

**A REGULAR MEETING**

Of The

**TRAVERSE CITY LIGHT AND POWER BOARD**

Will Be Held On

**TUESDAY, January 25, 2011**

At

**5:15 p.m.**

In The

**COMMISSION CHAMBERS**  
(2<sup>nd</sup> floor, Governmental Center)  
400 Boardman Avenue

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.

Stephanie Tvardek,  
Administrative Assistant  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 932-4543

Traverse City Light and Power  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 922-4940

Posting Date: 1-21-11  
4:00 p.m.

## AGENDA

### 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 Human Resource Committee Meeting of January 5, Human Resource Committee Meeting of January 6, Regular Meeting and Closed Session of January 11, and Wi-Fi Ad Hoc Committee Meeting and Joint Study Session with City Commission of January 18, 2011.

#### 3. Old Business

None

#### 4. New Business

- a. Consideration of amendment to Board Rule 11. (Arends)
- b. Consideration of a periodic personnel evaluation of Edward Rice, Executive Director. (Coco/Welch) (Possible closed session)

#### 5. Reports and Communications

- a. From Legal Counsel.
- b. From Staff.
  1. Verbal update re: MPPA Meeting. (Rice)
  2. Verbal update re: Wi-Fi project. (Rice)
  3. Verbal update re: Strategic Planning scheduled for Thursday, February 24, 2011 from 3-7 p.m. at Cambria Suites Old Mission Room. (Rice)
- c. From Board.
  1. Strategic Planning public input process. (Coco)

#### 6. Public Comment

**TRAVERSE CITY LIGHT AND POWER  
HUMAN RESOURCE COMMITTEE**

Minutes of Human Resource Committee Meeting  
Held at 12:00 p.m., TCL&P Service Center  
Wednesday, January 5, 2011

**COMMITTEE MEMBERS:**

Present: John Snodgrass, Ralph Soffredine, John Taylor

**OTHERS:** Ed Rice, Tim Arends, Denise Kuschell

The meeting was called to order at 12:00 p.m.

An employee grievance regarding pension benefits was discussed.

No action was taken.

The meeting was adjourned at 1:00 p.m.

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Tim Arends, Controller  
LIGHT AND POWER

/st

**TRAVERSE CITY LIGHT AND POWER  
HUMAN RESOURCE COMMITTEE**

Minutes of Human Resource Committee Meeting  
Held at 12:00 p.m., TCL&P Service Center  
Thursday, January 6, 2011

**COMMITTEE MEMBERS:**

Present: John Snodgrass, Ralph Soffredine, John Taylor

**OTHERS:** Ed Rice, Tim Arends, Denise Kuschell, Mayor Chris Bzdok,  
Commissioner Mike Gillman, R. Ben Bifoss

The meeting was called to order at 12:00 p.m.

An employee grievance regarding pension benefits was discussed.

No action was taken.

The meeting was adjourned at 1:00 p.m.

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Tim Arends, Controller  
LIGHT AND POWER

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Regular Meeting  
Held at 5:15 p.m., Commission Chambers, Governmental Center  
Tuesday, January 11, 2011

**Board Members -**

Present: Mike Coco, Linda Johnson, Jim Carruthers, Ralph Soffredine, John Taylor, John Snodgrass

Absent: John Welch

**Ex Officio Member -**

Present: R. Ben Bifoss

**Others:** W. Peter Doren, Ed Rice, Tim Arends, Stephanie Tvardek, Mark Rollenhagen, Jim Cooper, Jessica Wheaton

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

**Item 2 on the Agenda being Consent Calendar**

Moved by Soffredine, seconded by Johnson, that the following actions, as recommended on the Consent Calendar portion of the Agenda, be approved:

- a. Minutes of the Regular Meeting of December 28, 2010 be approved.

CARRIED unanimously. (Welch absent)

**Item 3 on the Agenda being Old Business**

**3(a).**

Consideration of trial and settlement strategy in Brown Bark I, L.P. v Traverse City Light and Power.

Moved by Johnson, seconded by Soffredine, to go into Closed Session to discuss trial and settlement strategy in Brown Bark I, L.P. v Traverse City Light and Power Department, United States Court of Appeals for the Sixth Circuit, Case No. CA 10-2644, at the conclusion of Public comment.

CARRIED unanimously.

**3(b).**

Commissioner Gillman spoke regarding pension legacy costs.

No action taken by the Board.

