

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
OCTOBER 17, 2019

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, October 17, 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 Chairperson Smart.

Present were Directors Kieft, Naser, VanderMolen, Witherell and Smart.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; Lynn Diffell, Accounting & Finance Manager; Rob Shelley, Distribution & Engineering Manager; Erik Booth, Power Supply Manager and Peter Haefner, Vredeveld Haefner.

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

19-12A Director Witherell, supported by Director Kieft, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the September 19, 2019 Board Meeting
- Accept and file the September 2019 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$2,163,043.86 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$133,348.25 from the Renewal and Replacement Fund
- Confirm Purchase Order #20944 to Futura Systems, Inc. in the amount of \$17,400 for annual GIS mapping software support
- Confirm Purchase Order #20951 to Golder Associates, Inc. in the amount of \$6,800 for EGLE required groundwater monitoring plan
- Confirm Purchase Order #20961 to Northern A-1 Services, Inc. in the amount of \$17,567 for vacuum services for the ash hoppers
- Confirm Purchase Order #20967 to Michigan Electric Cooperative Association in the amount of \$17,735 for annual safety training
- Confirm Purchase Order #20968 to Kent Power Inc. in the amount of \$31,444 for contractor line crew assistance
- Confirm Purchase Order #20973 to Westshore Consulting in the amount of \$5,800 for Sims site survey
- Confirm Purchase Order #20978 to Great Lakes Compressed Air, Inc. in the amount of \$6,304 for oxidation air blower service
- Confirm Purchase Order #20983 to Grace Consulting, Inc. in the amount of \$15,190 for Mercury stack testing

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
OCTOBER 17, 2019

The motion was unanimously approved.

19-12B Public Comment Period – Nancy O’Neill, BLP residential customer, thanked the Board for closing Sims. She asked the Board to focus on renewable energy and to stay away from fossil fuels.

No formal action taken.

19-12C Director Witherell, supported by Director Kieft, moved to approve the following purchase orders:

- Approve Purchase Order #20984 to Power Line Supply Company in the amount of \$16,622 for the West Spring Lake Road phase two project hardware
- Approve Purchase Order #20985 to Newkirk Electric Associates in the amount of \$203,440 for the West Spring Lake Road phase two project construction contract
- Approve Purchase Order #20988 to Network Environmental, Inc. in the amount of \$7,400 for the Relative Accuracy Test Audit (RATA) of the Continuous Emission Monitoring System (CEMS)
- Approve Purchase Order #20989 to Network Environmental, Inc. in the amount of \$6,238 for 4th quarter stack testing in accordance with EGU MATS
- Approve Purchase Order #20992 to Power Line Supply Company in the amount of \$6,685 for annual fire-retardant uniform order
- Approve Purchase Order #21003 to Progressive AE in the amount of \$44,125 for engineering services for interim snowmelt system design and construction oversight

PO #'s 20984 and 20985 for the West Spring Lake Road project are to improve reliability in that area.

PO #21003 is for engineering services associated with evaluating the interim snowmelt system design. The Aux boiler is not a viable solution. The current snowmelt equipment is located in the Unit I and II intake structure, which will stay in place until the project is complete. We are planning to install two temporary gas boilers next to the structure. These boilers are being designed for reuse in a long-term solution. The Board and Council will need to determine how cost will be allocated for this project. Progressive AE will present a proposed design for consideration. We will retain records of all associated costs.

The motion was unanimously approved.

19-12D Director Witherell, supported by Director Naser, moved to receive the FY2019 Audit for information.

Peter Haefner presented FY2019 Audit findings to the Board, which is a clean opinion with no deficiencies within the system of internal controls. The Asset Retirement Obligation is a new requirement. The Board is showing a positive change in net position for the current year, which provides cash flow for replacing infrastructure.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
OCTOBER 17, 2019

The 2019 PILOT payment to the City was \$1.9 million, which is 5% of BLP revenues. Other municipalities served by the BLP do not receive a percentage of the PILOT. They receive a franchise fee payment.

Generally, auditors typically provide some accounting assistance during the audit process. They did not have to do that for the BLP because Staff was very well prepared.

The motion was unanimously approved.

19-12E Director Witherell, supported by director Kieft, moved to approve the Resolution to Exempt BLP Employees from the Requirements of the Publicly Funded Health Insurance Contribution Act (Act 152 of the Michigan Public Acts of 2011) for the January 1, 2020 – December 31, 2020 Medical Benefit Plan Year.

PREAMBLE AND RESOLUTION
FOR ACT 152 EXEMPTION FOR THE
JANUARY 1 – DECEMBER 31, 2020 MEDICAL BENEFIT PLAN YEAR
(Under the Publicly Funded Health Insurance Contribution Act)

PREAMBLE:

WHEREAS, the Board, in the interest of maintaining a competitive benefit package, desires to exempt all of its employees (i.e. whether or not they are in the UWUA bargaining unit) from the requirements of the Publicly Funded Health Insurance Contribution Act (Act 152 of the Michigan Public Acts of 2011 as amended – the “Act”) for the January 1, 2020 – December 31, 2020 medical benefit plan year; and

WHEREAS, such exemption is authorized by Section 8 of the Act upon a 2/3 vote of the Board’s governing body inasmuch as the Board qualifies as a “local unit of government” as a municipal electric utility system (pursuant to Section 2(d) of the Act);

RESOLUTION:

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Board of Light and Power, as follows:

1. That, pursuant to Sections 8(1) and 8(2) of the Act, the Board hereby determines, upon a 2/3 vote of its governing body, to exempt itself from the requirements of Sections 3 and 4 of the Act with respect to all Board employees (i.e. whether or not they are subject to or covered by a collective bargaining agreement); and

2. That the Board’s exemption of itself from the requirements of the Act, as provided in Paragraph 1 (above) of this Resolution, shall be effective for the medical benefit plan year commencing January 1, 2020 and ending December 31, 2020.

In a roll call vote of the Board, those in favor: Directors Kieft, Naser, Witherell, VanderMolen and Smant; those opposed: none; those absent: none. Motion passed.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
OCTOBER 17, 2019

19-12F Director Witherell, supported by Director Kieft, moved to approve a three-year lease with Pere Marquette Partners I LLC for Suites C and D at 333 Jackson Street, Grand Haven. Following the Sims closure, we will house all Sims hourly employees at the Service Center. This lease is for four supervisory personnel who will be working at the Sims site during the demolition, remediation and rebuild.

The motion was unanimously approved.

19-12G Rob Shelley, Distribution & Engineering Manager, provided an update on the Advance Metering Infrastructure (AMI) project. Proposals have been received; all were under budget. Staff is evaluating the proposals to reduce to a short list, then will meet with the those on the short list with follow up questions. Staff will provide a recommendation for consideration at the Board's November or December meeting.

No formal action taken.

19-12H The November 2019 Board meeting is rescheduled to Wednesday, November 13, 2019.

19-12I Director Witherell, supported by Director Kieft, moved to approve the 2020 Board Meeting Schedule as provided.

The motion was unanimously approved.

19-12J Chairperson Smant recognized Jim VanderMolen's 18 years of service on the Board of Directors along with his 44 years as an employee of the Board of Light & Power. Director VanderMolen thanked the Board and the employees for everything, adding this time has been very good for him.

No formal action taken.

At 5:55 p.m. by motion of Director Witherell, supported by Director Kieft, the October 17, 2019 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

RM