

MINUTES

A regular meeting of the Board of Light and Power was called and held on November 24, 2009.

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

Present: Karen Kimar Johnson
Kenneth C. Wanberg
Edward M. Angeli
John L. Sonderegger
John H. Prince

Absent: None

On a motion by K. Wanberg, seconded by J. Sonderegger, and unanimously carried, the Board approved the November 14, 2009 regular meeting minutes as presented.

Following a discussion it was moved by K. Kimar Johnson, seconded by K. Wanberg and unanimously carried to approve the Accounts Payable totaling \$601,299.61. K. Kimar Johnson asked if the PILT payment has been adjusted for the rebuilding of the Tourist Park Dam? Executive Director Kirby. Juntila said the City has agreed to waive the PILT on the Tourist Park Dam but that will not take effect until the dam has been rebuilt. J. Prince asked if the charges for ash disposal are consistent monthly? K. Juntila said there is some cost fluctuation seasonally with the winter heating and summer cooling seasons. J. Prince questioned if the amount of ash to be disposed will be reduced when biomass is being burned? K. Juntila responded in the affirmative. He added long range plans would call for a segregating of wood and coal ash. Wood ash could be used as fertilizer. J. Sonderegger questioned the status of the cleanup at the Pine Hill Landfill? K. Juntila responded the water samples indicate continued mitigation at the site. E. Angeli questioned charges for computer repairs? K. Juntila responded the repairs were on hand-held computers used by the meter readers are sent to the manufacturer for repair. E. Angeli questioned charges for employee training? K. Juntila responded new hires at the Steam Plant complete 36 correspondence class lessons which include material on math, pumps, pulverizers, boiler operation, condensers, etc. K. Wanberg said he had similar training when he was an employee at the Plant and questioned the relevance of math computations? K. Juntila said the training courses are used to assess the academic abilities of new employees for possible future job assignments.

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

K. Juntila presented no additions or corrections to the agenda. K. Wanberg questioned if the request from the Marquette County Historical Society to participate in the restoration of an electric street car should be added to the agenda? K. Juntila said staff is assessing the request and has been asked to consider the possibility of a permanent display on the utility's history at the museum.

2. **Time for Citizen Comments.**

No comments were received from citizens.

3. **Review of September, 2009 Financial Statement.**

Controller/Accountant Lon Laken reviewed the September, 2009 Financial Statement and answered questions of the Board. E. Angeli questioned if budget adjustments are made throughout the year? L. Laken responded in the affirmative. He said there are no concerns for this budget year. E. Angeli questioned bank investment distributions? L. Laken said per the Board's directive the utility's investments were diversified among additional banks. He said the Board's investment in ATC is providing returns of 11.7 percent. K. Wanberg questioned if Manpower is providing meter reading services for the utility? L. Laken responded in the negative. He said the Manpower charges are for Bill Pyle's consulting services for the Tourist Park Dam rebuild.

4. **Recommendations for Payment of:**

- A. Unit No. 3 Boiler Consulting Field Services.
- B. Retention Pond Water Disposal.

It was moved by K. Wanberg, seconded by J. Prince, and unanimously carried to authorize payment to Alstom Power, Inc. for Unit No. 3 Boiler Consulting Field Services totaling \$8,457.

On a motion by K. Kimar Johnson, seconded by K. Wanberg, and unanimously carried, the Board authorized payment for the disposal of 240,000 gallons of Retention Pond Water totaling \$21,000 to the Marquette Area Wastewater Treatment Facility. J. Prince questioned the rate structure used? K. Juntala said the rate was discounted as the process was for dilution not treatment. He said in order to keep from overflowing the retention pond into Lake Superior after a heavy rain of two-plus inches the retention pond water which has a high PH content was trucked to the Wastewater Treatment Plant.

5. **Recommendation to Award Boiler Chemical Contract.**

It was moved by J. Prince, seconded by K. Wanberg and unanimously carried to award a one (1) year Boiler Chemical Contract to Ecolab, Inc. per their quote meeting specifications totaling \$2,759.40 per month.

