

MINUTES

A regular meeting of the Board of Light and Power was called and held on July 29, 2008 at 5:30 p.m. in the Board Meeting Room at 2200 Wright St., Marquette, MI 49855.

Present:

Thomas G. Humphrey, Chair
Carolyn M. Piirala, Vice Chair/Secretary
Richard J. Goodney
Kenneth C. Wanberg
Craig G. Stien

Absent: None

It was moved by C. Stien, seconded by K. Wanberg and unanimously carried to accept the July 8, 2008 revised minutes.

On a motion by K. Wanberg, seconded by C. Stien and unanimously carried, the Board approved Accounts Payable totaling \$945,007.77 excluding a bill for Closner Construction. It was moved by K. Wanberg, seconded by C. Piirala and carried to pay an invoice totaling \$219.23 to Closner Construction. R. Goodney abstained as he is an employee of Closner.

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

Executive Director Kirby Juntala advised of the Board of revised Agenda Item 4-F – Tourist Park Dam Design Services.

2. **Citizen Comment.**

No comments were received from citizens.

3. **Recommendations for Payment of:**

- A. Eastern Coal Pile Tarp.
- B. No. 2 Dam Concrete Repairs.
- C. Electronic Relay Testing.

It was moved by R. Goodney, seconded by K. Wanberg, and unanimously carried to authorize payment to Mid American Covering Systems totaling \$12,564 for covering the Board's eastern coal pile.

On a motion by C. Stien, seconded by K. Wanberg, and unanimously carried, the Board authorized payment Progress Payment #1 totaling \$46,658 to Terrazzo Creations & Renewal for the cost of materials and labor to repair the top and face of No. 2 Dam. Terrazzo is the only known regional company that provides these services. T. Humphrey

questioned total project cost estimates? Assistant Director William Pyle responded \$85,000 which should cover the balance of the work to be performed.

It was moved by K. Wanberg, seconded by R. Goodney, and unanimously carried to authorize payment to High Voltage Maintenance Corporation totaling \$7,038 for Shiras Plant relay work.

4. **Recommendations to Award:**

- A. Office/Warehouse Parking Lot Expansion.
- B. Purchase of (2) three-Phase Circuit Reclosers.
- C. Purchase of (8) Single-Phase Circuit Reclosers.
- D. Advanced Metering Infrastructure Project.
- E. Break Room Renovation.
- F. Tourist Park Dam Design Services.
- G. Tourist Park Monitoring Plans.

On a motion by T. Humphrey, seconded by C. Stien and unanimously carried, the Board awarded the Office/Warehouse Parking Lot Expansion of the East Employee and West Public/Contractor Parking Areas to Paisano Paving per their low quote meeting specifications totaling \$17,974. K. Wanberg questioned the location of the work? Superintendent of Distribution David Lynch responded a number of employees are parking on gravel on the east side of the building and visitors/contractors on the west side of the building are currently parking on a grassy area.

It was moved by C. Stien, seconded by K. Wanberg and unanimously carried to award the purchase of two (2) Three-Phase Circuit Reclosers to Resco, Inc. per their best bid meeting specifications totaling \$38,480.

On a motion by C. Piirala, seconded by K. Wanberg and unanimously carried, the Board awarded the purchase of eight (8) single phase solid dielectric circuit reclosers to Wesco, Inc. per their low quote meeting specifications totaling \$38,998.

It was moved by C. Stien, seconded by T. Humphrey and unanimously carried to approve the recommendation as presented and award the purchase of Automated Metering Infrastructure (AMI) Solution Software from Aclara TWACS totaling \$81,335.60 per their quote meeting all minimum AMI requirements with no advantage to result from competitive bidding and that the Board contract with HD Supply for the purchase, installation and implementation of the TWACS AMI system totaling \$1,896,670 as they are the sole supplier of the Aclara TWACS Solution. The meters will be competitively bid at a later date to meet project timelines. C. Stien commented it is fantastic to acquire this technology with the potential of future cost savings due to the efficiency of the

system. K. Wanberg questioned if the meters will be on hand when they are needed? D. Lynch responded in the affirmative. He added the cost of the AMI project will span a three-year period for budgeting purposes. C. Stien questioned if the City is interested in partnering in the project? K. Juntala said he will be contacting the City now that the project has been approved. C. Piirala questioned if the City and gas company partner in the project will the Board's costs be lowered? D. Lynch responded capital costs may be reduced with City and gas company participation She questioned if the other two utilities do decide to participate in the AMI project would staff come back to the Board for approval? K. Juntala responded in the affirmative. C. Piirala added due to the thorough research/study by staff of AMI and the preferred system that she is very comfortable approving the expenditure and it is a good decision for the customers. R. Goodney agreed adding despite the initial cost of AMI system, the projected five to six year payback over a 20 year system life is exceptional. T. Humphrey agreed adding the new system will be money well spent as the utility continues to modernize. The Board complimented staff for their efforts.

