation and renewables are liked; however, the results show customers are not willing to pay more for them. No formal action taken.

At 5:47 p.m. by motion of Director Kieft, supported by Director Naser, the December 15, 2016 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux  
Secretary to the Board

RM/ak