

A SPECIAL MEETING

Of The

TRAVERSE CITY LIGHT AND POWER BOARD

Will Be Held On

TUESDAY, October 21, 2008

At

5:15 p.m.

In The

**TRAVERSE CITY LIGHT & POWER
SERVICE CENTER
1131 Hastings Street**

Traverse City Light and Power will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon notice to Traverse City Light and Power. Individuals with disabilities requiring auxiliary aids or services should contact the Light and Power Department by writing or calling the following.

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Traverse City Light and Power
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Posting Date: 10-17-08
5:00 p.m.

PLEDGE OF ALLEGIANCE

1. **ROLL CALL**

2. **CONSENT CALENDAR**

The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.

A. Consideration of approving minutes of the Regular Meeting of September 14, 2008.

3. **OLD BUSINESS**

A. Consideration of approving the Hammond Road 69 kV Transmission Line Relocation Project Construction Contract Award. (Dine)

4. **NEW BUSINESS**

None as of October 17, 2008

5. **APPOINTMENTS**

None as of October 17, 2008

6. **REPORTS AND COMMUNICATIONS**

A. From Legal Counsel:

None as of October 17, 2008

B. Staff Reports:

(1) Update re: MPPA October 7, 2008 (Rollenhagen)

(2) Update re: MMEA Fall Conference (Dine)

(3) Update re: Special MPPA October 15, 2008 (Rice)

(4) Community Investment Fund Request (Cooper)

(5) Update re: Fiber Project (Rice/Zufelt)

(6) Update re: Wind Farm (Rice/Zufelt)

Light and Power Board
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C. From Board:

A. Joint Study Session scheduled November 10, 2008 with the City Commission -
West Side Transmission Line Project. (Johnson)

D. From Public:

None as of October 17, 2008

7. **PUBLIC COMMENT**

/jd

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, October 14, 2008

BOARD MEMBERS -

Present: Linda Johnson, John Welch, Joseph Zimmerman, James Hoogesteger, Chris Bzdok, Ralph Soffredine

Absent: Michael Coco

EX OFFICIO MEMBER -

Present: Makayla Vitous, Acting City Manager

OTHERS: Ed Rice, Tim Arends, Jim Cooper, Glen Dine, Jessica Dezelski
Mark Rollenhagen, Denise Kuschell, Pete Doren

The meeting was called to order at 5:15 p.m. by Chairman Linda Johnson.

Member Bzdok requested that item 2.D. be removed from the Consent Calendar and discussed under 3.B.

Moved by Welch, seconded by Zimmerman, that the following items, as recommended on the Consent Calendar portion of the agenda, be approved:

- A. Consideration of approving minutes of the Regular Meeting of September 23, 2008.
- B. Consideration of approving minutes of the Public Meeting of September 30, 2008.
- C. Consideration of approving Identity Theft Prevention Program Policy. (Approval recommended) (Arends)

Motion passed by unanimous vote.

Member Soffredine arrived (5:19).

Staff's recommended route for the west side transmission line was presented. The Board requested a joint meeting with the City Commission to explore support for route option B1 (overhead along M-72 and Bay Street) with underground along Bay Street as funds become available.

Public Comment:

-Jack Lane spoke re: being against the Wayne Hill option and wanting the Board to look at aesthetic benefits.

-Ross Richardson spoke re: listening to the citizens and the long term affect.

-Mary Orth spoke re: being fiscally responsible and keeping rates low.

- Guy Wood spoke re: considering the long term affect and getting the power lines out of the neighborhoods.
- Jennifer Jaffe spoke re: supporting undergrounding and the M-72 route.
- Helen Raymond spoke re: moving the power lines out of the neighborhoods.

Moved by Zimmerman, seconded by Hoogesteger, that the Board authorize the Chairman and Secretary to enter into a construction contract agreement with Elmers Cranes and Dozer, in the amount of \$62,812 for the Coal Dock Improvement Project, subject to approval as to substance by Executive Director and approval as to form by general counsel; and to authorize the Executive Director to administer amendments and change orders that are in the best interests of the Light and Power Department.

Member Zimmerman was asked to be the Maritime Heritage Alliance representative.

Chairman Johnson reminded all Board members of the Strategic Plan Staff Meeting.