**Item 4 on the Agenda being New Business**

**4(a).**

Steve Peacock and William Love presented the 2009-2010 Financial Audit.

Moved by Soffredine, seconded by Johnson, that the Light & Power Board accepts the Financial Audit for the fiscal year ended June 30, 2010.

CARRIED unanimously.

**4(b).**

Tino Breithaupt gave an update regarding the Traverse Bay Economic Development Corporation.

No action taken by the Board.

**Item 5 on the Agenda being Reports and Communications**

A. From Legal Counsel.

B. From Staff.

1. Jessica Wheaton spoke re: the 2011 Regional Energy Expo.
2. Mark Rollenhagen spoke re: the Kalkaska Combustion Turbine.
3. Ed Rice announced the Joint Study Session with the City Commission is scheduled for Tuesday, January 18, 2011.

C. From Board.

1. Jim Carruthers and John Taylor spoke re: Grand Vision lecture series with guest speaker Brian Keane on Thursday, January 14, 2011.
2. John Snodgrass spoke regarding the upcoming Robotics Competition being held at Traverse City Central High School and Light & Power possibly helping with funding.

**Item 6 on the Agenda being Public Comment**

- Glen Dine, Light & Power Chief Engineer

The Board went into Closed Session at 7:05 p.m.

The Board returned to Open Session at 7:27 p.m.

There being no objection, Chairman Coco declared the meeting adjourned at 7:28 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

**TRAVERSE CITY LIGHT AND POWER  
WIFI AD HOC COMMITTEE**

Minutes of WiFi Ad Hoc Committee Meeting  
Held at 7:00 p.m., Governmental Center  
Tuesday, January 18, 2011

**COMMITTEE MEMBERS:**

Present: Mike Coco, John Snodgrass, John Welch

**OTHERS:** Ed Rice

The meeting was called to order at 7:40 p.m.

Ed Rice updated the committee on the recent activity and progress of the WiFi project.

No action was taken.

The meeting was adjourned at 8:10 p.m.

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Edward E. Rice, Secretary  
LIGHT AND POWER

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Joint Study Session of City Commission with  
Traverse City Light and Power Board  
Held at 6:00 p.m., Governmental Center, Commission Chambers  
Tuesday, January 18, 2011

**LIGHT AND POWER BOARD MEMBERS -**

Present: Mike Coco, John Snodgrass, John Taylor, John Welch, Ralph Soffredine, Jim Carruthers

Absent: Linda Johnson

**EX OFFICIO MEMBER -**

Present: Ben Bifoss

**OTHERS:** Ed Rice, Tim Arends, Stephanie Tvardek, Denise Kuschell, Jim Cooper

The meeting was called to order at 6:00 p.m. by Mayor Bzdok.

**1. Discussion and update on Light and Power issues and projects.**

The following individuals addressed the City Commission and Traverse City Light and Power Board:

Ed Rice, Traverse City Light & Power Executive Director  
R. Ben Bifoss, City Manager

**2. Public Comment.**

The following individuals addressed the City Commission and Traverse City Light and Power Board:

Jim Tompkins, 1241 Randall Court, Ratepayer

Mayor Bzdok called a brief recess at 6:59 p.m.

Mayor Bzdok called the meeting back to order at 7:00 p.m.

**1. Discussion and update on Light and Power issues and projects.**

The following individuals addressed the City Commission and Traverse City Light and Power Board:

Ed Rice, Traverse City Light & Power Executive Director

**2. Public Comment.**

The following individuals addressed the City Commission and Traverse City Light and Power Board:



Mark Rhine, Garfield Township  
Tom Karas, 8801 Section Line Road, Non-Ratepayer

The meeting was adjourned at 7:30 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD



TRAVERSE CITY  
LIGHT & POWER

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**To:** Light and Power Board  
**From:** Tim Arends, Controller *TA*  
**Date:** January 17, 2011  
**Subject:** Board Rules

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There have been a few inquiries in the past by the public that they be placed on the Light & Power agenda to address the Board. While any member of the Board or staff can ask that the agenda be amended, with approval of 4 Board members, the public requests have centered more on their wish to make public comment and be allowed more than 3 to 5 minutes to do so.

The City Commission has a process that allows the public to have reserved time for their public comment, and allows for up to 15 minutes by the requestor. The requestor has to fill out a form with their name, address, and must specify what the subject matter is that they are requesting to address the Board. All of this must be presented in advance of a Board meeting to allow for the information to be included in the Board packet that is also released to the media and other public postings.

