

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
October 16, 2008

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, October 16, at 4:00 p.m. at the J.B. Sims Generating Station located at 1231 N. Third Street in Grand Haven, Michigan.

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

Present were Directors Smant, VanderMolen, Witherell, and Biros.

Also present were Annette Allen, General Manager; Renee Molyneux, Administrative Services Coordinator and Secretary to the Board; Dan Bush, Director of Production; Jim Morford, Chief Engineer; Edna Duer, Controller; and Trina Robinson, City of Grand Haven.

Director Witherell, supported by Director Smant, moved to excuse Director Kieft from the Board meeting. The motion was unanimously approved.

Director Witherell, supported by Director VanderMolen, moved to accept the consent agenda and to amend the regular agenda by adding item 4.A.7. PR #8527, Duraline Systems, \$17,785 and item 4.A.8, MPPA Wyandotte Wind Project. The motion was unanimously approved.

Director Smant, supported by Director Witherell, moved for approval of the Minutes of the September 17, 2008 Board meeting. The motion was unanimously approved.

ACCOUNTS AND FINANCE

08-10A Director Smant, supported by Director Witherell, moved for approval of the bills in the amount of \$564,053.12 from the Operations and Maintenance Fund; bills in the amount of \$32,264.62 from the Renewal and Replacement Fund; and that \$10,987,000 be invested. The motion was unanimously approved.

MOTIONS AND RESOLUTIONS

08-10B Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8481 to Townley Manufacturing in the amount of \$18,855 to reline the scrubber recirculation and lime slurry transfer pumps. The motion was unanimously approved.

08-10C Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8488 to Emerald Tool in the amount of \$18,936 to fabricate six burner diffusers. The motion was unanimously approved.

08-10D Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8503 to Feyen-Zylstra in the amount of \$5,981 for engineering support for plant PLCs. The motion was unanimously approved.

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08-10E Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8504 to Emerald Tool, Inc. in the amount of \$11,917 for the rebuild of the 3C pulverizer. The motion was unanimously approved.

08-10F Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8505 to NTD Group in the amount of \$24,000 for nondestructive testing. The motion was unanimously approved.

08-10G Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8517 to Emerald Tool, Inc. in the amount of \$13,738.08 for ID fan vanes. The motion was unanimously approved.

08-10H Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8520 to Fremont Ford in the amount of \$14,363.98 for a small 2008 meter reader truck. The motion was unanimously approved.

08-10I Director VanderMolen, supported by Director Smant, moved for approval of Purchase Requisition #8486 to Lakeshore Environmental in the amount of \$9,595 for Diesel Plant monitoring and to waive the requirements for written sealed bids pursuant to Purchasing Policy provision II.E.1.d (other considerations - ongoing project). The motion was unanimously approved.

08-10J Director Witherell, supported by Director VanderMolen, moved for approval of Purchase Requisition #8521 to Thermo Environmental Inst. Inc. in the amount of \$12,185 for a carbon monoxide monitor to be added to our existing continuous emissions monitoring system and to waive the requirement for written bids in accordance with Purchasing Policy provision II.E.1.a (one supplier). The motion was unanimously approved.

08-10K Director Witherell, supported by Director Smant, moved to approve an amendment to the current Coal Procurement Services Agreement with Lou Prentis. The motion was unanimously approved.

08-10L Director VanderMolen, supported by Director Witherell, moved for approval of a Facilities and Interconnection Agreement between Consumers Energy Company, The City of Grand Haven Board of Light and Power, and the Michigan Public Power Agency. The motion was unanimously approved.

08-10M Director Smant, supported by Director Witherell, moved to approve the adoption of the Identity Theft Prevention Policy as required by the Fair and Accurate Transaction Act. The motion was unanimously approved.

08-10N Director Witherell, supported by Director VanderMolen, moved to approve the BLP's participation in the 2008 United Way drive and matching employee contributions to a maximum of \$7,500. The motion was unanimously approved.

08-10O Director Smant, supported by Director Witherell, moved for approval of Purchase Requisition #8527 to Duraline Systems in the amount of \$17,785 for outlet duct repair. The motion was unanimously approved.

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08-10P Director Smant, supported by Director Witherell, moved to approve the following Resolution Approving Participation in the initial study phase of the MPPA Wyandotte Wind Project:

WHEREAS, the City of Grand Haven acting by and through its Board of Light & Power (the "City") owns and operates a municipal electric system for the benefit of its citizens and customers; and

WHEREAS, the Michigan Public Power Agency ("MPPA") is a joint agency organized and existent pursuant to Act No. 448 of the Michigan Public Acts of 1976, as amended, that provides generation, transmission and utility services to its members and to other Michigan municipal electric utilities through its Service Committee structure; and

WHEREAS, the City desires to take advantage of power supply opportunities by participating in one or more MPPA Projects and Service Committees; and

WHEREAS, MPPA is working with the Wyandotte Municipal Services Department to investigate, design and develop several wind turbine generators to be located within the City of Wyandotte; and

WHEREAS, the Wyandotte Wind Project was created by action of the MPPA Board of Commissioners on May 6, 2008 with the goal of analyzing factors such as siting, permitting, number of wind turbine units, wind turbine capacity, and economics for the purpose of supporting the investigation and acquisition of the wind turbines in the City of Wyandotte; and

WHEREAS, the City believes it is appropriate and prudent for the City to participate in power supply opportunities, such as the Wyandotte Wind Project in order to provide opportunities for the City and its customers for the City to purchase Renewable Energy so that City can supply Renewable Energy to its customers in an economical and socially-responsible manner.

NOW THEREFORE, IT IS HEREBY RESOLVED that the City will participate in the initial study phase of the MPPA Wyandotte Wind Project for the purposes of determining the economics and feasibility of the City obtaining a share of the capacity in the MPPA Wyandotte Wind Project, and to determine the amount of capacity the City should obtain in the MPPA Wyandotte Wind Project. If the City's participation in the project is determined to be appropriate, the City will authorize such participation and obligation under separate resolution.

The motion was unanimously approved.

At 5:02 p.m. by motion of Director VanderMolen, supported by Director Smant, the October 16, 2008 Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board