

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
MAY 25, 2023

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, May 25, 2023, at 6:00 PM 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 6:00 PM by Chairperson Westbrook.

Present: Directors Crum, Knoth, Witherell and Westbrook.

Absent: Director Hendrick.

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

23-08A Director Witherell, supported by Director Knoth, moved to excuse Director Hendrick from the meeting.

Roll Call Vote:

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

23-08B Director Witherell, supported by Director Knoth, moved to remove item 5B, add item 7B Discussion of June's Board Meeting Date, and approve the amended meeting agenda.

Roll Call Vote:

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

Public Comment Period:

Jeff Miller, 1120 South Harbor Drive, commented on the City Attorney's opinion for elected officials to stay neutral on the proposed Charter amendment. He does not support using rate payer money for educational efforts.

Ryan Cotton, 515 Park Avenue, provided an update on the Community Energy Plan. He reported there is a need for decision makers to serve on a steering committee. Cotton thanked BLP employees Dave, Erik, and Paul for helping with the grant process and providing letters of support.

23-08C Director Witherell, supported by Director Knoth, moved to approve the consent agenda. The consent agenda includes:

- Approve the Minutes of the April 20, 2023 Regular Board Meeting, the Closed Session on April 20, 2023, and the May 3, 2023 Board Work Session
- Accept and file the April Financial Statements, Power Supply and Retail Sales Dashboards

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- Accept and file the April Key Performance Indicator (KPI) Dashboard
- Accept and file the MPPA Energy Services Project Resource Position Report dated April 28, 2023
- Accept and file the Constellation Energy Market Graphs from May 16, 2023
- Approve paying bills in the amount of \$2,022,056.90 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$953,676.67 from the Renewal and Replacement Fund
- Confirm Purchase Order #22631 to Border States in the amount of \$5,853 to replace AMI gateway for failed units
- Confirm Purchase Order #22641 to Midwest Dial Tone LLC in the amount of \$11,400 for FY 2024 annual phone support/subscription
- Confirm Purchase Order #22648 to Asphalt Paving, Inc. in the amount of \$5,820 for North Substation driveway repair
- Conform Purchase Order #22650 to Survalent Technology, Inc. in the amount of \$32,065 for 3-year SCADA software support/subscription

Roll Call Vote:

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

23-08D Director Witherell, supported by Director Knoth, moved to approve the Resolution to Collect an Environmental Remediation Surcharge Effective July 1, 2023, for the Purpose of Funding Necessary Sims Site Combustion Coal Residual (CCR) Cleanup Activities (Attachment A)

Roll Call Vote:

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

23-08E Director Crum, supported by Director Witherell, moved to approve the Resolution to Restrict Reserve Funds for the Sole Purpose to Cover its Liabilities for Environmental Remediation of the Sims Site (Attachment B)

Roll Call Vote:

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

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23-08F Director Witherell, supported by Director Knoth, moved to approve the Resolution to Approve the Fiscal Year 2024 Annual Budget (Attachment C)

Roll Call Vote:

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

23-08G Director Witherell, supported by Director Knoth, moved to approve the Resolution to Approve the Fiscal Year 2024-2028 5-Year Capital Plan (Attachment D)

Roll Call Vote:

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

23-08H Director Knoth, supported by Director Witherell, moved to approve the Resolution to Set Minimum Unrestricted Cash Reserve Position at \$18,000,000.00 (Attachment E)

Roll Call Vote:

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

23-08I Chairperson Westbrook reported he attended meetings at Grand Haven Township and the City of Ferrysburg. He plans to attend upcoming meetings in Spring Lake and Robinson Township.

23-08J Director Crum, supported by Director Witherell, moved to hire Truscott Rossman at a monthly rate of \$7,650 to assist the Board with implementing an effective customer communication program.

Director Crum reported the advisory committee interviewed three firms and he was very impressed by them all. Director Witherell stated he feels an educational effort is necessary due to the amount of misinformation being shared with the public. Director Knoth does not feel the Board should spend rate payer money on this effort. Chairperson Westbrook stated the Board is responsible for ensuring the public is educated.