The City's process seems to work well and I believe it could be a benefit to Light & Power in handling these requests in the future. The following is the proposed new rule:

Rule 11, Public Comment.

Public Comment. The Light and Power Board welcomes public comment and has prescribed the following to facilitate the conduct of public business.

- A. Public Comment during Agenda Items. At any regular or special meeting, any interested person may address the Board on any agenda item if recognized by the Presiding Officer or upon request of any Board member. For any agenda item requiring action of the Board at that meeting other than the Consent Calendar, the Presiding Officer shall, before any final vote is taken, ask for and conduct public comment on that agenda item. Any interested person may address the Board on any matter of Department concern during the agenda item designated Public Comment. The comment of any member of the public or any special interest group may be limited in time as provided in subsection (E). As part of its deliberation, the Board may clarify, answer questions and ask questions as a result of public comment.

B. Public Comment during the designated Public Comment Section – Reserved.

Any interested person or special interest group wishing to address the Board for a reserved time shall submit a written request to the Administrative Assistant no later than Tuesday, 5:00 P.M. the week immediately preceding the date of said regular meeting. The communication shall (1) identify the writer's name and address and (2) identify with reasonable specificity the subject matter. The same shall appear on the written agenda under the designated "Public Comment" section for said regular meeting as made available to the news media and released for delivery to the Board. All persons must identify themselves and will be asked their address and to direct their comments to the Board. The comment of any member of the public or special interest group may be limited to 15 minutes except as provided in subsection (E). Questions posed may be answered at the meeting or may be referred to staff for response at a later time.

Reserved time shall be limited to one (1) per meeting and shall appear on the written agenda. A TCL&P ratepayer or city taxpayer shall take precedence over a non-TCL&P ratepayer or city taxpayer request. In such case, the non-TCL&P ratepayer/non-taxpayer request shall be postponed and placed on the written agenda of a future meeting as selected by the non-TCL&P ratepayer/non-taxpayer. In no case shall the non-TCL&P ratepayer/non-taxpayer request be postponed more than one time.

C. Public Comment during the designated Public Comment Section – General. Any interested person wishing to address the Board regarding other matters may do so under the designated Public Comment section. All persons must identify themselves and will be asked their address and to direct their comments to the Board. The comment of any member of the public or any special interest group may be limited in time as provided in subsection (E).

D. Public Comment during the designated Public Comment Section – Board Chair and Board Members. The Board Chair and other Board Members interested in making a public comment may do so under the designated Public Comment section. Further, the Board Chair and Board Members may briefly respond for clarification purposes as a result of public comment.

E. Order and Duration of any Public Comment. The comment of any member of the public or special interest group may be limited in time by the Presiding Officer. The Presiding Officer shall have the authority to limit and terminate any public comment that becomes disruptive, unduly repetitive, or impedes the orderly progress of the meeting. The Presiding Officer shall control the order and duration of any public comment, subject to

appeal.

If the Board desires to amend the rules regarding public comment, the following motion to propose such amendment pursuant to Rule 12 and schedule it for a future meeting for adoption would be appropriate.

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**THAT THE LIGHT AND POWER BOARD PROPOSES TO AMEND BOARD RULE 11, PUBLIC COMMENT, AND REFERS THIS MATTER TO A FUTURE MEETING FOR ADOPTION.**

RULES OF THE TRAVERSE CITY LIGHT AND POWER BOARD

As amended through September 23, 2008

***(With proposed amendment to Rule 11)***

1. Regular Meetings. Regular meetings of the Light and Power Board shall be held on the second and fourth Tuesdays of every month at 5:15 P.M. in the Commission Chambers of the Governmental Center, 400 Boardman Avenue, Traverse City.
2. Order of Business and Agenda for Regular Meetings. The order of business and agenda for regular meetings of the Board shall be as follows:
  1. Roll Call
  2. Consent Calendar
  3. Old Business
  4. New Business
  5. Reports and Communications
  6. Board and Public Comment

Unless there is an objection by a Board member, the Chairman may alter the order of business.

