

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JANUARY 18, 2018

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, January 18, 2018, 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, Naser, 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; Rob Shelley, Distribution and Engineering Manager; and Erik Booth, Power Supply Manager.

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

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

18-1A Director Kieft, supported by Director Naser, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the December 28, 2017 Board meeting
- Accept and file the December 2017 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$1,666,246.03 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$84,464.71 from the Renewal and Replacement Fund
- Confirm Purchase Requisition #14770 to Northern Boiler Mechanical Contractor in the amount of \$16,108 for repair to Scrubber Module A inlet duct
- Confirm Purchase Requisition #14771 to TransAmerican Power Products in the amount of \$213,994 for a Change Order from PR #14660 to Bridgewell (approved in November) to new vendor TAPP
- Confirm Purchase Requisition #14772 to Michigan Cat, Inc. in the amount of \$9,209 for additional parts to rebuild and repair track
- Confirm Purchase Requisition #14777 to Itron, Inc. in the amount of \$8,158 for the MV90 annual software service renewal agreement
- Confirm Purchase Requisition #14781 to Northern Boiler Mechanical Contractor in the amount of \$9,950 for repair to ash pipe and scrubber roof siding

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- Confirm Purchase Requisition #14789 to Environmental Systems Corporation in the amount of \$9,700 for the Continuous Emission Monitoring System annual service agreement
- Confirm Purchase Requisition #14790 to Environmental Systems Corporation in the amount of \$5,600 for services to complete the quarterly emissions reporting to EPA
- Confirm Purchase Requisition #14795 to Dubric Packing & Seals in the amount of \$42,895 for emergency repairs to failed high pressure ash pump
- Confirm Purchase Requisition #14806 to State of Michigan in the amount of \$41,830 for annual air quality permit fee
- Confirm Purchase Requisition #14810 to Michigan Electric Cooperative Association in the amount of \$17,735 for annual safety training program dues

The General Manager reviewed the balance sheet and income statement with the Board. Director Naser thanked Staff for not having unscheduled downtime over the last month.

The motion was unanimously approved.

18-1B Public Comment Period — Jan O’Connell, Sierra Club, 201 Ivanhoe, Grand Rapids, MI, stated she has concerns regarding the coal ash pump repairs. Lane Sterenberg, 1036 Colfax, stated his questions asked of Board of Light & Power Staff prior to the Board meeting were answered and addressed completely. Asking such questions outside of Board meeting public comment periods is most appropriate. Staff is committed to answering questions in this fashion, without consuming public comment time. No formal action taken.

18-1C Director Kieft, supported by Director VanderMolen, moved to approve the following purchase requisitions:

- Approve Purchase Requisition #14744 to Bridgewell Resources, LLC in the amount of \$11,290 for 37 power poles to replenish BLP stock
- Approve Purchase Requisition #14750 to Power Line Supply in the amount of \$6,562 for 2,500 feet of primary underground conductor
- Approve Purchase Requisition #14756 to Power Line Supply in the amount of \$7,088 for 1,500 feet of secondary underground wire
- Approve Purchase Requisition #14767 to Irby Utilities in the amount of \$19,312 for 15 polemount transformers
- Approve Purchase Requisition #14779 to Network Environmental, Inc. in the amount of \$6,238 for quarterly HCL and PM stack testing

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- Approve Purchase Requisition #14786 to Trace Analytical Labs Inc. in the amount of \$40,025 for annual analytical and sampling service agreement for water testing for NPDES permit
- Approve Purchase Requisition #14799 to Asplundh Tree Expert, Inc. in the amount of \$65,000 for Distribution tree trimming services
- Approve Purchase Requisition #14802 to J.O. Galloup Company in the amount of \$5,541 for replacement valves
- Approve Purchase Requisition #14807 to Lutz, Daily, & Brain in the amount of \$75,300 for engineering design service for ash pond alternatives
- Approve Purchase Requisition #14808 to Montrose Air Quality Services in the amount of \$10,900 for equipment rental to conduct the annual 30 day performance test for mercury emissions
- Approve Purchase Requisition #14813 to GRP Engineering in the amount of \$38,000 for construction engineering services for Phase 2 transmission line rebuild

Purchase Requisition #14786 to Trace Analytical Labs is higher than in past years. This is due to contracting out our former Lab Technician's work who resigned last November. We have not replaced this position and do not plan on doing so.

We have fallen behind in tree trimming efforts and added Purchase Requisition #14799 to Asplundh Tree Expert, Inc. for assistance in maintaining the reliability of our distribution system.

Purchase Requisition #14807 to Lutz, Daily, & Brain was added for design work on an alternative ash containment system. Due to new requirements, we are closing the ash ponds and are going to onsite tanks. This process will continue to require transfers to the landfill; however, the volumes will be smaller and more frequent.

The motion was unanimously approved.

18-1D GreatBlue 2017 Customer Satisfaction Study (Phase II Follow-Up Research) — The General Manager reviewed the December 2017 study results with the Board. We worked with GreatBlue last year for a more in-depth survey. This is an independent third party follow up random phone survey, which was performed in accordance with research standards.

In terms of providing good service and value for the cost of electricity, 89.9% of residential and 88.9% commercial customers report being pleased. A strong majority of both residential and commercial customers report that local generation is important; however, most are only willing to pay up to 5% more for local generation. Energy generated from a renewable resource also reports as being important; however, again a majority of both residential and

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commercial customers were only willing to pay up to 5% more for renewable energy. Economies of scale will not get us within the “up to 5%” level for local generation. These results are similar to last year’s survey and other municipalities.

Director Naser requested it go on record he is very concerned with the reliability of the grid versus the reliability of local generation. He wants to better understand the advantages and disadvantages of both options.

No formal action taken.

18-1E City Request for Underground Installation during Harbor Drive Reconstruction — The City received a grant to reconstruct Harbor Drive from Columbus to Franklin this year. The City Manager asked the BLP to evaluate cost to place the electric service underground during the project. The current system is approximately 10 – 15 years old. Following our evaluation, we recommend undergrounding the five blocks from Columbus to Howard to tie in to last year’s underground project. We estimate the project will cost \$850,000. The cost for wire is \$250,000. The City is actively seeking district interest in helping fund the underground portion of the project at the 50% level.

No formal action taken.

At 5:02 p.m. by motion of Director Kieft, supported by Director VanderMolen, the January 18, 2018 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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