Roll Call Vote:

In favor: Directors Crum, Witherell and Westbrook; Opposed: Knoth.
Motion carried.

23-08K Chairperson Westbrook reported the Ferrysburg Board reached out to BLP staff and asked the Board Chair and General Manager to attend their next meeting and to discuss the possibility of having a non-voting representative at the BLP. The Chair will report back to the Board after Ferrysburg's upcoming meeting on June 5th.

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23-08L Director Knoth moved to add a timed agenda facilitated with the Chair and Board Secretary. No support was gained.

Chairperson Westbrook stated the Board can schedule working sessions for agenda topics it knows will have lengthy discussion.

23-08M By consensus, the Board scheduled a meeting on Wednesday, June 7, at 5:00pm to conduct the General Manager's performance evaluation.

The General Manager has requested a closed hearing as permitted under Section 8(1)(a) of the Open Meetings Act. The meeting will begin in open session, have an opportunity for public comment, and then move into closed session.

23-08N By consensus, the Board moved June's regular meeting to Thursday, June 29, at 6:00pm due to scheduling conflicts with the APPA National Conference.

Public Comment Period

Jim Hagen, 400 Lake Avenue, expressed disappointment in what he called the City Attorney's "gag order" regarding the proposed Charter amendment. Hagen would like to hear the opinions of elected officials.

Geri McCaleb, 12014 160th Avenue, stated she has been disappointed with the City Attorney for a long time. McCaleb applauded the Board for hiring a firm for educational efforts and wants people to know the great things the BLP does for the community.

Jenni Shepard-Kelly, 120 Prospect Street, stated everyone has 1st amendment rights. Shepard-Kelly stated employees are terrified and have the right to know about what could happen.

Jeff Miller, 1120 South Harbor Drive, feels it is good for the citizens to get the chance to vote and stated small democracy and active debate are good things. Miller is thankful for the rates, reliability, and safety of the utility.

Adjournment

At 6:55 PM by motion of Director Witherell, supported by Director Knoth, the May 25, 2023 Board meeting was unanimously adjourned.

Respectfully submitted,



Danielle Martin
Secretary to the Board

DM

GRAND HAVEN BOARD OF LIGHT AND POWER
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Attachment A

RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER

TO COLLECT AN ENVIRONMENTAL REMEDIATION SURCHARGE EFFECTIVE JULY 1, 2023, FOR THE PURPOSE OF FUNDING NECESSARY SIMS SITE COMBUSTION COAL RESIDUAL (CCR) CLEANUP ACTIVITIES

WHEREAS THE BOARD OF LIGHT AND POWER BELIEVES IT IS BEST PRACTICES TO BEGIN TO COLLECT ADDITIONAL FUNDS AND BE COMMITTED TO SET SUCH FUNDS ASIDE FOR CCR REMEDIATION; AND

WHEREAS THE BOARD OF LIGHT & POWER BELIEVES THAT ADDITIONAL FUNDS WILL BE NEEDED FOR THE REMEDIATION OF CCR ON HARBOR ISLAND; AND

WHEREAS THE BOARD OF LIGHT & POWER HAS NOT INCLUDED THESE FUNDS IN THE CURRENT BASE.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT AND POWER RESOLVES TO COLLECT A SURCHARGE OF \$0.0035 PER Kwh FOR ALL CUSTOMERS TO FUND THIS LIABILITY AND,

BE IT FURTER RESOLVED THAT THE BOARD OF LIGHT AND POWER WILL BEGIN CHARGING THE ENVIRONMENTAL REMEDIATION SURCHARGE ON JULY 1, 2023.

