

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, March 13, 2012

Board Members -

Present: Barbara Budros, Patrick McGuire, John Snodgrass, Linda Johnson, Mike
Coco

Absent: Jim Carruthers, John Taylor

Ex Officio Member -

Present: R. Ben Bifoss

Others: Ed Rice, W. Peter Doren, Stephanie Tvardek, Glen Dine, Tom Olney

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

With no objection from the Board, Chairman Coco amended the agenda to consider item 6(b)(1) before New Business.

Item 2 on the Agenda being Consent Calendar

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

a. Minutes of the Regular Meeting of February 28, 2012.

CARRIED unanimously. (Carruthers, Taylor absent)

Item 3 on the Agenda being Old Business

None.

Item 6 on the Agenda being Reports and Communications

B. From Staff.

1. Ed Rice spoke regarding the recent storm outage.

Item 4 on the Agenda being New Business

4(a). Consideration of entering into closed session to discuss records and information concerning the security and safety connected with the municipal electric system.

Moved by McGuire, seconded by Johnson, to go into closed session to discuss records and information concerning the security and safety connected with a municipal electric system.

Roll Call:

Yes – Budros, McGuire, Snodgrass, Johnson, Coco

CARRIED unanimously. (Carruthers, Taylor absent)

The Board entered into Closed Session at 5:38 p.m.

The Board returned to Open Session at 5:59 p.m.

4(b). East Side Transmission Substation project authorization.

The following individuals addressed the Board:

Ed Rice, Executive Director

Glen Dine, Chief Engineer

W. Peter Doren, General Counsel

Moved by Johnson, seconded by Budros, that the Light and Power Board authorize staff to proceed with the 138/69kV East Side Transmission Substation Project and 69kV Transmission Line Project and seek the necessary board approvals for expenditures and agreements.

Moved by Snodgrass that the vote be tabled until agreements with Consumers Energy and ITC are in place.

Motion failed due to lack of support.

The following individuals addressed the Board:

Chris Bzdok, 616 W. 7th Street

Motion before the Board is as follows: "That the Light and Power Board authorize staff to proceed with the 138/69kV East Side Transmission Substation Project and 69kV Transmission Line Project and seek the necessary board approvals for expenditures and agreements."

Roll Call:

Yes – Budros, McGuire, Johnson, Coco

No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

4(c). Consideration of exercising an Option to Purchase Groleau Property.

The following individuals addressed the Board:

Ed Rice, Executive Director

Glen Dine, Chief Engineer

W. Peter Doren, General Counsel

Moved by Johnson, seconded by Budros, that the Light and Power Board authorize the Department to exercise the Option to Purchase given September 27, 2010 by Patricia C. Groleau to the Traverse City Light and Power Department, and to direct the Executive Director to give notice of the exercise to Patricia C. Groleau and proceed with the purchase of the property according to the terms of the Option Agreement between the parties dated September 27, 2010.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco

No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

4(d). Consideration of authorizing an Engineering Services Contract with GRP Engineering, Inc. for the East Side Transmission Substation.

The following individuals addressed the Board:

Glen Dine, Chief Engineer

Moved by McGuire, seconded by Budros, that the Light and Power Board authorize the Executive Director to add additional construction management services to the November 23, 2010 Agreement with GRP Engineering, Inc., for a fee not to exceed \$69,500 including expenses for construction management services for the East Side Substation Project; subject to approval as to substance by the Executive Director and approval as to form by Counsel;

Further, authorizing the Executive Director to execute work orders for professional services and administer amendments and change orders that are in the best interests of the Light and Power Department.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco

No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

4(e). Consideration of authorizing an Engineering Services Contract with GRP Engineering, Inc. for the East Side Transmission Line.

The following individuals addressed the Board:

Ed Rice, Executive Director

Glen Dine, Chief Engineer

Moved by Johnson, seconded by McGuire, that the Light and Power Board authorize the Chairman and Secretary to execute an Agreement for Professional Services with GRP Engineering, Inc., for a total fee not to exceed \$145,000 including expenses for design and construction management services for the East Side 69kV Transmission Line Project; subject to approval as to substance by the Executive Director and approval as to form by Counsel;

Further, authorizing the Executive Director to execute work orders for professional services and administer amendments and change orders that are in the best interests of the Light and Power Department.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco

No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

- 4(f).** Consideration of authorizing a Procurement Agreement with Delta Star, Inc. for the purchase of one 138/69kV 90/120/150 MVA transformer for the East Side Transmission Substation Project.

The following individuals addressed the Board:

Ed Rice, Executive Director
Glen Dine, Chief Engineer

Moved by Johnson, seconded by McGuire, that the Board authorize the Chairman and Secretary to execute a Procurement Agreement with Delta Star, Inc. in the amount of \$1,524,566; subject to approval as to substance by the Executive Director and approval as to form by Counsel; and further authorize the Executive Director to administer amendments and change orders that are in the best interests of the Light and Power Department.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco
No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

- 4(g).** Consideration of authorizing a purchase order for three 138kV CT/PT metering units for the East Side Transmission Substation Project.

The following individuals addressed the Board:

Ed Rice, Executive Director

Moved by Johnson, seconded by Budros, that the Board authorize the Executive Director to issue a purchase order in the amount of \$55,365 to Alstom Grid, Inc. for three 138kV Current/Voltage Transformers for the East Side Substation.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco
No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

- 4(h).** Consideration of authorizing a purchase order for two 69kV 50KVA transformers for the East Side Transmission Substation Project.

The following individuals addressed the Board:

Ed Rice, Executive Director
Glen Dine, Chief Engineer

Moved by Johnson, seconded by McGuire, that the Board authorize the Executive Director to issue a purchase order in the amount of \$71,600 to ABB Kuhlman for two 69kV 50KVA transformers for the East Side Substation.

Roll Call:

Yes – Budros, McGuire, Johnson, Coco

No – Snodgrass

CARRIED. (Carruthers, Taylor absent)

Item 5 on the Agenda being Appointments

None.

Item 6 on the Agenda being Reports and Communications

A. From Legal Counsel.

1. W. Peter Doren gave an update on Brown Bark I v. TCLP.

B. From Staff.

1. *Considered prior to New Business.*

C. From Board.

1. Chairman Coco thanked Vice Chair Linda Johnson for her service on the TCL&P Board.

Item 7 on the Agenda being Public Comment

No one from the public commented.

There being no objection, Chairman Coco declared the meeting adjourned at 6:54 p.m.



Edward E. Rice, Secretary
LIGHT AND POWER BOARD

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