Chairman Johnson requested that the regular Board meeting scheduled for October 28, 2008, be moved to October 21, 2008, and be held at the Traverse City Light & Power Service Center.

No public comment.

Meeting adjourned at 6:55 p.m.

Edward E. Rice, Secretary
LIGHT AND POWER BOARD

/jd

interoffice
MEMORANDUM

To: Light and Power Board

From: Glen Dine 

**LIGHT AND POWER
DEPARTMENT**

Date: October 21, 2008

Subject: Hammond Road 69kV Transmission Line Relocation Project - Construction Contract Award

Bids were obtained for the relocation of an existing 69kV transmission pole line along Hammond Road, west of LaFranier Road in Garfield Township, in preparation of the Grand Traverse County Road Commission Hammond Road project scheduled for next spring.

Bids were as follows:

Bidder	Base Bid	Remarks
The Hydaker-Wheatlake Co.	\$ 79,890.00	Cannot start until Spring 2009
Kent Power, Inc.	\$ 83,418.28	
Newkirk Electric	\$ No Bid	

Hydaker-Wheatlake is not able to meet TCL&P's construction schedule for this fall.

As mentioned at a previous Board meeting, the project work scope was reduced due to delays associated with the Wolverine Power Supply Cooperative siting of the Gray Road substation on the west side of Traverse City. During construction the transmission system will be primarily fed from a single main feed into Traverse City. An unanticipated problem may result in wide area outages to the majority of customers that could last for several hours until either the problem is resolved or the line segment under construction can be returned to service. Construction is scheduled for the month of November and most of December.

Staff is recommending that the bid from Kent Power be accepted. If the Board is in agreement, the following motion is recommended:

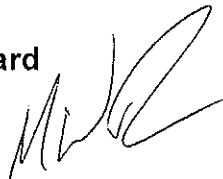
**MOVED BY _____, SECONDED BY _____, THAT
THE BOARD AUTHORIZE THE CHAIRMAN AND SECRETARY TO ENTER INTO
A CONSTRUCTION CONTRACT AGREEMENT WITH KENT POWER, INC., IN
THE AMOUNT OF \$83,418.28 FOR THE HAMMOND ROAD 69KV
TRANSMISSION LINE RELOACTION PROJECT; SUBJECT TO APPROVAL AS
TO SUBSTANCE BY THE EXECUTIVE DIRECTOR AND APPROVAL AS TO
FORM BY GENERAL COUNSEL; AND TO AUTHORIZE THE EXECUTIVE
DIRECTOR TO ADMINISTER AMENDMENTS AND CHANGE ORDERS THAT
ARE IN THE BEST INTERESTS OF THE LIGHT AND POWER DEPARTMENT.**

interoffice
MEMORANDUM

To: Light and Power Board

**LIGHT AND POWER
DEPARTMENT**

From: Mark Rollenhagen



Date: October 17, 2008

Subject: MPPA October 7, 2008

Jeff Corder and Bryan Rushing made a presentation on their 750 MW DLS Mid Michigan pulverized coal (PC) plant near Midland, Michigan. Target date for commercial operation is 2015.

Jack Hanson Vice President Engineering Generation & Services, Consumers Power made a presentation on their 800 MW, Karn/Weadock PC, clean coal, generation facility. Target date for commercial operation is also 2015.

interoffice
MEMORANDUM

To: Light and Power Board

LIGHT AND POWER
DEPARTMENT

From: Glen Dine *GD*

Date: October 17, 2008

Subject: MMEA Fall Conference

At the MMEA Fall Conference meeting of Thursday, October 10, 2008 presentations were made by various parties. Some of the general highlights were as follows:

- The tentative submittal date to the MPSC for municipal electric utilities plans to meet the Renewal Portfolio Standards is April 4th, 2009. The MPSC will only verify that the submitted plan complies with the legislation and standard.
- Capital expenditures will need to be deployed to meet the new RPS including renewable "green" generation.
- Funding of energy efficiency and optimization could be collected through a surcharge.
- Development of utility programs could include energy efficiency change-out of older less efficient appliances (turn in of old appliances), sale of CFL's, and specific incentives for commercial and industrial customers. Energy efficiency gains will be based on year 2007.
- Target implementation efforts to increase jobs in service territories.

