MINUTES

A regular meeting of the Board of Light and Power was called and held on August 11, 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 July 28, 2009 regular meeting minutes as presented.

Following a discussion it was moved by E. Angeli, seconded by K. Wanberg and unanimously carried to approve the Accounts Payable totaling $759,606.64. E. Angeli questioned if the charges from Blue Cross/Blue Shield were monthly costs? Executive Director Kirby Juntila responded in the affirmative. He said the cost includes retirees and that proactive measures by staff including the utility's Health and Wellness Program have helped keep the utility's premium costs relatively flat while others have been experiencing annual increases of 10 percent-plus. K. Wanberg questioned computer costs? K. Juntila responded the Board recently approved a computer network upgrade including the purchase of a new server.

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

Executive Director Kirby Juntila asked for the addition of: 3-A – Recommendation to Authorize Aerial Device Repairs, 3-B – Recommendation to Award Transformer Disposal, and 3-C – Recommendation to Sell Scrap Copper Wire. It was moved by K. Wanberg, seconded by E. Angeli, and unanimously carried to approve the agenda additions.

2. **Citizen Comment**.

No comments were received from citizens.

3. **Recommendation for Payment of Shiras Plant Roof Repairs.**

It was moved by K. Wanberg, seconded by R. Goodney, and unanimously carried to authorize payment totaling $8,037.91 to Bell Roofing Company for roof repairs at the Shiras Steam Plant. E. Angeli questioned if bids would have provided a cost savings? K. Juntila responded the project was a general roof maintenance project and became a bigger project than originally anticipated. R Goodney said sometimes it's cheaper to repair a roof and get a warranty than to replace the roof. K. Juntila said staff is aware of cost constraints and is mindful of saving dollars when possible.

3-A. **Recommendation to Authorize Aerial Device Repairs.**

On a motion by E. Angeli, seconded by K. Wanberg and unanimously carried, the Board authorized additional Aerial Device Repairs on Truck No. 338 totaling $9,500.87 in conjunction with the required five-year inspection of the unit. The charges are in addition to previously approved repairs of $5,674.05. K. Wanberg commented on the importance of vehicle safety for utility employees.

3-B. **Recommendation to Award Transformer Disposal**.

It was moved by J. Sonderegger, seconded by E. Angeli and unanimously carried to award the Disposal of approximately 2,225 kVA of failed transformers per the highest purchase quote meeting specifications to B&B Transformers at a disposal purchase sale price of $4/kVA totaling $8,900.

3-C. **Recommendation to Sell Scrap Copper Wire.**

On a motion by K. Wanberg, seconded by R. Goodney and unanimously carried, the Board awarded the sale of approximately 10,570 pounds of insulated and bare copper and copper weld per the highest price quote provided by N&N Trucking at an estimated sale amount of $19,196.84.

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

K. Juntila advised the Board that William Pyle, retired Assistant Director of Operations, will work on an as needed basis regarding reconstruction of the Tourist Park Dam, and; 2) the MBLP is hosting the Michigan Municipal Electric Association's Fall Conference on October 1 and Board members are welcome to attend. A variety of speakers including legislators, environmental agencies, and utility personnel will address the group followed by a dinner.

5. **Time for Citizen Comments.**

No comments were received from citizens.

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

K. Wanberg questioned current work at the Tourist Park Dam site and if bids will be let prior to the snow season? K. Juntila responded crews are digging up the discharge side of the facility to get inside the pipe and excavation around the building is also scheduled. The expansion joint is in relatively good shape and work at the intake structure is nearly complete. K. Juntila said the next step is review of the Environmental Assessment and receipt of comments from the various environmental agencies which will be forwarded to the Federal Energy Regulatory Commission (FERC) for its review which is a six month process. Staff met with consultant AECOM today to discuss the next scope of work phase to better define cost estimates. He added that it is anticipated that bids will be sent out in January and awarded in February with construction to begin in April. He added work in the basin including cutting trees will continue this fall in preparation for spring

construction. R. Goodney suggested a bid walk through this fall to give contractors the opportunity to see the site before it is covered with snow. K. Juntila responded he will forward his suggestion to the Board's consultant. He said homeowners along the basin will be contacted regarding basin tree removal.

E. Angeli questioned the status of the Renewafuel Biomass Project? K. Juntila responded he has been advised by a Cleveland-Cliffs Inc. (CCI) official that it will be bringing the plan to construct a biomass plant before its Board in September and that behind the scenes Renewafuel has been doing engineering and equipment procurement inquiries. E. Angeli questioned if the project doesn't go forward does the Board have other options? K. Juntila said locally there is no product available like the Renewafuel prototype and that the additional expense of having the material hauled in would make the project cost prohibitive. E. Angeli questioned budgeted expenses for the project? K. Juntila responded the capital investment to modify Unit No. 2 which would be used to burn the Renewafuel wood cubes is minimal and will not hold up the project if it is approved by CCI. K. Wanberg questioned if Unit No. 2 would be run all winter to burn the biomass cubes. K. Juntila responded in the affirmative.

7. **Adjournment:**

The meeting was adjourned at 6 p.m.

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Carolyn M. Piirala,
Vice Chair/Secretary

Board Meeting Minutes are available at the City Clerk's Office, Peter White Public Library, MBLP's Main Office at 2200 Wright St., or at www.mblp.org.