MINUTES

A regular meeting of the Board of Light and Power was called and held on June 30, 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 June 8, 2009 regular meeting minutes as presented.

Following a discussion it was moved by K. Wanberg, seconded by C. Piirala and unanimously carried to approve the Accounts Payable totaling $ 956,563.44 with the exception of an invoice from Closner Construction totaling $1,045. It was moved by K. Wanberg, seconded by J. Sonderegger and was approved to pay Closner Construction $1,045. R. Goodney abstained as he is a Closner employee. E. Angeli questioned if the contract for uniforms is bid out? Superintendent of Distribution David Lynch responded in the affirmative adding the uniform contracts typically are for a three-year period. He said there are two (2) local companies who are solicited for bids and an audit of the current contract may yield a savings of up to $20,000. C. Piirala questioned a $300 fee from Wells Fargo. Supervisor of Administrative Services Mary Adamini responded she would review the backup documents regarding the charge.

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

   Agenda Item No. 5 – Recommendation to Purchase Computer Severs/Software was added to the Agenda.

2. **Citizen Comment**.

   No comments were received from citizens.

3. **Recommendations for Payment:**
   A. Unit No. 2 Condenser Tubes.
   B. Board of Consultants Invoice
   C. South Beach Erosion Mitigation.
   D. No. 3 Dam Work.

   It was moved by K. Wanberg, seconded by R. Goodney, and unanimously carried to authorize payment totaling $5,663.34 to Jamar Company due to an increase in the price of metals during the Retubing of the Unit No. 2 Condenser. E. Angeli questioned the

additional charges and asked about the utility's working relationship with Jamar? Superintendent of Production John Reynolds responded the utility has a good working relationship with Jamar and that a qualifier regarding possible metal price increases was not included in their quote. J. Sonderegger asked Board Legal Counsel Ken Seavoy to comment. K. Seavoy said Jamar would say the Board has an obligation to pay the additional charges and that a settlement without legal counsel is prudent. Executive Director K. Juntila said the utility negotiated a 50 percent settlement due to its long term business relationship with Jamar.

On a motion by J. Sonderegger, seconded K. Wanberg and unanimously carried, the Board authorized payment totaling $6,306.55 to Mr. Ken Hansen for professional services regarding review of AECOM's Tourist Park Dam reconstruction design as a member of the Board of Consultants (BOC) as required by the Federal Energy Regulatory Commission (FERC). K. Wanberg questioned if Mr. Hansen is affiliated with AECOM? K. Juntila responded in the negative. He said the utility was required by FERC to assemble a BOC as part of the dam rebuilding process. The BOC was part of the recent meeting between staff, AECOM and the FERC and gave recommendations to the FERC and AECOM regarding the 50 percent dam design for Tourist Park. He said three additional invoices from the other BOC members will be forthcoming.

It was moved by K. Wanberg, seconded by E. Angeli, and unanimously carried to authorize payment totaling $7,200 to Associated Constructors, LLC to add additional rock riprap around the cooling water discharge pool and channel at the Shiras Beach as requested by the City to mitigate beach erosion from the Plant's discharge current. K. Juntila said the work was expedited prior to the beach swimming season and to enhance safety. K. Wanberg commented positively on the safety enhancements and aesthetics provided by the work.

On a motion by E. Angeli, seconded by K. Wanberg, and unanimously carried, the Board authorized payment totaling $56,410.40 to Terrazzo Creations & Renewal for maintenance and repair work on the upstream face of the No. 3 Dam. K. Wanberg questioned if additional work will be done on the pipeline coming from the intake structure? K. Juntila responded in the affirmative adding approximately $140,000 has been budgeted for the repair/maintenance work at the No. 3 dam.

4. **Recommendations to Award Purchase of:**

A. Two (2) Pick-up Trucks.
B. Intermediate Sluice Pump and Motor.
C. Low Pressure Sluice Pump and Motor.

It was moved by K. Wanberg seconded by E. Angeli and unanimously carried to award the purchase of two (2) ½ ton 4x4 pick up trucks at a cost of $20,530 and $20,807 respectively, from Frei Chevrolet. E. Angeli questioned the two (2) model years of the vehicles? D. Lynch responded currently companies are between model years and there were good incentives on the 2009 model that met specifications. R. Goodney questioned purchasing two (2) 2009 vehicles or two (2) 2010 vehicles? D. Lynch said there wasn't

another 2009 truck available that met MBLP specifications. He said the model year isn't as important as the vehicle being a new vehicle because they are run for an extended period at both the Warehouse and Plant.

