

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
MARCH 18, 2021

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, March 18, 2021 at 4:00 p.m. at the Board's office located 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Meeting.

The meeting was called to order at 4:00 p.m. by Vice Chairperson Witherell.

Present were Directors Crum, Kieft, Naser, and Witherell.

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

Director Kieft, supported by Director Naser, moved to excuse Chairperson Smart from the meeting for medical reasons. The motion was unanimously approved.

21-03A Director Kieft, supported by Director Naser, moved to approve the meeting agenda.

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

21-03B Director Naser, supported by Director Kieft, moved to approve the consent agenda. The consent agenda includes:

- Approve Minutes of the February 18, 2021 Board Meeting
- Accept and file the February 2021 Financial Statements and Power Supply and Sales Dashboard
- Approve paying bills in the amount of \$2,180,685.41 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$383,263.25 from the Renewal and Replacement Fund
- Confirm Purchase Order #20888-17 to Jaffe, Raitt, Heuer & Weiss in the amount of \$11,842 for legal fees associated with CCR and environmental compliance
- Confirm Purchase Order #21185-1 to Kent Power Inc. in the amount of \$21,435 for change orders for the Island Substation Project
- Confirm Purchase Order #21477-7 to Cordes in the amount of \$7,576 for landfill trucking fees
- Confirm Purchase Order #21707 to the Joint Michigan Apprentice Program in the amount of \$12,000 for program tuition

Purchase Order #20888-17 is for expenses that occurred in the month of January when Arthur Siegel was providing consulting work for GHBLP.

Purchase Order #21185-1 to Kent Power is for additional work to increase the size of the foundation and for additional fabric and aggregate in the yard.

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Director Naser asked to list reasons, if provided by Board members, for split votes in future meeting minutes. The Board did not act or provide any direction on the request, following a discussion of when Board members are required to provide reasons for their votes whatever that vote may be.

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

21-03C Public Comment Period –Nancy O’Neill, 216 S. Second St. via e-mail, would like to see GHBLP buildings and other infrastructure on Harbor Island meet LEED certification requirements.

The General Manager repeated ProgressiveAE’s position that it is expensive to file for and receive LEED Certification. It is GHBLP’s intention to build facilities to LEED standards without necessarily filing for the certification.

No formal action taken.

21-03D Director Naser, supported by Director Crum, moved to approve the following purchase orders:

- Approve Purchase Order #21701 to Lyon, LLC in the amount of \$20,347 for inventory shelving at Eaton Drive
- Approve Purchase Order #21719 to Irby Utilities in the amount of \$83,555 for pad-mount transformers and switchgear
- Approve Purchase Order #21720 to Power Line Supply Company in the amount of \$62,462 for Peerless Flats development materials

Purchase Order #21720 to Power Line Supply is for materials for the Peerless Flats development. In accordance with our distribution system extension policies, GHBLP designs and estimates the project, then requires the developer to provide a 50% deposit. GHBLP subsidizes this type of project because we are picking up additional load.

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

21-03E Tim Blodgett, President and CEO of Hometown Connections, reviewed Strategic Planning efforts by the Board and Staff through February and provided an update on the Executive team’s work since the Board’s meeting in February. Board recommendations from tonight’s meeting will be incorporated in the final Plan for Board approval at the April 2021 meeting. Proposed revisions include:

- Incorporate ‘reliable and economical’ in the Mission Statement
- Incorporate a conclusion statement that references the Plan as a ‘living/breathing’ document that will be reviewed and updated periodically
- Revise the Power Supply goal from ‘CHP’ to ‘local generation’
- Reword SWOT threat referencing natural gas - this fuel source will be around well into the future and will impact electric energy markets for some time

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- Reword SWOT weakness statement re: Workforce Transition by removing ‘retraining efforts’ sentence

The Customer and Community Engagement strategic priority was discussed. The General Manager reminded the Board this strategic priority is about gaining customer data. What we do with that data is incorporated throughout the rest of the Plan. Many of the goals relate to meeting customer expectations. To do so we need to gain more information and improve our engagement efforts.

Next steps include Board approval of the final Strategic Plan at the April meeting. Action plans will be developed by Staff following approval. Staff will then execute the plan and report back periodically to the Board on progress.

No formal action taken.

21-03F Director Kieft, supported by Director Naser, moved to authorize a 10-year Capacity purchase by Michigan Public Power Agency (MPPA) on behalf of Grand Haven as allowed by the Energy Services Agreement between MPPA and Grand Haven Board of Light & Power.

This is a 10-year Capacity commitment. MPPA has been working on this opportunity for about 18 months on behalf of all its members. The max price is \$4.50, which is competitive with MPPA’s current forward capacity price curve. MPPA will not execute the transaction unless the final price is at or below \$4.50. We will not begin paying for this capacity until June 2025. MPPA recommends GHBLP execute this Purchase Power Commitment.

The State requires capacity to be hedged 4-years out in the future. Our current plan includes the 12.5 MW CHP plant on Harbor Island as part of this required 4-year planning process. We expect to bring a new solar project opportunity for Board consideration in a couple months.

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

21-03G The General Manager provided an update on community outreach efforts. Director Witherell and the executive team have spent an enormous amount of time over the last three months, and the years prior, responding to inquiries from the community. As part of our ongoing community outreach process, the General Manager encouraged the Board to discuss the economics of the plan, which has been fully analyzed and evaluated, with others. If more information regarding the economics is needed, please contact him to schedule a meeting. These economics are being mischaracterized by opponents of our plan.

No formal action taken.

21-03H Director Witherell reminded the Board a joint meeting with City Council will be held on Monday, March 22 at 5:30 PM. The meeting should last about 1.5 hours.

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Director Naser asked for the total cost of the proposed project and longevity of the Bonds. The General Manager advised we will be proposing a 20 year issue for \$45 million. Staff will provide the latest Bond amortization schedule provided by PFM to the Board.

No formal action taken.

At 7:01 p.m. by motion of Director Naser, supported by Director Kieft, the March 18, 2021 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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