RESOLUTION DECLARED ADOPTED
May 25, 2023

BOARD OF LIGHT AND POWER

By: Daniel Marti
Its: Board Secretary

GRAND HAVEN BOARD OF LIGHT AND POWER
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Attachment B

RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER
TO RESTRICT RESERVE FUNDS FOR THE SOLE PURPOSE TO COVER ITS LIABILITIES FOR ENVIRONMENTAL
REMEDIATION OF THE SIMS SITE

WHEREAS THE BOARD OF LIGHT AND POWER BELIEVES THAT IT IS BEST PRACTICES TO RESTRICT RESERVE FUNDS TO COVER THE LIABILITIES ASSOCIATED WITH THE BOARD OF LIGHT & POWER'S ASSET RETIREMENT OBLIGATION.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT & POWER WILL DISTINGUISH THESE FUNDS ON THE FINANCIAL REPORTS AS RESTRICTED CASH; AND,

BE IT FURTER RESOLVED THE BOARD OF LIGHT AND POWER WILL USE THESE RESTRICTED FUNDS FOR THE SOLE PURPOSE TO COVER ITS LIABILITIES FOR ENVIRONMENTAL REMEDIATION ON THE SIMS SITE.

RESOLUTION DECLARED ADOPTED
May 25, 2023

BOARD OF LIGHT AND POWER

By: Daniel Martin
Its: Board Secretary

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Attachment C

RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER

TO APPROVE THE FISCAL YEAR 2024 ANNUAL BUDGET

WHEREAS THE BOARD OF LIGHT AND POWER HAS ESTABLISHED A BUDGET WHICH INCLUDES OPERATING AND NONOPERATING REVENUE AND EXPENSES FOR THE FISCAL YEAR 2024; 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 2024.

RESOLUTION DECLARED ADOPTED

May 25, 2023

BOARD OF LIGHT AND POWER

By: Dominic Mautz
Its: Board Secretary

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Attachment D

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER
TO APPROVE THE FISCAL YEAR 2024-2028 5-YEAR CAPITAL PLAN**

WHEREAS THE BOARD OF LIGHT AND POWER HAS DEVELOPED A FIVE-YEAR CAPITAL PLAN FOR THE FISCAL YEARS 2024-2028; AND,

WHEREAS THE BOARD OF LIGHT & POWER HAS INCLUDED ESTIMATED COSTS FOR PROJECTS ANTICIPATED TO BEGIN IN THE FISCAL YEAR 2024 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 APPROVES THE FIVE-YEAR CAPITAL PLAN PRESENTED FOR THE FISCAL YEAR 2024-2028.

RESOLUTION DECLARED ADOPTED
May 25, 2023

BOARD OF LIGHT AND POWER

By: Dominiq Martin
Its: Board Secretary

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Attachment E

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER
TO SET MINIMUM UNRESTRICTED CASH RESERVE POSITION AT \$18,000,000**

WHEREAS THE BOARD OF LIGHT AND POWER BELIEVES IT IS BEST PRACTICES TO REQUIRE A MINIMUM CASH RESERVE TO ENSURE FUNDS EXIST TO PAY EXPENSES, FUND CAPITAL IMPROVEMENTS TO MAINTAIN SYSTEM RELIABILITY, AND FUND CURRENT AND FUTURE LIABILITIES; AND,

WHEREAS THE BOARD OF LIGHT & POWER HAS PROJECTED RESERVE FUNDS NEEDED FOR THE NEXT FIVE YEARS TO MEET THIS REQUIREMENT.

NOW THEREFORE BE IT RESOLVED THE BOARD OF LIGHT AND POWER HAS BEEN ADVISED BY RATE CONSULTANTS AND THE MICHIGAN PUBLIC POWER AGENCY OF CRITERIA THAT SHOULD BE USED TO DETERMINE AN ADEQUATE MINIMUM RESERVE; AND,

BE IT FURTER RESOLVED THE BOARD OF LIGHT AND POWER WILL MAINTAIN A MINIMUM OF \$18,000,000 IN UNRESTRICTED CASH RESERVES UNTIL SUCH TIME AS THIS LEVEL IS REVISED BY THE BOARD.

RESOLUTION DECLARED ADOPTED
May 25, 2023

BOARD OF LIGHT AND POWER

By: Dominic Martin
Its: Board Secretary