Consumers Energy discussed plans to add an 800MWatt advanced supercritical pulverized coal plant at their Karn/Weadock facility. It would be designed for future carbon capture to mitigate any future carbon tax. The plant is scheduled to be in service by 2015.

DTE Energy discussed plans for a future FERMI 3 nuclear power plant to meet demand growth and to replace old generation facilities.

interoffice
MEMORANDUM

To: Light and Power Board

From: Edward Rice, Executive Director



LIGHT AND POWER
DEPARTMENT

Date: October 17, 2008

Subject: Special MPPA Meeting October 15, 2008

A special meeting was called by the MPPA Executive Committee for Wednesday, October 15, 2008. The purpose of the meeting was to decide whether to retain or terminate the MPPA General Manager.

After discussion and input from all 13 of 14 board members who attended, the board initiated a vote of confidence or no confidence in the general manager

The result was 12 no confidence and one (1) confidence votes. TCL&P voted no confidence. The general manager resigned his position effective immediately.

FOR LIGHT AND POWER SPECIAL BOARD MEETING OF OCTOBER 21, 2008

interoffice
MEMORANDUM

To: Light and Power Board **LIGHT AND POWER
DEPARTMENT**
From: Doug Zufelt, Technical Support Manager *DZ*
Date: October 17, 2008
Subject: Fiber Project Update

The County and Munson Hospital are fully connected and so far there have been no concerns.

We have identified the hardware for the fiber connection between the L&P offices and 400 Boardman. This equipment is soon to be in house and the connection we hope to have finished within the next 3 weeks. This will eliminate one T1 connection and save us that expense as well as a gain of much needed bandwidth for City Works and the GIS mapping.

Fiber connectivity to the substations is one of our next priorities. Validation of those connections will start next week and we hope to have the hardware for SCADA identified and ordered within the next two weeks. Upgrading of the PBX phone system to allow VOIP phones at the substations is in process with the equipment on order. This will help eliminate more of our phone expenses.

The pursuit of potential new dark fiber customers has not been forgotten. We are working on this issue and hope to have an update soon.

FOR LIGHT AND POWER SPECIAL BOARD MEETING OF OCTOBER 21, 2008

interoffice
MEMORANDUM

To: Light and Power Board

**LIGHT AND POWER
DEPARTMENT**

From: Doug Zufelt, Technical Support Manager *DZ*

Date: October 17, 2008

Subject: Wind Farm update

Progress is being made. On October the 14th Steve Smiley, Mark Manthei and myself attended the Norwood Zoning Commissioners meeting. During the meeting there were a couple of minor issues raised and a couple of final changes to the met tower amendment were made. The amendment was ultimately passed by the commission and recommended to the Board of Trustees to be accepted at their next meeting. The amendment will now go to the Trustees on the 20th (or the 27th) for final authorization. Attached is a copy of the amendment as it was approved.

From the general tone of the meeting there is growing interest in the wind and alternative energy recourses by the Zoning Commission and the local residents. The lead member of the WEC (Wind Energy Committee) Herb Cummings indicated to the Commission and the other attendees the urgency to move forward as quickly as possible on the wind tower zoning. This was also support by several commissioners. He later indicated to us privately that he is hoping for a 3 to 6 month time frame.

For Light & Power, we will next need to assemble our information for the Zoning application to make a presentation at their Nov. 11th public meeting. Pending unforeseen issues, we should be erecting the met tower near the end of November or early December.

Prior to the Zoning meeting we met with the Manthei, Mark and Ben to discuss moving forward. We all agreed to start on a more definitive layout of the turbine locations, capacity and substation as well as making application to MISO for the interconnect study queue and to start determining an actual time line for things to move forward. We will be scheduling regular meetings with the Manthei as we are working on the Zoning for the MET tower.

Draft Amendments to Norwood Township Zoning Ordinance -- approved by PC 10-14-2008

“Meteorological Towers, Anemometer Towers and Test Towers”

Additions to Article II, Section 2.02 Definitions:

Anemometer: An instrument for measuring and recording the speed of wind.

Anemometer Tower: A temporary structure, including all accessory facilities, on which an anemometer and other instruments are mounted for the purposes of documenting wind resources at the location of the tower.

Meteorological Tower (MET): A tower, equipped with instruments, that gathers data concerning the earth's atmosphere and surface in order to aid meteorologists in understanding weather patterns and producing weather forecasts.