3. Agenda and Packets. A written agenda and a packet of supporting materials shall be prepared by the Executive Director for every regular meeting, and shall be completed and released for delivery to the members of the Board not later than 5:00 P.M. on the Monday immediately preceding the date of said regular meeting.
4. Special Meetings and Special Business. Special meetings may be called by the Chairman or any two (2) Board members, or by the Executive Director, upon 18 hours posting and advance written notice to all Board members. Special meetings shall consider only such matters as are specified in the notice of the meeting, unless all voting members are present and a motion is passed pursuant to these Rules. Unless there is an objection by a Board member, the Chairman may alter the order of business. The Board may direct by a majority vote that any matter may be made the special business of a future meeting and the same shall have precedence over all other business at such meeting.
5. Consent Calendar.
  - A. When the Executive Director determines that any item of business requires action by the Light and Power Board, but is of a routine and non-controversial nature,

the Executive Director may cause such item to be presented at a regular meeting of the Light and Power Board as part of a Consent Calendar.

- B. The Consent Calendar shall be introduced by a motion to approve the Consent Calendar, and shall be considered by the Light and Power Board as a single item.
  - C. There shall be no debate or discussion by any member of the Light and Power Board, regarding any item on the Consent Calendar, beyond asking questions for simple clarification.
  - D. On request by any Light and Power Board member, staff or member of the public present to inclusion of any item on the Consent Calendar, that item shall be removed from the Consent Calendar. Such request may be recorded at any time prior to the taking of a vote on the motion to approve the Consent Calendar. All such items shall be considered individually at a place, on the agenda, determined by the Presiding Officer.
  - E. Approval of the motion to approve the Consent Calendar shall be fully equivalent to approval, adoption, or enactment of each motion, resolution, ordinance, or other item of business thereon, exactly as if each had been acted upon individually.
6. Presiding Officer. The Chairman shall preside at all meetings, and in the absence of the Chairman, the Vice-Chairman shall preside. If both the Chairman and the Vice-Chairman are absent, the Secretary shall call the Board to order and shall preside until a presiding officer is chosen. If the Secretary is absent, a majority of the Board then present shall select a Presiding Officer.
7. Rules of Order. The most current and authorized edition of Robert's Rules of Order shall govern the conduct of meetings unless modified by these Rules. The Presiding Officer shall decide all questions arising under these Rules and general parliamentary practice subject to appeal, which appeal shall be determined by a majority of the members present. In the event an appeal is taken by any member from the ruling of the Presiding Officer, the member of the Board desiring to appeal shall state that he claims an appeal from the ruling of the Presiding Officer and shall state briefly what, in his opinion, the ruling should have been. If this appeal is seconded, the Presiding Officer shall state clearly the question at issue, and shall then call for the vote of the Board on the question: "Shall the decision of the Presiding Officer be sustained?" The Presiding Officer shall preserve order and decorum and may speak to points of order in preference to other questions. The Presiding Officer may express an opinion on any subject under debate without the substitution of another Presiding Officer.

8. Motions. Every motion or resolution shall require a second before being put to a vote, and it shall not be debated until it shall be reduced to writing if requested by the presiding officer or any member, but it may be withdrawn at any time by the movant with consent of the second before decision or amendment. No motion to reconsider shall be entertained unless made by a member voting with the majority.
9. Amendment of Agenda at Regular Meetings. At a regular meeting, and as the first item after Roll Call, any official or officials of the Department, acting as such, may ask, orally or in writing, that a certain matter or matters be added to the agenda for consideration by the Board at that meeting. By motion that the matter or matters in question be added to the agenda of that meeting, passed by the concurring vote of not less than four (4) Board members, the matter or matters may be added to the agenda under an appropriate order of business and may be considered at that regular meeting.
10. Amendment of Agenda at Special Meetings. At a special meeting, and as the first item after Roll Call, any official or officials of the Department, acting as such, may ask, orally or in writing, that a certain matter or matters not appearing in the notice of that meeting as posted and released for delivery to the members of the Board be considered by the Board at that meeting. By motion that the matter or matters in question be considered at that meeting, passed by the concurring vote of not less than five (5) Board members, any such matters may be considered at that special meeting.
11. Public Comment. The Light and Power Board welcomes public comment and has prescribed the following to facilitate the conduct of public business.
  - A. Public Comment during Agenda Items. At any regular or special meeting, any interested person may address the Board on any agenda item if recognized by the Presiding Officer or upon request of any Board member. For any agenda item requiring action of the Board at that meeting other than the Consent Calendar, the Presiding Officer shall, before any final vote is taken, ask for and conduct public comment on that agenda item. Any interested person may address the Board on any matter of Department concern during the agenda item designated Public Comment. The comment of any member of the public or any special interest group may be limited in time as provided in subsection (E). As part of its deliberation, the Board may clarify, answer questions and ask questions as a result of public comment.
  - B. Public Comment during the designated Public Comment Section – Reserved. Any interested person or special interest group wishing to address the Board for a reserved time shall submit a written request to the Administrative Assistant no later than Tuesday, 5:00 P.M. the week immediately preceding the date of said regular meeting. The communication shall (1) identify the writer's name and