On a motion by K. Wanberg, seconded by T. Humphrey and unanimously carried, the Board awarded the Wright Street Office Break Room Renovation to Premeau Construction per their low bid meeting specifications totaling \$21,337.

It was moved by K. Wanberg, seconded by C. Stien, and unanimously carried to award additional Tourist Park Dam Design Services to STS Consultants as presented at a not to exceed cost of \$53,200 as part of the next step to reconstruct the Tourist Park Dam and \$11,750 for additional spillway capacity studies. R. Goodney questioned the revised Board letter? W. Pyle responded the revised letter provides for doing part of the work now with the balance of the work to be assessed/determined in the future.

On a motion by R. Goodney seconded by K. Wanberg and carried, the Board awarded a shoreline erosion monitoring plan including a plan to identify possible solutions to a head cutting problem in a small stream near the end of Granite Street to STS Consultants totaling \$27,500. C. Stien questioned if the Board is being required to have a plan or to do something at the site? W. Pyle said the utility received a letter from the Michigan Department of Environmental Quality in Lansing which calls for monitoring shoreline erosion and to take action if warranted. He said the plan will be submitted to the MDEQ for their approval. C. Stien asked if the monitoring plan is for the riverine or old reservoir? W. Pyle responded the riverine. W. Pyle said there are steps to the process which would include approval of the plan, a permitting process if the plan is approved, and finally fixing the problem involving a small stream feeding into the reservoir parallel to Granite Street. C. Piirala abstained because the stream in question is located behind her property. K. Wanberg questioned if the Tourist Park lawsuit settlement money will be used for this project? K. Juntala responded in the affirmative.

5. **Recommendation to Authorize MERS Delegates.**

It was moved by K. Wanberg seconded by C. Piirala and unanimously carried to authorize Judy Vonck to serve as employee delegate and Tony DiLernia to serve as alternate employee delegate and Executive Director Kirby Juntila to serve as Officer Delegate and Paul Kitti to serve as Officer Alternate Delegate to the annual Municipal Employee Retirement System Annual Meeting.

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

K. Juntila advised the Board: 1). Local photographer Fred Fluery donated a beautiful framed and matted nighttime photo of the Shiras Steam Plant which will be hung in the Board Room. He said he called Mr. Fluery and thanked him for the donation; 2). Utilizing the newly-installed digital TV screens and footage from a recently purchased hand-held video camera he updated the Board on pro-active maintenance work being performed at the penstock and surge tank including removing and repairing old concrete and painting the surge tank and repairs being made to weakened penstock expansion joints. He added that UPPCo. had to pay for expensive repairs last year when it had a failure of expansion joints at its McClure Dam Penstock. T. Humphrey asked if a pending penstock failure could be visibly detected? K. Juntila responded depending on the severity of a leak an alarm would be set off. He added in the McClure failure it was a small leak that took its toll over a period of time and then failed, and; 3). D. Lynch invited vendors to discuss the creation of a more efficient/streamlined inventory system including a purchasing alliance to provide a greater pool of resources to draw from. K. Juntila said the presentations and systems offered have been impressive and will be reviewed/evaluated by staff and Board legal counsel for possible future implementation. He added that the utility is continuing to move ahead due to forward thinking by staff.

7. **Time for Citizen Comments.**

Lou Chappell of 2021 Woodland, Marquette, commented on the excellent use of the new video technology and of the staff's proactiveness in hydro maintenance.

Mike Carpenter of 812 Elm St., Marquette thanked the Board for its confidence in STS's hydro work as the Board proceeds with steps to rebuild the Tourist Park Dam. He said STS work is progressing at Silver Lake.

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

K. Wanberg said he was pleased to see the article in the MMEA Currents Magazine about the MBLP's use of soybean oil in its transformers which is environmentally friendly and extends the life of the transformers.

C. Piirala commented on the quality of the copies produced by the utility's new copier and commented on the beautiful photo donation by Mr. Fluery. She asked if staff had ever considered creating postcards of utility facilities? K. Juntila thanked her for suggestion and staff would investigate.

T. Humphrey questioned the status of the Renewafuel contract? K. Juntila said he has received a contract which is currently being reviewed by staff.

9. **Adjournment.**

The meeting adjourned at 6:26 p.m.

Carolyn M. Piirala,
Vice Chair/Secretary

The Minutes of the Marquette Board of Light and Power are on file for public inspection at City Hall, the Peter White Public Library, and the MBLP Main Office at 2200 Wright St., Marquette, MI 49855