

GRAND HAVEN BOARD OF LIGHT AND POWER

MINUTES

December 17, 2015

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, December 17, 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 4:10 p.m. by Vice Chairperson Witherell.

Present were Directors Naser, VanderMolen and Witherell.

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

Director VanderMolen, supported by Director Naser, moved to excuse Director Kieft and Director Smant from the Board meeting. Director Naser requested it be noted he is not happy with the number of meetings missed by Director Kieft. The motion was unanimously approved.

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

15-12A Director Naser, supported by Director VanderMolen, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the November 10, 2015 Board meeting
- Approve paying bills in the amount of \$3,212,564.32 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$107,549.61 from the Renewal and Replacement Fund
- Approve paying bills in the amount of \$159,636.65 from the Transfer Fund
- Approve paying bills in the amount of \$1,325,506.02 from the Receiving Fund
- Confirm Purchase Requisition #13140 to Muskegon Community College in the amount of \$5,113 for fall 2015 maintenance apprentice classes
- Confirm Purchase Requisition #13143 to Northern Boiler in the amount of \$13,587 to fabricate and install a stainless spool on the pulverizer
- Confirm Purchase Requisition #13172 to Babcock & Wilcox Company in the amount of \$25,236 for technical support on the pulverizer rebuild
- Confirm Purchase Requisition #13188 to Wilson Industrial Sale Company in the amount of \$5,639 for urea
- Confirm Purchase Requisition #13189 to Sungard Public Sector, Inc. in the amount of \$7,100 for technical support on the Click2Gov/Naviline software upgrade
- Confirm Purchase Requisition #13190 to Kendall Electric in the amount of \$6,815 to purchase repair parts for the scrubber sludge control panel computer interface
- Confirm Purchase Requisition #13195 to Northern A-1 Services, Inc. in the amount of \$48,622 for vacuum the fly ash silo, baghouse bin and precipitator hoppers

The motion was unanimously approved.

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15-12B Public Comment Period — No comments were received.

15-12C Director Naser, supported by Director VanderMolen, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #13133 to Lakeshore Carpet One in the amount of \$11,182 to install vinyl tile flooring in Sims III control room
- Approve Purchase Requisition #13167 to Anixter Power Solutions, LLC in the amount of \$8,000 for two primary metering cabinets
- Approve Purchase Requisition #13196 to Bridgewell Resources, LLC in the amount of \$11,441 to purchase 34 poles for stock

The motion was unanimously approved.

15-12D Approve Preferred 2016 Underground Installation Contractor — Director VanderMolen, supported by Director Naser, moved to approve low bid Precision Trenching as our preferred underground installation contractor for small projects and emergency work up to \$8,000 and Western Tel-Com as our backup contractor for the 2016 calendar year. This approval will be used only for small projects and emergency work. Any large scheduled projects with an estimated cost above \$8,000 would require specific Board approval. The motion was unanimously approved.

15-12E Advantis Project Termination Notice and Potential Replacement Renewable Energy PPA — The MPPA Board of Commissioners took action at their December meeting to terminate the Purchased Power Agreement with Advantis for failing to obtain the necessary financing for this project within the specified timeframe. MPPA staff has identified replacement opportunities for renewable energy at a lower cost than the Advantis Project. Currently, we are purchasing about 8% in renewable energy from landfill gas and Beebe Wind projects. The General Manager recommended committing to another 4% of renewable energy. The General Manager will continue to pursue alternative purchase agreements. No formal action taken.

15-12F GHLBP Current Organization Chart — An updated organizational chart was distributed to the Board for informational purposes only. No formal action taken.

15-12G Discussion Regarding Diesel Plant Units #2, #5, #6, and #7 — Director VanderMolen, supported by Director Naser, moved to retire and begin the process to remove and salvage all diesel units except #1. Unit #1 is the only operational unit in service at this time and is being declared for capacity in the MISO market for capacity credits. MISO has announced they will not give any capacity credits for engines that do not have a catalytic converter. The General Manager recommended taking all units except #1 out of service at this time. The motion was unanimously approved.

15-12H Update on Final Provisions of 2016/2017 Coal Supply and Purchase Agreement — The General Manager provided a status update on negotiations with our coal supplier. At this point, the attorneys have yet to reach the final language of the Coal Supply and Purchase Agreement and continue to edit certain provisions. There are no critical issues outstanding. The General Manager believes the agreement will be signed soon. No formal action taken.

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15-12I Reminder of the January Board Meeting Schedule — We will be holding a strategic planning study session on January 28 at Loutit District Library from 9:00 a.m. to approximately 4:30 p.m. The regular Board meeting will be on Friday, January 29, at 9:00 a.m. at the Board's office. Tim Blodgett from Hometown Connections will be here to facilitate the strategic planning process. In February, Mr. Blodgett will return to further work with staff and update the Board. In March, we should have a final draft document for Board consideration. No formal action taken.

At 5:40 p.m. by motion of Director VanderMolen, supported by Director Naser, the December 17, 2015 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

RM/ak