address and (2) identify with reasonable specificity the subject matter. The same shall appear on the written agenda under the designated "Public Comment" section for said regular meeting as made available to the news media and released for delivery to the Board. All persons must identify themselves and will be asked their address and to direct their comments to the Board. The comment of any member of the public or special interest group may be limited to 15 minutes except as provided in subsection (E). Questions posed may be answered at the meeting or may be referred to staff for response at a later time.

Reserved time shall be limited to one (1) per meeting and shall appear on the written agenda. A TCL&P ratepayer or city taxpayer shall take precedence over a non-TCL&P ratepayer or city taxpayer request. In such case, the non-TCL&P ratepayer/non-taxpayer request shall be postponed and placed on the written agenda of a future meeting as selected by the non-TCL&P ratepayer/non-taxpayer. In no case shall the non-TCL&P ratepayer/non-taxpayer request be postponed more than one time.

C. Public Comment during the designated Public Comment Section – General. Any interested person wishing to address the Board regarding other matters may do so under the designated Public Comment section. All persons must identify themselves and will be asked their address and to direct their comments to the Board. The comment of any member of the public or any special interest group may be limited in time as provided in subsection (E).

D. Public Comment during the designated Public Comment Section – Board Chair and Board Members. The Board Chair and other Board Members interested in making a public comment may do so under the designated Public Comment section. Further, the Board Chair and Board Members may briefly respond for clarification purposes as a result of public comment.

E. Order and Duration of any Public Comment. The comment of any member of the public or special interest group may be limited in time by the Presiding Officer. The Presiding Officer shall have the authority to limit and terminate any public comment that becomes disruptive, unduly repetitive, or impedes the orderly progress of the meeting. The Presiding Officer shall control the order and duration of any public comment, subject to appeal.

12. Suspension of Rules. The Rules may be suspended on the vote of five (5) members. The Rules may be amended by a majority vote of the members elect at a meeting held after the meeting at which the amendment was proposed.

13. Executive Director Spending Authority. The Executive Director shall have authority to expend up to one-tenth of one percent (0.1%) of current budget year total expenses, per



transaction, involving the acquisition and disposal of personal property pursuant to City Charter Section 179(a) without the necessity of Board approval or securing competitive bids. Such authority shall also supply to the acquisition of services in furtherance of Light and Power activities.



TRAVERSE CITY  
LIGHT & POWER

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Communication to the Board of Directors

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FOR THE LIGHT & POWER BOARD MEETING OF JANUARY 25, 2011

DATE: JANUARY 20, 2011

FROM: EDWARD E. RICE, EXECUTIVE DIRECTOR

SUBJECT: CLOSED SESSION – EXECUTIVE DIRECTOR

Pursuant to the Open Meetings Act, I request a closed hearing of the Light & Power Board to consider a periodic personnel evaluation of the Executive Director.

A Roll Call vote is required with four affirmative votes.

The following recommended motion would be appropriate to do so:

MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_

**THAT THE LIGHT & POWER BOARD ENTER INTO CLOSED SESSION TO CONSIDER THE PERIODIC PERSONNEL EVALUATION OF EDWARD E. RICE, EXECUTIVE DIRECTOR, AS REQUESTED BY EDWARD E. RICE, EXECUTIVE DIRECTOR.**

TRAVERSE CITY LIGHT and POWER  
EXECUTIVE DIRECTOR  
CONTRACT 2009

THIS AGREEMENT made this 26<sup>th</sup> day of June, 2009, by and between the TRAVERSE CITY LIGHT and POWER DEPARTMENT, a Michigan municipal electric utility, 1131 Hastings Street, Traverse City, Michigan 49686, (the Board) and EDWARD EMMON RICE, of 1664 Strasbourg, Traverse City, Michigan 49684, (the Executive Director);

WITNESSETH:

WHEREAS, the Board wishes to retain the services of Edward Emmon Rice as Executive Director; and

WHEREAS, Edward Emmon Rice wishes to be employed by the Board in the capacity of Executive Director; and

WHEREAS, it is to the advantage of both the employer and the employee to specify the conditions under which the employee is to work and to be compensated;

NOW, THEREFORE, it is mutually agreed by the parties as follows:

1. Employment. The Board hereby employs Edward Emmon Rice as the Executive Director, and Edward Emmon Rice hereby accepts such employment upon the terms and conditions hereinafter set forth.

