

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
MAY 23, 2024

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, May 23, 2024, at 6:00 PM at the Board's office located 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, Knoth, Welling and Westbrook. Director Hendrick joined the meeting at 6:12 PM.

Absent: None.

Others Present: Interim General Manager Rob Shelley, Secretary to the Board Danielle Martin, Finance Manager Lynn Diffell, and Austin Gagnon as Technical Support.

24-05A Director Welling, supported by Director Crum, moved to remove item 6C City/BLP Joint Meeting from the agenda.

The Interim General Manager reported he is working with the City Manager to set a meeting date, but it has not yet been finalized.

Roll Call Vote:

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

24-05B Director Welling, supported by Director Knoth, moved to approve the meeting agenda as amended.

Roll Call Vote:

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

Pledge of Allegiance

Public Comment Period:

Jeffrey Miller, 1120 S Harbor Drive, suggested the Board host an open house of the final candidates in the General Manager search. Miller stated one proposal from the Harbor Island open house included moving the island substation and asked the Board to share any concerns regarding that proposal with HDR.

Jim Hagen, 400 Lake Ave, asked the Board and City to find a way to install and meter solar panels on the DPW building roof. Hagen asked for further details on the BLP's hedge plan.

24-05C Director Welling, supported by Director Knoth, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the April 18, 2024 Board meeting

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- Receive and file the April Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and File the April Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 4/30/2024
- Approve payment of bills in the amount of \$2,074,787.22 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$261,844.49 from the Renewal & Replacement Fund
- Approve confirming Purchase Order #23019 to the Joint Michigan Apprenticeship Program in the amount of \$9,000 for calendar year 2025 apprentice line worker tuition
- Approve confirming Purchase Order #23024 to Kent Power in the amount of \$13,887 for new service at 300 Washington
- Approve confirming Purchase Order #23025 to Midwest Dial Tone in the amount of \$13,000 for fiscal year 2025 phone service
- Approve confirming Purchase Order #23044 to Western Tel-Com in the amount of \$35,218 for work at the North Shore Marina to be reimbursed by the customer
- Approve confirming Purchase Order #23045 to Western Tel-Com in the amount of \$10,202 for work at North Shore Estates to be reimbursed by the customer
- Approve confirming Purchase Order #23046 to Western Tel-Com in the amount of \$9,373 for a repair located on Mary Lane

Roll Call Vote:

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

24-05D Director Welling, supported by Director Knoth, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order #23031 to Zervas Facility Maintenance in the amount of \$24,000 for fiscal year 2025 cleaning at Eaton Drive
- Purchase Order #23040 to Murray's Asphalt Maintenance in the amount of \$5,190 to reseal the asphalt at Eaton Drive
- Purchase Order #23042 to Irby in the amount of \$70,560 for pad mount equipment for the Harbor Drive underground project

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- Purchase Order #23047 to Schweitzer in the amount of \$6,600 for two capacitor controls
- Purchase Order #23048 to Power Line Supply in the amount of \$375,390 for wire for the Harbor Drive underground project
- Purchase Order #23049 to Power Line Supply in the amount of \$54,332 for materials for the Harbor Drive underground project
- Purchase Order #23051 to Koppers in the amount of \$21,282 for 47 wood distribution poles
- Purchase Order #23053 to T&R Electric in the amount of \$30,540 for three 150kVA padmount transformers
- Purchase Order #23055 to Power Line Supply in the amount of \$15,050 for seven vacuum switches
- Purchase Order #23058 to Power Line Supply in the amount of \$7,837 for #2 15kV underground wire
- Purchase Order #23059 to Power Line Supply in the amount of \$8,043 for transformer box pads
- Purchase Order #23061 to the City of Grand Haven in the amount of \$6,793 for the annual unit 3 impoundment inspections through HDR
- Purchase Order #23062 to the City of Grand Haven in the amount of \$14,467 for the 5-year inflow flood plan through HDR
- Purchase Order #23063 to the City of Grand Haven in the amount of \$12,235 for Administrative Consent Order assistance through HDR

The three purchase orders to the City of Grand Haven are for ongoing work completed by HDR and do not conflict with the Board's August 3, 2022 resolution. Some recent changes have been made to laws regarding coal combustion residuals. EGLE is pausing to review these changes and will direct the pace going forward.

Roll Call Vote:

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

24-05E Director Welling, supported by Director Knoth, moved to approve the Resolution to Approve the Fiscal Year 2025 Budget (Attachment A).

