

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
MARCH 21, 2019

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, March 21, 2019, 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 Naser and Witherell.

Present via telephone: Chairperson Smant.

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 Chairperson Smant, moved to excuse Director's Kieft and VanderMolen from the meeting. The motion was unanimously approved.

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

19-04A Director Naser, supported by Chairperson Smant, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the March 6, 2019 Special Board meeting
- Accept and file the February 2019 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$1,690,124.68 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$492,857.15 from the Renewal and Replacement Fund
- Confirm Purchase Order #20583 to Precision Trenching in the amount of \$8,349 for directional boring services
- Confirm Purchase Order #20589 to N-Dimension Solutions in the amount of \$7,500 for our annual network intrusion monitoring subscription
- Confirm Purchase Order #20593 to Northern Boiler Mechanical Contractor in the amount of \$11,511 for emergency repairs at Sims
- Confirm Purchase Order #20598 to Renew Valve & Cleveland Valve in the amount of \$12,285 for outage cold reheat safety valve repair
- Confirm Purchase Order #20610 to Corrosion Fluid Products Corporation in the amount of \$9,581 for outage hydroveyer valve repair
- Confirm Purchase Order #20615 to Reliable Turbine Services, LLC in the amount of \$14,793 for the turbine oil cooler inspection
- Confirm Purchase Order #20619 to Northern A-1 Services, Inc. in the amount of \$11,734 for vacuum truck ash removal for hydroveyer repairs

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- Confirm Purchase Order #20627 to Nalco Company in the amount of \$5,760 for chemical and laboratory technical services at Sims

The Board will discuss and determine if they want to have roll call votes for all motions at a future meeting. Roll call is necessary in order to record how each Board member voted.

The motion was unanimously approved.

19-04B Public Comment Period — Nancy O’Neil, BLP customer, introduced herself and expressed her interest in having the BLP purchase as much renewable energy as possible.

No formal action taken.

19-04C Director Naser, supported by Chairperson Smant, moved to approve the following purchase orders:

- Approve Purchase Order #20620 to Power Line Supply Company in the amount of \$7,813 for LED street lights
- Approve Purchase Order #20621 to Golder Associates, Inc. in the amount of \$9,550 for groundwater program management services
- Approve Purchase Order #20626 to Power Line Supply Company in the amount of \$11,775 for primary underground cable for inventory
- Approve Purchase Order #20632 to GEI Consultants of Michigan in the amount of \$37,450 for preliminary geotechnical investigation
- Approve Purchase Order #20634 to MCR Performance Solutions in the amount of \$35,000 for FERC 7-factor test validation and professional services

We are transferring to Network Integration Transmission Service (NITS) on June 1, 2020. The FERC 7-factor test is required in order to dedicate a portion of our transmission system to MISO. The 7-factor test is performed to verify BLP’s assets meet MISO requirements and must be filed one-year in advance of when we place it into the network. Following verification, we will file ‘Attachment O’ with MISO so we may receive revenues for the dedicated portion of our system. Transmission costs are expected to be approximately \$2.5 million per year after we transition to NITS. We estimate we will receive approximately \$1.5 million per year back in revenues from the dedicated portion of our system, which will be used to offset transmission costs.

The motion was unanimously approved.

19-04D Advanced Metering Infrastructure (AMI) is a planned project in our long-term Capital Improvement Plan. Over the past six months, staff has been evaluating the need and use of AMI for GHBLP along with various systems. Robert Shelley, Distribution & Engineering Manager, presented a preliminary overview of the proposed project, which included types of AMI Systems, how they work, and AMI benefits and concerns. Total project cost is estimated at \$2.3 million. Technologies have improved significantly since original systems were installed, particularly over the past 5 years. Grand Haven is one of only a few utilities in Michigan that has not installed AMI on its system. Consumers Energy and DTE have completed such installations.

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Vendor proposals, along with the option for customers to opt out of AMI and the associated cost for doing so, will be presented at a future meeting for Board consideration.

No formal action taken.

19-04E The General Manager provided an update on the City's Harbor Drive project for information purposes only. Apparently, the City will be receiving a grant to assist with ungrounding on Harbor Drive. The BLP's financial commitment was used as the match for the grant. This project may be moving forward.

No formal action taken.

19-04F The Resource Roadmap developed by Sustainable Strategies DC was reviewed. Its purpose is to provide alternate methods that are available to assist us with funding a project that could reach \$50 to \$60 million. The primary focus of the Roadmap is to gain support and funding for:

- a) Decommissioning Sims and retraining the BLP's workforce
- b) Brownfields Assessment/Remediation & Reuse Planning
- c) Repowering the Sims Site
- d) Sustaining the Downtown Snowmelt System
- e) Redevelopment of the Diesel Plant
- f) Harbor Island Revitalization

Through this process, we will be seeking economic development grants. These entities want to see strong community support. We will need 5-0 votes to be considered for funding. If we do not have full support of the Board and City Council, we will not be awarded the grants.

No formal action taken.

19-04G The General Manager reviewed the MPPA Quarterly Power Supply Plan for the months of October – December 2018 with the Board for informational purposes only.

No formal action taken.

19-04H The General Manager reviewed America's Electricity Generation Capacity report with the Board for informational purposes only.

No formal action taken.

At 5:29 p.m. by motion of Director Naser, supported by Chairperson Smant, the March 21, 2019 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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