

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
APRIL 16, 2026

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, April 16, 2026, at 6:00 PM at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Webinar.

The meeting was called to order at 6:00 PM by Chairperson Westbrook.

Present: Directors Crum, Polyak, Welling, and Westbrook.

Absent: Director Knoth.

Others Present: General Manager Rob Shelley, Secretary to the Board Danielle Martin, Finance Manager Lynn Diffell, Operations and Power Supply Manager Erik Booth, and Distribution and Engineering Manager Austin Gagnon.

26-05A Director Welling, supported by Director Crum, moved to excuse Director Knoth from the meeting due to personal reasons.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.
Motion carried.

26-05B Director Welling, supported by Director Polyak, moved to approve the meeting agenda.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.
Motion carried.

Pledge of Allegiance

Public Comment Period:

Jim Hagen, 400 Lake Avenue, expressed excitement for the letters of intent and property purchase on tonight's agenda.

26-05C Director Welling, supported by Director Polyak, moved to approve the consent agenda. The consent agenda includes:

- Approve the March 26, 2026 Meeting Minutes
- Receive and File the March Financial Statements and Power Supply and Retail Sales Dashboards
- Receive and File the March Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 03/31/2026

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
APRIL 16, 2026

- Approve payment of bills in the amount of \$2,190,841.27 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$554,876.05 from the Renewal & Replacement Fund

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.
Motion carried.

26-05D Director Welling, supported by Director Crum, moved to approve the Purchase Order. The Purchase Order includes:

- Purchase Order #23669 to the City of Grand Haven in the amount of \$75,272 for Harbor Island CCR Remedial Alternative Analysis

This purchase order will authorize HDR to develop options for a remedial action plan on Harbor Island. The analysis cost is split approximately 50/50 with the City of Grand Haven.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.
Motion carried.

26-05E Director Welling, supported by Director Polyak, moved to approve the letter of intent to Augustine Solar.

Two letters of intent were in the Board's packet for consideration to select contractors for the land clearing and solar development of the community solar project. Because FAA permitting and sales are in progress, the contracts cannot be signed yet. The letters of intent authorize staff to sign the contracts once these items have been resolved. The proposed lease agreement is currently under legal review. Staff expects to sell in 300 watt increments, for a total of 1,000 shares. The cost is expected to be around \$600. The lease agreement will be brought to the Board for ratification. Staff expects sales to begin at the end of May, giving us a six-month window to reach the established participation level to continue with the development. The project must be operational by December 1st of 2027 to be eligible for 40% tax credits.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.
Motion carried.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
APRIL 16, 2026

26-05F Director Welling, supported by Director Polyak, moved to approve the letter of intent to Schmidt Brothers Excavating.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.

Motion carried.

26-05G Director Welling, supported by Director Crum, moved to approve the purchase agreement for the 14600 168th Avenue property and to authorize the General Manager to execute any related documents.

Due diligence for the site has been conducted including an environmental study, site survey, and title search. No red flags were raised. The site will provide options to the Board to meet future needs including potential generation, training facilities, a backup control center, and more. The Board may need to request some variances to deed restrictions regarding the setback and building heights, but staff does not expect this to be problematic. Any use of the site will comply with FAA regulations.

Roll Call Vote:

In favor: Directors Crum, Polyak, Welling and Westbrook; Opposed: None.

Motion carried.

26-05H Austin Gagnon provided the annual reliability report.

Four major projects were conducted in fiscal year 2026. The majority came in under budget but were still more expensive than initial expectations. The increase in costs is largely attributed to increased labor costs. Because of the number of projects being conducted in the region, labor is in high demand. Contractors must bid for jobs at overtime and double time rates because their staff is at capacity.

In calendar year 2025, the BLP had 573 total outages. Of this, 360 were planned. The average customer experienced 1.2 outages, lasting on average 1.9 hours, for the year. There were five days classified as major event days. These figures all improved from 2024 numbers. After planned outages, trees and animal incidents remained the top causes of outages. Going forward, staff intends to continue with best practice maintenance and a focus on line clearance and tree trimming.

No formal action taken.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
APRIL 16, 2026

26-05I The MPPA Business and Credit Risk Assessment was reviewed.

The goal of this annual report is to help MPPA members understand their position if they were to go out for financing. It is a tool to compare the municipal utilities to S&P bond ratings. Half of the score is based on financial metrics and half is based on operational factors. Items rated at 3 or below should be considered for improvement. The BLP's overall score was a 4.8, or 'strong'. The items which were rated on the lower side are largely out of the Board's control. For example, available reserves accounts for only the dollar value and does not consider the size of the utility. The customer concentration score favors a higher percentage of residential customers to make up a utility's load.

No formal action taken.

26-05J Lynn Diffell presented the fiscal year 2027 draft expense and capital improvement budgets.

Sales are expected to have a slight decrease with total charges expected to be \$38,164,467. Sales are approximately one-third commercial, one-third industrial, and one-third residential. Purchased power, which was presented last month, makes up 68% of operating expenses. Payroll and benefits account for 21% of operating expenses. The budget includes a 3% cost of living adjustment and benefits are budgeted to remain at current levels. Unfunded pension contributions above what is required will continue. The goal is to reach 100% funding of the pension by 2030. The average age of the BLP system is 14.4 years and depreciation is 46%. The transfer to the City is expected to be \$1.9 million. The five-year capital plan total is \$49.6 million and for fiscal year 2027 is \$5.163 million. At the end of fiscal year 2027, working cash is projected to be \$27 million. The Board will be asked to approve the budget and capital plan at its May meeting.

No formal action taken.

26-05K Chairperson Westbrook stated 2026 is the 130th anniversary of the Board of Light and Power and the 250th birthday of the United States. He would like to see the BLP do something to honor both milestones. Staff has budgeted to recognize these events.

No formal action taken.

Other Business

- A joint meeting with City Council is scheduled for May 7th at 6:00pm at City Hall.
- The Board is scheduled for a strategic planning workshop the afternoon of May 18th.
- The Board's regular meeting will be held on May 21st.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
APRIL 16, 2026

Public Comment Period:

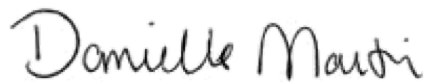
Jim Hagen, 400 Lake Avenue, commented on the reimbursement schedule for the community solar project and tree trimming.

Mike Dora, 501 Friant, thanked the Board for all they do and is looking forward to the joint meeting.

Adjournment

At 7:12PM by motion of Director Welling, supported by Director Crum, the April 16, 2026 Board meeting was unanimously adjourned.

Respectfully submitted,



Danielle Martin
Secretary to the Board

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