Finance Manager Lynn Diffell reported no questions were received following the preliminary budget presentation last month. Tonight's final budget presentation includes a few updates. There were no changes made to operating sales. Purchased power expenses increased by \$91,000. The

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employer portion of employee health care is budgeted to be \$672,000 with employees contributing 6% in plan year 2024 and 7% in plan year 2025. A new slide showing the category breakdown of capital plan expenditures has been added. Ending cash is budgeted to be \$21.8 million.

Roll Call Vote:

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

24-05F Director Welling, supported by Director Knoth, moved to approve the Resolution to Approve the Fiscal Year 2025 Capital Plan (Attachment B).

Roll Call Vote:

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

24-05G The Interim General Manager shared the presentation slides used for one-on-one meetings with key accounts. The presentation focuses on the BLP's achievements in the areas of affordability, reliability, and sustainability. Approximately half of the meetings have been completed and the remainder are scheduled to be done in the next month.

No formal action taken.

24-05H The Interim General Manager reported David Walters has filed suit against the Board of Light and Power, Andrea Hendrick, and Ryan Cummins. The BLP's insurance provider has assigned legal counsel to the Board and separate legal counsel to Director Hendrick to ensure there is not a conflict of interest. Both attorney's fees will apply to one insurance deductible. We expect a closed session for our assigned counsel to provide an update to the Board in the future.

No formal action taken.

24-05I Administrative Services Supervisor Danielle Martin provided a proposed schedule for the General Manager search in the Board's meeting packet. By consensus, the schedule was accepted with one adjustment; to reserve August 12th and 13th for on-site interviews.

No formal action taken.

24-05J An open discussion was held on Governance Training Lesson 2 "The Fine Print: Charters, Bylaws, Codes of Conduct". By consensus, the Board asked staff to post the Bylaws on the BLP website to be easily accessible for the public.

No formal action taken.

24-05K Chairperson Westbrook stated Governance Training Lesson 3 "Duties, Responsibilities and Legal Obligations" will be on the meeting agenda for June.

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No formal action taken.

24-05L Other Business

The Interim General Manager provided an update on the data breach response process. A Frequently Asked Questions list was shared with the Board. This process has been directed by the BLP's cyber liability insurance provider and the legal team it assigned. Notification letters are being sent to individuals whose data may have been compromised.

No formal action taken.

Public Comment Period: No comments were heard.

Adjournment

At 6:47 PM by motion of Director Hendrick, supported by Director Crum, the May 23, 2024 Board meeting was unanimously adjourned.

Respectfully submitted,



Danielle Martin
Secretary to the Board

DM

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Attachment A

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER
TO APPROVE THE FISCAL YEAR 2025 BUDGET**

WHEREAS THE BOARD OF LIGHT AND POWER HAS ESTABLISHED A BUDGET WHICH INCLUDES OPERATING AND NONOPERATING REVENUE AND EXPENSES FOR THE FISCAL YEAR 2025; AND,

WHEREAS THE BOARD OF LIGHT & POWER HAS INCLUDED PROJECTIONS FOR RETAIL SALES ALONG WITH PURCHASED POWER, EMPLOYEE AND OTHER EXPENSES.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT AND POWER BELIEVES THAT THESE PROJECTIONS ARE REASONABLE AND BASED ON BEST PRACTICES; AND,

BE IT FURTER RESOLVED THE BOARD OF LIGHT AND POWER APPROVES THE BUDGET AS PRESENTED FOR THE FISCAL YEAR 2025.

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Attachment B

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER
TO APPROVE THE FISCAL YEAR 2025 CAPITAL PLAN**

WHEREAS THE BOARD OF LIGHT AND POWER HAS ESTABLISHED A FIVE-YEAR CAPITAL PLAN FOR THE FISCAL YEARS 2025-2029; AND,

WHEREAS THE BOARD OF LIGHT & POWER HAS INCLUDED ESTIMATED COSTS FOR PROJECTS ANTICIPATED TO BEGIN IN THE FISCAL YEAR 2025 AND PURCHASES FOR CAPITALIZED INVENTORY.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT AND POWER BELIEVES THAT THESE PROJECTIONS ARE REASONABLE AND BASED ON BEST PRACTICES AND RECENT ENGINEERING STUDIES; AND

BE IT FURTER RESOLVED THE BOARD OF LIGHT AND POWER IS APPROVING THE FIVE-YEAR CAPITAL PLAN PRESENTED FOR THE FISCAL YEAR 2025.