

MINUTES

A regular meeting of the Board of Light and Power was called and held on June 9, 2009 at 5:30 p.m. in the Board Meeting Room at 2200 Wright St., Marquette, MI 49855.

Following the Pledge of Allegiance the meeting was called to order.

Present: Richard J. Goodney, Chair
Carolyn M. Piirala, Secretary/Vice Chair
Kenneth C. Wanberg
Edward M. Angeli
John L. Sonderegger

Absent: None

It was moved by E. Angeli, seconded by K. Wanberg, and unanimously carried to approve the May 26, 2009 regular meeting minutes as presented.

Following a discussion it was moved by J. Sonderegger, seconded by K. Wanberg and unanimously carried to approve the Accounts Payable totaling \$799,111.15. K. Wanberg questioned an invoice from the Ramada Inn. Executive Director Kirby Juntala responded free employee training conducted by the Family Mediation Conciliation Service on dealing with change positively was conducted at the Ramada. All employees attended the training which was positively received.

1. **Additions or Corrections to the Agenda.**

There were no additions or corrections to the agenda.

2. **Citizen Comment.**

No comments were received from citizens.

3. **Public Hearing 2009-2010 Budget.**

R. Goodney opened the Public Hearing on the 2009-10 Budget. No comments were received and the Public Hearing was closed. K. Juntala said the balanced budget is conservative based on a projected continued flat economy during the next year. The budget includes a projected small decline in electric sales. On a motion by K. Wanberg, seconded by C. Piirala and unanimously carried, the Board accepted the budget as presented.

4. **Recommendations for Payment.**

- A. Communications Processor.
- B. Boiler Maintenance.

It was moved by K. Wanberg, seconded by E. Angeli, and unanimously carried to authorize payment for the purchase of one Communications Processor to link the relays at a substation from Schweitzer Engineering Laboratories totaling \$4,150. Schweitzer has

the only processor compatible with the Board's existing relays.

On a motion by E. Angeli, seconded R. Goodney and unanimously carried, the Board authorized payment totaling \$77,310.17 to D.K. Services, Inc. for its boiler maintenance during the annual Unit No. 3 shutdown. E. Angeli questioned the cost of the maintenance shutdown? Superintendent of Production John Reynolds responded maintenance shutdown expenditures were \$372,000 and close to budget projections for the work.

5. **Recommendation to Purchase Two (2) Spray Valves for Unit No. 3.**

It was moved by J. Sonderegger, seconded by K. Wanberg and unanimously carried to purchase two (2) Spray Valves for Unit No. 3 from Novaspect, Inc. totaling \$6,518.88.

6. **Recommendation to Authorize Sale of Scrap Brass Tubing.**

On a motion by E. Angeli, seconded by K. Wanberg and unanimously carried, the Board awarded the sale of approximately 30,000 pounds of scrap tube brass from Unit No. 2's condenser to Hawes Hauling & Disposal per their highest and best proposal meeting all requirements. K. Wanberg questioned the two (2) like bids submitted. J. Reynolds said one bidder had included a price deduction for sediment on the tubing which would have resulted in a lower price per pound. E. Angeli questioned who weighs the material? J. Reynolds responded it is weighed at the Marquette Area Waste Facility and the weight is certified by MBLP personnel.

7. **Recommendation to Award Unit No. 3 Circuit Breaker Servicing.**

It was moved E. Angeli, seconded by K. Wanberg and unanimously carried to award the servicing of four (4) volt circuit breakers to Badger Electric Motor, Inc. at a not to exceed cost of \$19,712 per their low proposal meeting specifications. E. Angeli asked if any of the circuit breakers have been beyond repair? J. Reynolds responded in the negative. R. Goodney commented positively on the cost of the repairing vs. the cost of buying a single new circuit breaker is \$25,000.

8. **Any Additional Business the Executive Director Wishes to Present.**

K. Juntala advised the Board: 1) A painting of the Shiras Steam Plant has been donated by Marquette residents Bill and Anne Manierre which is hung at the MBLP's Wright Street Office. He thanked the Manierre's for their generous donation and showed the painting to the Board; 2) an agenda for the Joint Work Session Monday, June 15 between the Board and City Commission has been accepted by both parties and includes discussion of the Tourist Park Dam, Automated Metering Infrastructure (AMI), and the state mandated Energy Optimization and Renewable Energy Standard Portfolio plans. The meeting will be at 5:30 p.m. at Lakeview Arena, and; 3). The Independent Board of Consultants, Federal Energy Regulatory Commission (FERC) representatives, staff, and Board consultants AECOM will convene June 15-17 to review the proposed Tourist Park Dam design which will include site visits and review of the proposed IDF. He said this meeting is the next step in the dam reconstruction process.

9. **Time for Citizen Comments.**

No comments were received from citizens.

10. **Any Additional Business the Board Members Wish to Present.**

K. Wanberg questioned work at the Tourist Park waste gates and spillway. Assistant Director of Operations William Pyle advised the Board that concrete work at the existing waste gates and spillway is underway to make superficial concrete repairs. The routine repairs are necessary due to the reconstruction of the Tourist Park Dam which will require diverting the river flow through the waste gate and former spillway while the new spillway structure is built. He added problems with several of UPPCo.'s McClure Dam penstock expansion joints which failed last year have increased concerns by the Michigan Department of Environmental Quality and FERC regarding expansion joint integrity. W. Pyle said the expansion joint at the Tourist Park may also have to be replaced.

J. Sonderegger commented positively on the donation of the painting of the Shiras Steam Plant and asked K. Juntila to express the Board's appreciation via phone call or letter. He questioned if Board Legal Counsel Kenneth Seavoy will attend the Joint Work Session with the City Commission? K. Seavoy responded he will attend if the Board so wishes. The Board concurred that he should attend due to his expertise on Charter issues.

E. Angeli commented positively on two (2) recent news stories regarding the utility featured on TV-6. He said the coverage shed a positive light on the utility and that the exposure is good for the MBLP.

C. Pirrala commented positively on the utility's informative monthly Health/Wellness Newsletter edited and created in-house. Supervisor of Administrative Services and Chair of the Health/Wellness Committee Mary Adamini said Judy Vonck has been designing/coordinating newsletter content since its inception in 2007 and has issued her final newsletter as she is retiring effective July 1. M. Adamini said her quality newsletter design work will be missed, but that she has agreed to stay on the H/W Committee as a retiree representative as the group works to promote healthy habits among employees and retirees. Utility Clerk Sheri Suckow has volunteered to take over the newsletter design.

R. Goodney commented positively on Superintendent of Distribution David Lynch being interviewed for a national American Public Power Association article on AMI. He added the publicity about the progressive plans and technology being implemented at the MBLP is good reflection on the utility.

11. **Work Session – Financial Review**

The Financial Review work session was convened at 6:03 p.m. K. Juntila outlined Board finances regarding the Tourist Park Dam and Automated Metering Infrastructure (AMI) and the options available to the Board to pay for the programs including Board financing or bonding the projects and the additional associated expenses.

12. **Adjournment:**

The meeting was adjourned at 6:28 p.m.

Carolyn M. Piirala,
Vice Chair/Secretary

Minutes of the Marquette Board of Light and Power are available at the MBLP's Main Office at 2200 Wright St., Marquette City Clerk's Office, and the Peter White Public Library or at the MBLP's website: www.mblp.org