6. **Recommendation to Approve 2010 Meeting Schedule.**

On a motion by K. Wanberg, seconded by K. Kimar Johnson and unanimously carried, the Board approved the 2010 Meeting Schedule as presented.

7. **Recommendation to Execute Labor Agreement.**

It was moved by K. Wanberg, seconded by J. Prince, and unanimously carried to approve the Labor Agreement commencing July 1, 2010 through June 30, 2015 as presented.

8. **Recommendation to Authorize Purchase of Generic Service Time.**

On a motion by K. Walberg, seconded by J. Sonderegger and unanimously carried, the Board authorized the purchase of Generic Service Time for retiring MBLP employee John Eastley. The cost of the service time will be paid by Mr. Eastley to the Michigan Employee's Retirement System (MERS). Mr. Eastley is retiring December 1, 2009. Director of Human Resources and Administration Paul Kitti said employees can purchase up to five (5) years of generic service with the member to pay the full cost. Often employees purchase generic service time to give them the full 25 years of service so there is no reduction in their pension. K. Kimar-Johnson asked if there is any liability to the Board? P. Kitti responded in the negative.

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

K. Juntala advised the Board: 1). The Renewafuel Biomass Project is moving forward with plans to burn 60,000 tons a year of the biomass fuel cubes in Unit No. 2. He said the partnership will result in local jobs and keeping approximately \$6 million in the local economy instead of purchasing coal out of the area. He said discussions with the Michigan Department of Environmental Quality are ongoing regarding extending the permit for a 50,000 ton test burn; 2). brushing at the Tourist Park is going well and is approximately 50 percent complete; 3). the PFMA meeting regarding 100 percent dam design with the Federal Energy Regulatory Commission (FERC) is scheduled December 9, 10, and 11. Staff is meeting with consultant AECOM to prepare for the meeting. If final approval is received from the FERC bids will be let in February and will be due in March with construction to begin in May; 4). several educational sessions for the new Board members will be presented by staff; 5). the franchise agreements with the townships served by the MBLP are anticipated to be finalized before the end of the year and, ; 6). the utility is one of the founding sponsors of the Noquamenon Ski Race with a portion of the trail on Board property. A 12 kilometer race has been added this year and he and his wife, Debbie, are offering a training class through the YMCA to prepare for the race including technique, equipment, waxing and ski sessions.

10. **Time for Citizen Comments.**

No comments were received from citizens.

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

K. Wanberg questioned the status of AMI stimulus funding? K. Juntala said the utility was notified that it is not a recipient of AMI grant funding. He said Superintendent of Distribution David Lynch and Supervisor of Administrative Services Mary Adamini did a tremendous job putting the application and supporting documents together and that Board's AMI project warranted grant funding but the bailout of Michigan's automakers probably impacted the lack of stimulus funding received in Michigan. M. Adamini commented several private companies received grant awards of \$200,000 million and said it was unfortunate that a portion of that funding hadn't been divided up among smaller projects – like the MBLP's. States that received the most stimulus funding had

powerful government leaders and lobbyists behind them. K. Wanberg commented on a new truck purchased by Grand Haven and asked if grant money was used to purchase it? K. Juntila responded he didn't believe grant money was obtained for the battery-powered vehicle. K. Juntila said he heard that more biomass grant money will be coming to Michigan. M. Adamini said she and Manager of Utility Compliance Erik Booth recently applied for a \$50,000 biomass grant through the state of Michigan.

E. Angeli commented that he and the other Board members are willing to help K. Juntila in any way possible as utility projects continue to grow and evolve.

12. **Adjournment:**

The meeting was adjourned at 6:14 p.m.

John L. Sonderegger,
Vice Chair/Secretary

Minutes of Regular Board Meetings can be viewed at City Hall, the Peter White Public Library, or the MBLP Main Office at 2200 Wright St., Marquette, MI 49855. The minutes can also be viewed at www.mblp.org.