

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
FEBRUARY 17, 2022

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, February 17, 2022, at 5:00 p.m. at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Meeting.

The meeting was called to order at 5:03 p.m. by Vice Chairperson Westbrook.

Present were Directors Crum, Hendrick, Westbrook and Kieft.

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

22-04A Director Kieft, supported by Director Crum, moved to excuse Director Witherell from the meeting for medical reasons.

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

22-04B Director Kieft, supported by Director Crum, moved to amend the meeting agenda by adding item 6.A Public Engagement.

In a roll call vote of the Board, those in favor: Directors Crum, Westbrook and Kieft; those absent: Director Witherell; those opposed: Director Hendrick. Motion passed.

Public Comment Period – No comments were provided. No formal action taken.

22-04C Director Kieft, supported by Director Crum, moved to approve the consent agenda items. The consent agenda includes:

- Approve the Minutes of the January 20, 2022 Board Meeting and Joint Board/Council Meeting
- Accept and file the January 2022 Financial Statements and Power Supply & Sales Dashboard
- Accept and file the MPPA Energy Services Project Resource Position Report dated January 31, 2022
- Accept and file monthly EGLE/EPA Sims Site Environmental Compliance letters and reports
- Approve paying bills in the amount of \$2,375,655.44 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$214,813.24 from the Renewal and Replacement Fund
- Confirm Purchase Order #20888-28 to Jaffe Raitt Heuer & Weiss in the amount of \$11,956 for environmental legal services

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- Confirm Purchase Order #21453-11 to Trace Analytical in the amount of \$7,894 for first quarter 2022 CCR monitoring
- Confirm Purchase Order #21556-1 to Kent Power Inc. in the amount of \$24,526 for First Street 2400V Conversion Project Change Order
- Confirm Purchase Order #21947-4 to Trace Analytical in the amount of \$22,256 for first quarter 2022 non-CCR monitoring
- Confirm Purchase Order #22080 to Golder Associates USA, Inc. in the amount of \$9,500 for Harbor Island remediation update summary creation and presentation
- Confirm Purchase Order #22111 to DataVoice International in the amount of \$16,092 for CY2022 Outage Management System software subscription fee

In a roll call vote of the Board, those in favor: Directors Crum, Westbrook and Kieft; those absent: Director Witherell; those opposed: Director Hendrick. Motion passed.

22-04D Director Crum, supported by Director Kieft, moved to approve the following Purchase Orders:

- Purchase Order #22117 to GRP Engineering in the amount of \$32,000 for DeSpelder 2400V Conversion Project engineering services
- Purchase Order #22118 to GRP Engineering in the amount of \$175,000 for Osipoff Control House engineering services

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

22-04E Catherine Veschi, Project Manager at GreatBlue Research, presented the results of the 2021 Customer Satisfaction Survey to the Board. The survey was conducted via telephone methodology. They had 203 completes for residential customers with 25 questions asked and 51 completes for commercial and industrial customers with 22 questions asked.

There was a slight dip in the awareness and use of SmartHub over 2020. GreatBlue recommends conducting a user experience (UX) test of the platform to measure potential issues with the site.

There is some interest in participating in a community solar program; however, many were uncertain if they would want to participate. GreatBlue recommends providing educational materials to customers to build awareness around this topic.

There is increased positive ratings for GHBLP among a series of organizational characteristics, which yielded an average positive rating of 79.3% (5.5 percentage points above 2020) from residential customers and 91% (18.1 percentage points above 2020) for commercial customers.

The highest increases among residential customers were recorded for maintaining modern and reliable infrastructure and providing good service and value for the cost of electricity. The highest increases for commercial and industrial customers were recorded for helping customers use less electricity and being open and honest about company operations and policies.

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Most customers surveyed were unaware of GHBLP’s Green Energy program, which allows customers to purchase additional renewable energy. This is a state mandated program and is gaining customer interest resulting from an ad campaign we rolled out in January 2022. Director Westbrook suggested we provide window stickers to those who register.

Veschi reported GHBLP’s satisfaction ratings exceed other utilities when compared nationally:

Characteristic / Question	GHBLP Residential 2022	Public Power Data Source 2021
Satisfaction with customer service	92.7%	82.9%
Communicating with customers	80.6%	68.3%
Helping customers use less electricity	66.9%	58.5%
Being open and honest about company operations and policies	72.3%	62.9%
Maintaining modern and reliable infrastructure	85.0%	66.9%
Providing good service and value for the cost of electricity	83.8%	64.2%
Overall satisfaction	87.1%	69.9%
Satisfaction with field service representative	94.5%	87.8%
Correctly indicated GHBLP is a “Community Owned Municipal Utility”	61.1%	51.2%

Director Hendrick expressed interest in having the Board develop the questions for customer surveys versus having staff and GreatBlue develop them. No action was proposed or approved in these regards. The General Manager advised that most of the questions are developed by GreatBlue and are questions that are asked nationally for comparison purposes.

The full report may be viewed GHBLP’s website at <https://ghblp.org/board-reports/>

No formal action taken.

22-04F Director Kieft, supported by Director Crum, moved to approve distribution of EGLE/EPA environmental compliance letters and reports received or submitted since the last Board meeting to the Board and Council via the monthly Board packets and posting documents as soon as practical following the Board meeting.

HDR is starting to take a leadership role and is the new point of contact responsible for receiving and posting information. The City administration or HDR will forward this information to the Board going forward.

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

22-04G Director Kieft, supported by Director Crum, moved to authorize Staff to forward the Diesel Plant NPDES Permit to the city to renew and execute as the owner of that facility.