2. Applicable Laws. This Agreement is subject to all applicable laws and administrative rules bearing upon the parties and the subject matter of this Agreement as such law may be in effect from time to time, including without limitation, the Charter of the City of Traverse City, and such law is incorporated herein by reference. In the event of conflict between the provisions of this Agreement and such applicable law, such applicable law shall control.

3. Term. This Agreement shall commence on July 1, 2009, and shall continue thereafter until termination, amendment or renegotiation. The parties intend to renegotiate the terms hereof to be effective with the beginning of each fiscal year which is July first.

4. Compensation. For all services rendered by the Interim Executive Director under this Agreement, the Board shall pay the Executive Director an annual salary of ONE HUNDRED TWELVE THOUSAND THREE HUNDRED FORTY-FOUR AND 96/100 DOLLARS (\$112,344.96) effective the first day of the term, to be paid in the same manner and intervals as regular full-time management employees effective as of the commencement date of this Agreement.

5. Termination. Either party has the right to terminate the employment relationship at any time and in the sole discretion of the party terminating the relationship, upon 60 days advance notice or the equivalent of sixty (60) calendar days pay or a portion thereof, where no notice or less than thirty (60) days notice is given. However, in the event the Executive Director is terminated because of conviction of a felony or any illegal act involving personal gain, the Board shall have no obligation to give advance notice or the alternative severance pay.

6. Duties. In addition to the duties enumerated in the City Charter, the Executive Director shall be the Chief Administrative Officer for the Department and the Board. The Executive Director shall direct all employees of the Department and such others as the Board shall direct. The attached description of the Executive Director's responsibilities, attached hereto as Attachment A, is the present determination and may be relied upon by the Executive Director. However, the Board may from time to time, by resolution, alter this description of the Executive Director's responsibilities, provided that such alterations shall not be effective until a copy of such resolution shall be delivered to the Executive Director.

7. Extent of Services. The Executive Director shall devote his professional time, attention and energies to the business of the Traverse City Light and Power Department. In order to discharge the functions of the office of Executive Director, early morning, luncheon and night-time meetings and activities may occur outside regular office hours that require the Executive Director's attendance.

8. Conventions and Seminars. With prior Board approval, the Executive Director may attend seminars and conventions relating to utility management for technology and other matters involved in the discharging of the responsibilities of the office of Executive Director. The Department shall pay for or reimburse the Executive Director for expenses in connection with such seminars and conventions as per Board policy up to the amount authorized in the budget. Days used in attending seminars and conventions shall be regarded as days worked.

9. Vacations. The Executive Director shall be entitled to vacation time which shall accrue on the basis of 25 days per year of employment. It may be used during the term of this Agreement. During such vacation time, compensation will be paid in full. Accrued vacation time may be accrued up to a maximum of 200 hours in the same manner as Department ACT employees.

10. Civic Organizations and Responsibilities. The Board encourages membership of the Executive Director in local civic organizations and in executing civic responsibilities. The Board agrees to reimburse the Executive Director for dues and reasonable expenses incurred in membership in one local recognized civic organization involved in public service. In addition, the Executive Director shall have the discretion to expend an amount not to exceed Five Hundred dollars (\$500) per year to participate in, or attend, those civic events or functions which appropriately assist him in meeting these civic responsibilities.

11. Short Term Disability Coverage. The Executive Director shall receive a short term sickness and accident policy that provides for a benefit amount equal to sixty-six and two-thirds percent (66 2/3%) of weekly pay with no weekly maximum cap. Long term disability policy is to be provided in the same manner as Department ACT employees.

12. Deferred Compensation Plan. In addition to the aforementioned, the Department shall contribute 100% match up to 6% of the Executive Director's gross pay, provided, if the Executive Director contributes up to 6% into a 457 Deferred Compensation Plan as offered for other ACT employees.