Test Tower: A temporary tower erected to passively collect environmental data for any purpose.

FAA: The Federal Aviation Administration.

MAC: The Michigan Aeronautics Commission.

MTST: Michigan Tall Structures Act PA 259 of 1959.

Addition to Article V: District Regulations, Section 5.01.3 Agricultural (A), Uses Subject to Special Approval

19. Meteorological Towers, Anemometer Towers and Test Towers

Addition to Article V: District Regulations, Section 5.04.3 Rural Residential (RR), Uses Subject to Special Approval

12. Meteorological Towers, Anemometer Towers and Test Towers

Addition to Article V: District Regulations, Section 5.06.2 Commercial District (C), Uses Subject to Special Approval

21. Meteorological Towers, Anemometer Towers and Test Towers

Addition to Article V: District Regulations, Section 5.07.2 Industrial (I), Uses Subject to Special Approval

12. Meteorological Towers, Anemometer Towers and Test Towers

Addition to Article VII: Uses Subject to Special Approval and Supplemental Site Development Standards, Section 7.03 Supplemental Site Development Standards

13. Meteorological Towers (METs), Anemometer Towers and Test Towers

A. Allowed Districts: The allowed districts are Agricultural (A), Commercial (C), Industrial (I) and Rural Residential (RR).

- B. The following setback requirements shall apply to all METs, Test Towers and Anemometer Towers:
 - a. Any towers must be set back a distance equal to 1.1 times the total height of the tower from any public right of way, residence, commercial building, or property line.
 - b. Any towers must be located so as not to hinder the intended use of any existing easement.
 - c. Guy wires and accessory buildings must satisfy the minimum zoning district set back requirements.
- C. The maximum height above grade of the tower, including any attachments, shall be 200 feet.
- D. All towers must meet or exceed current standards and regulations of the FAA, MAC, MTST and any other agency of the state or federal government with authority to regulate towers and antennas. If such standards and regulations are changed, then the owners of the towers and antennas governed by this ordinance shall bring such towers and antennas into compliance with such revised standards and regulations within six (6) months of the effective date of such revised standards and regulations, unless a different compliance schedule is mandated by the controlling state or federal agencies. Failure to bring towers and antennas into compliance with such revised standards and regulations shall constitute grounds for the removal of the tower or antenna at the owner's expense. Complying with any applicable lighting standard or regulation must not cause a public nuisance.
- E. Guy wire and anchor points shall be marked for safety concerns to ten feet above the ground.
- F. A sign maximum size of four (4) foot square shall be provided listing an address and phone number for emergency contact. This sign shall not include any type of advertising.
- G. Any MET, Test Tower or Anemometer Tower erected under this Section must be completely removed (including without limitation removal of any accessory buildings and restoration of the property where the tower was located) not later than two years after the date of the Special Use Permit. Permits can be renewed in advance for a maximum of twelve months.
- H. A tower may not be erected unless the owner of the tower has first delivered to Norwood Township a payment bond in an amount equal to the estimated cost of removal of the tower and reclamation of the land, as this cost is determined by the Norwood Township zoning administrator. Norwood Township must approve a reclamation plan as part of the permit approval process. This bond must be kept current during the time the tower is in existence and until reclamation of the land is completed. The terms of this bond must be satisfactory to Norwood Township and must be stated without limitation that if a tower has not been removed according to the terms of this Ordinance, then the amount of the bond will be paid to Norwood Township upon request by Norwood Township.
- I. Proof of property liability insurance, in an amount and on terms that are acceptable to the Norwood Township zoning administrator, must be submitted to the Township prior to erecting the tower. The Township must be listed as additional insured and the insurance must be kept in force until the tower is removed according to the requirements of this ordinance.
- J. Each tower must be maintained in good condition and repair and must be safe. This means without limitation that the surface of any tower must be either a galvanized steel finish or a neutral painted color approved by the Township or a color required by any applicable standards of the FAA and MAC.
- K. A Special Use Permit issued for Test Tower, Anemometer Tower or MET does not constitute a commitment or implication that Norwood Township will subsequently permit any other Use at that location.

Approved by the Norwood Township Planning Commission for Submission to the Board of Trustees
October 14, 2008