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

22-04H Director Kieft, supported by Director Crum, moved to approve Western Tel-Com as GHBLP's preferred underground contractor.

A Request for Proposal was sent out for undergrounding and Staff is recommending low bid Western Telcom for Board approval. They will be called upon when work is needed and the bid rates.

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

22-04I Renee Molyneux, Administrative Services Manager provided an update on GHBLP's Energy Waste Management (EWR) program to the Board.

In 2008, Public Act 295 was signed into law mandating utilities to implement renewable energy and energy waste reduction programs. Municipal Electric Utilities lobbied for a sunset provision which took effect on December 31, 2021, and local control of EWR programs was returned to municipal utilities on January 1, 2022.

Rep. Outman introduced House Bill No. 5619 in December, which would extend the mandate to 2026; however, he has no plans to move it forward.

GHBLP successfully met or exceeded MWh reduction goals each year since the program was implemented with incentives and fees ranging between \$289,603 to \$476,371 per year from 2016 – 2020.

Having local control allows the BLP to create broader sustainability programs that impact more customers. Initially, we have renewed our contract with Franklin Energy to maintain current commercial & industrial prescriptive and custom programs and residential appliance recycling. We will continue to implement distribution related energy reductions through LED streetlight changeouts and voltage conversions and we are planning to conduct a focused customer engagement survey to gather customer interest into future programming efforts.

Director Hendrick suggested this be added to a future Board agenda for Board input. No action or direction was proposed or approved by the Board in these regards.

The General Manager reported our most successful energy reductions were achieved through C&I projects. Residential is more challenging.

Director Crum said he is glad to hear the program is continuing along with streetlight changeouts and voltage conversions.

No formal action taken.

22-04J Director Kieft, supported by Director Crum, moved to approve an Open Letter to the Community.

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Director Hendrick said she doesn't know who wrote the letter or why. She didn't have enough time to review it, nor was a memo included explaining the letter, and she wants it tabled because no one solicited her input or explained the purpose.

Director Crum said he cannot say enough great things about the BLP staff. He fully supports the letter and feels it is something the Board needs to do. We need to support our staff. They follow the Board's direction and have done so under some very hard times.

Chairperson Kieft said he requested to have the letter written to express his admiration of BLP staff. The letter was drafted on his behalf by Boileau Communications.

Director Westbrook echoed Director Crum's statements. He agrees it has been difficult and it is time to recognize the tough times staff has been through. He feels there was enough time to review the letter as it was contained in the Board packet with all other information being considered.

Director Crum added there was no formal request. He said the Chair asked informally what the Board could do to support staff and the next time this came up was in the Board packet. Director Witherell was provided a copy of the letter at the Chair's request.

The General Manager stated Staff appreciates the letter, which he shared with Director Witherell. The letter was not written or commissioned by staff.

Director Hendrick stated no one solicited her input and asked to have her name removed from the letter. The letter will be signed by the Board if it is approved by the Board. All names will be removed.

In a roll call vote of the Board, those in favor: Directors Crum, Westbrook and Kieft; those absent: Director Witherell; those opposed: Director Hendrick. Motion passed.

22-04K Chairperson Kieft, supported by Director Hendrick, moved to approve, 1) posting Board packets on the website at least 24 hours prior to the meeting and keeping them online for 72 hours following the meeting, and 2) posting recordings of Board meetings on GHBLP's YouTube site for one month following the meeting. Staff will research storage requirements on YouTube.

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

22-04L Director Hendrick asked for clarification on an invoice that was provided to the Mayor and Mayor Pro Tem for planning on Sims site redevelopment and engineering and design of the CHP plant in the amount of \$936,639.81. She stated she doesn't know anything about it and asked why this was provided and who requested it.

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Chairperson Kieft stated it was not an invoice, they were provided a copy identifying costs related to council's request to build generation for discussion purposes because the Mayor wanted to know.

The invoice for snowmelt was sent to city hall based on the direction of council and the Board. Lynn Diffell advised the Sims site redevelopment invoice was not sent to the city. It was given to the mayor for information purposes.

Chairperson Kieft said he feels if costs are incurred by the BLP based on council's direction then the city needs to be billed for the costs incurred to implement that direction and then discussion needs to occur between the bodies on how such costs will be allocated.

The General Manager stated the direction on snowmelt was clear. Both council and the Board agreed that the boilers were going to be installed on an interim basis. Council knew what the cost would be and agreed reimbursement to the BLP would be addressed if we did not build. The auditors directed us to send the invoice, which is now recorded in our accounts receivable.

The redevelopment costs incurred, which were written off as a loss, are associated with engineering and design of the power plant that we were ordered to build by Resolution of City Council. Chairperson Kieft requested we quantify the costs that we incurred associated with this work. The question before the Board is whether any of these costs should be invoiced to the city for reimbursement. The invoice Director Hendrick is referring to was created to begin that discussion.

Director Hendrick reread the invoice details. Director Westbrook stated her questions have been answered and suggested she meet with the Chair separately. Director Hendrick continued to press the issue and Director Westbrook called her out of order stating her questions were answered and if she wants to meet with Chairperson Kieft, he will be happy to do so.

No formal action taken.

22-04M Director Westbrook thanked staff for the governance training held on February 16. He found it to be valuable and he appreciated the opportunity.

Public Comment Period – Mike Kellogg, 9287 S 88th Street, stated he is a 29-year employee of the Board of Light & Power. He is giving his support to management staff for all they have done including taking care of the defined benefit plan. He also thanked the Board members who approved the letter supporting staff.

No formal action taken.

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At 7:01 PM by motion of Chairperson Kieft, supported by Director Hendrick, the February 17, 2022 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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