13. Retirement Plan. In place of this Executive Director's MERS Defined Benefit Retirement Plan, the Executive Director shall receive the MERS Defined Contribution Plan with 8.9% of salary being the amount contributed by employer. MERS shall be computing actuarially any balance for past contributions to this Executive Director's former retirement plan and they shall be rolled into his new MERS Defined Contribution Plan. This changeover from the Defined Benefit Plan to the Defined Contribution Plan shall be implemented as soon as possible according to MERS procedures and requirements.

14. Other Benefits. Except as modified herein, the Executive Director shall enjoy all such other fringe benefits afforded to Department ACT employees as of the effective date of this Agreement.

15. Assignment. This Agreement is not assignable by either party hereto.

16. Waiver of Breach. A waiver by the Board of a breach by the Executive Director of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the Executive Director.

17. Non-Discrimination. The Executive Director agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. Breach of this covenant may be regarded as a material breach of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

TRAVERSE CITY LIGHT and POWER BOARD

  
Linda Johnson, Chairperson

EXECUTIVE DIRECTOR

*Edward Emmon Rice*

Edward Emmon Rice

Approved as to form:

*W. Peter Doren*

W. Peter Doren, General Counsel

## ATTACHMENT A TO EMPLOYMENT AGREEMENT

### TRAVERSE CITY LIGHT AND POWER JOB DESCRIPTION

**TITLE:**      **EXECUTIVE DIRECTOR**

The City Charter mandates basic duties of the Executive Director. Many of these are contained in Charter Sections 178 and 179.

#### **General Summary:**

Provide leadership for Light and Power Department that assures: the highest level of satisfaction and competitive rates for customers, a safe productive and motivated staff, the short-term and long-term strategic direction, a positive and cooperative relationship with all Light and Power stakeholders, and sound management of both human and fiscal resources.

#### **Typical Duties:**

1. Create an organizational climate that enables the Utility staff to be productive, motivated, and to work safely and cooperatively.
2. Assist the Board in carrying out its duties to establish policies that lead to excellence in: customer service, operational efficiency, and employee relations. After those policies are established, make sure they are implemented fairly and consistently in the Utility.
3. Prepare and present issues for Board consideration and action, including assistance with agenda preparation and keeping accurate record of Board proceedings.
4. Assure that the Utility's generation, transmission and distribution systems are operationally efficient, reliable and safe. Further, the Utility's purchased power must be reliable, competitively priced, and adequate to meet the future needs of all customers.
5. Demonstrate sound fiscal management including: budgeting, accounting, and investment of reserves.
6. Represent the Utility with all external agencies and regulatory bodies (i.e. Michigan Public Power Agency, Michigan Municipal Electric Association, American Public Power Association, Michigan Public Service Commission, OSHA, Environmental Protection Agency, Department of Natural Resources, etc.)
7. Complete, with assistance from the City Personnel Department, the hiring, training, promotion and termination of Utility staff. Be directly responsible for the performance management and professional development of all directly reporting staff.

8. Contract with, supervise, and coordinate the activities of all external service providers to the Utility (i.e. legal, construction, professional services, etc.).
9. Work cooperatively within the city government framework, especially where other City Departments provide service to the Utility and where the Utility provides services to the City.
10. Assure that the activities provided on a contractual basis to other agencies are carried out effectively and efficiently.
11. Act as the chief spokesperson for the Utility with the media, customers, city government and other critical stakeholders.
12. Plan for and implement a personal plan for professional development, in conjunction with Board feedback, to assure preparedness for leading the Utility into the future with innovation and creativity.
13. Create and change, as needed, the organizational structure, reporting relationships, and job roles to achieve both staff job satisfaction and organizational effectiveness and efficiency.
14. Perform other duties as may be assigned by the Light and Power Board.



EXECUTIVE DIRECTOR CONTRACT RENEWAL

If the Board is in agreement with the Administrative Compensation Committee's recommendation concerning renewal of the Executive Director's contract the following motion would be appropriate once you return to open session:

MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_

**THAT THE LIGHT AND POWER BOARD RENEW THE EMPLOYMENT CONTRACT WITH EDWARD E. RICE AS EXECUTIVE DIRECTOR, WITH AN EFFECTIVE DATE OF JANUARY 25, 2011, TO INCLUDE THE TERMS AS RECOMMENDED BY THE ADMINISTRATIVE COMPENSATION COMMITTEE, SUBJECT TO FORM BY GENERAL COUNSEL.**