

GRAND HAVEN BOARD OF LIGHT AND POWER
AND
CITY OF GRAND HAVEN
MINUTES
JOINT BOARD/COUNCIL MEETING
JUNE 27, 2018

A special joint meeting of the Grand Haven Board of Light and Power and Grand Haven City Council was held on Wednesday, June 27, 2018, at 6:00 p.m. at the Grand Haven Community Center, 421 Columbus Avenue, in Grand Haven, Michigan.

The meeting was called to order at 6:05 p.m.

Present were Board of Light & Power Directors Kieft, Naser, Smant, VanderMolen, and Witherell and City of Grand Haven Council Members Brugger, Fritz, McCaleb, Monetza and Scott.

Also present were David Walters, General Manager; Pat McGinnis, City Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board of Directors; Linda Browand, City Clerk; Greg Holcombe, Urban Innovations LLC; Scott Smith, Dickinson Wright; and Brad Saad, Black & Veatch.

Greg Holcombe, facilitator, began with a discussion regarding City Council and Board member goals for tonight's meeting regarding the Sims plant closure and the process:

- Mayor McCaleb thanked visitors for attending. Her goal for the meeting is to find a way to improve communications and transparency between City Council and the GHBLP Board of Directors.
- Chairperson Smant stated studies began in 2012 and discussions were held with the City in 2015, 2016 and 2018. His goal is to move forward because the BLP has major timelines to meet. BLP Staff and Board members are always open for discussion. Smant agrees communications between the entities need to improve and it is critical we move forward.
- VanderMolen stated his desire is to invest whatever is needed in Sims to keep the plant operational. He feels the plant has made a lot of money for the BLP and we should do whatever it takes to keep it running.
- Monetza stated the question is not if, but when will the plant be closed. He feels the date for closure needs to be determined for the right reasons, not for emotional reasons.
- Scott would like to see a plan for generation before the closure of Sims. He does not want to vote to close before a plan is in place.
- Kieft provided an historical overview of generation assets for Grand Haven and stated we need to continue updating generation technology as we have done since 1896.

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- Brugger complimented Board leadership for making the difficult decision to move forward. He understands it can be difficult to let go of something that is loved, (using his old Volvo as an example), but when the cost to repair exceeds the life of the unit (or vehicle), you need to move forward. The process used by the GHBLP Board to make the decision to close Sims is similar to what is done at the Planning Commission. They review what is before them, establish a direction and make a recommendation to City Council for their consideration. Brugger agrees that a decision to move forward needs to be made. He also hopes to see a 50/50 split on snowmelt and feels that item is what is holding up the process. He would like to see some percentage of local generation, and likes the idea of green energy for Grand Haven. Brugger suggests the airport property be considered for future generation including solar. Brugger complimented the BLP on moving forward with transmission line upgrades.
- McGinnis would like to see the issue of pre-planning vs post-planning be resolved.
- Walters stated he has been with the GHBLP since January 2015. At that time, he was provided a list of Key Policy Statements that included an urgency to close Sims. He requested an opportunity for review before presenting a recommendation to the Board. The BLP performed a \$5 million major overhaul (of Sims) in 2015, which are completed every five years, and revised operations at Sims for a last effort to make the plant economical and reduce rates. By shutting the plant down in 2020, we are offsetting the next major overhaul for future investment opportunities.
- Smith stated he has worked for the City of Grand Haven and the GHBLP for 25 years. He recognizes this is a difficult decision. He feels there is no point in focusing on a “he said-she said” scenario. City council members want to know what comes next. We may not have the full answer, but the Board and City Council can establish a timeline on how they will get to the answers. The BLP has a resolution that deals with snowmelt. This issue needs to be answered before City Council must get a majority vote. He feels the best process to accomplish these tasks would be to create a subcommittee of the BLP Board and City Council to develop a timeline and figure out a way to get the public involved.

Discussion regarding a subcommittee ensued. Chairperson Smant recommends having two subcommittees, one for snowmelt and the other for generation. Holcombe suggests the subcommittee meet once or twice weekly for the next 3-4 weeks. Mayor McCaleb feels a small subcommittee could work, but there are other issues that need to be addressed beyond snowmelt. General Manager Walters’ added regulatory issues need to be considered. If we invest \$35 million in the plant or want to place a nuclear plant in Grand Haven, we will need to get a new source permit. The regulatory structure needs to be incorporated into the planning process.

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Those in favor of establishing a subcommittee tasked with developing a planning timeline for presentation to the full Council, Board and the public: Monetza, VanderMolen, Fritz, McCaleb, Scott, Brugger, Naser, Smant, and Witherell. Kieft had no comment. Mayor McCaleb and Chairperson Smant will select the subcommittee members.

Chairperson Smant thanked visitors for attending the meeting and suggested they also attend the Thursday, June 28 Board Meeting at 4:00 PM at 1700 Eaton Drive.

No formal action taken.

At 8:03 p.m., the June 27, 2018 joint Grand Haven Board of Light and Power and Grand Haven City Council meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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