On a motion by E. Angeli, seconded by K. Wanberg and unanimously carried, the Board awarded the purchase of a new Unit 3A Intermediate Pressure Sluice Pump and Motor from Champion Charter Sales & Services totaling $19,765 per their low quote meeting specifications. J. Reynolds added the new pump is interchangeable with the rebuild of Unit No. 3's Intermediate Pressure Sluice as recommended in the next Board letter. R. Goodney questioned review of the design? J. Reynolds responded Champion reviewed the design.

It was moved by E. Angeli, seconded by R. Goodney and unanimously carried to award the purchase of a Unit 3A Low Pressure Sluice Pump totaling $18,676 from Champion Charter Sales & Service per their low quote meeting specifications.

5. **Recommendation to Purchase Computer Servers/Software.**

It was moved by C. Piirala, seconded by K. Wanberg and unanimously carried to purchase replacement servers, and firewall/security software through Computer Associates of Marquette totaling $41,219. C. Piirala commented positively on the process used to arrive at the purchase recommendation. E. Angeli questioned if the computer hardware/software will be used for AMI? IT Administrator Susan Wickstrom responded this equipment/software purchase will enhance the current computer system base prior to the purchase of an AMI server but will not directly impact AMI. K. Juntila commended S. Wickstrom for her initiative to obtain the equipment at a reduced cost. R. Goodney questioned who provides technical support for the utility's computer system? S. Wickstrom responded technical support is provided by Computer Associates.

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

K. Juntila advised the Board: 1) The Marquette City Commission approved the utility's state-mandated Energy Optimization (EO) Program which will result in a surcharge on customer's bills to establish a fund customers can draw on to receive rebates for purchases of energy efficient appliances and light bulbs. He added the joint work session between the Board and the Commission was helpful toward this end and staff will begin working on implementation of the EO program including press releases, ads, and notices on July bills prior to program implementation in August; 2). the recent meeting between staff, Board consultant AECOM, the independent Board of Consultants and the FERC went well. He said the BOC asked for some additional information from AECOM which will be forwarded in the next few weeks. He said a draft of the Environmental Assessment has been received and will be forwarded to the state agencies for their review and comment prior to submittal to the FERC who then has six months to review the report. He said a tentative schedule includes a conference call with the parties in September and a final meeting in October before bids can be sent out for the dam reconstruction project. He added there are still many hurdles to be cleared but the project is continuing to move forward; 3). he recently met with City Staff and the new developers of Founder's Landing regarding using geothermal waste heat from the Shiras

Steam Plant at the site. He said the cost of the project is approximately $2 million, but said the staff will look at the restrictions on the Plant's intake and discharge structures, and 4). Director of Human Resources and Administration Paul Kitti said the utility is part of the Michigan Municipal Risk Management Authority's pilot project to protect laptop computers that may be stolen or lost with a software program that provides the location of the computer when someone tries to log on to it. The pilot program provides reimbursement for the theft tracking software to be installed on five (5) utility laptop computers. Should the

7. **Time for Citizen Comments.**

No comments were received from citizens.

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

E. Angeli questioned if the utility will have a vehicle in the Fourth of July Parade? D. Lynch responded he would ascertain interest. R. Goodney commented the Board supports the fireworks display and typically has a vehicle in the Labor Day Parade.

J. Sonderegger questioned the procedure for changing electric providers due to a change of property ownership along the Big Bay Road? K. Juntila said it is a very difficult and can be an expensive process to change electric providers. He said he would contact the Michigan Municipal Electric Association for a list of procedures.

C. Piirala said she appreciated utility staff that attended the recent joint work session between the Board and City Commission and asked that their names be included in the minutes including: Paul Kitti, Mary Adamini, Bill Pyle, Erik Booth, Dave Lynch, Lon Laken, Kirby Juntila, and Board Legal Counsel Kenneth Seavoy. She said she was appreciative of the support provided by staff. M. Adamini advised C. Piirala the $300 charge from Wells Fargo is for the required Michigan Department of Environmental Quality perpetual Landfill Fund.

R. Goodney said he appreciates the staff's conservative approach to spending, the ability to obtain grant money to pay for a variety of projects, and how the utility has been able to reduce costs while providing quality service to our customers. He added his congratulations to retirees Bill Pyle, Judy Vonck and Sam Fry.

9. **Adjournment:**

The meeting was adjourned at 6:33 p.m.

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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