

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Regular Meeting  
Held at 5:15 p.m., Commission Chambers, Governmental Center  
Tuesday, June 26, 2012

**Board Members -**

Present: Barbara Budros, Jim Carruthers, Mike Coco, John Snodgrass, Bob Spence,  
Patrick McGuire

Absent: John Taylor

**Ex Officio Member -**

Present: R. Ben Bifoss

**Others:** Ed Rice, W. Peter Doren, Tim Arends, Stephanie Tvardek, Denise  
Kuschell, Glen Dine, Nick Abraitis, Karen Feahr, Jim Cooper

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

As requested by Spence, Agenda Item 2(b) was removed from the Consent Calendar for full discussion.

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

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

- a. Minutes of the Regular Meeting of June 12, 2012.
- b. *Removed from the Consent Calendar.*

CARRIED unanimously. (Taylor absent)

**Items removed from the Consent Calendar**

- a. Consideration of adopting a Health Care Savings Program Resolution, which approves the Light & Power Department's participation in the MERS Health Care Savings Program, which is an employee savings vehicle for eligible medical care expenses.

The following individuals addressed the Board:

R. Ben Bifoss, City Manager  
Ed Rice, Executive Director

Moved by Coco seconded by Budros, that the Board approve the MERS Health Care Savings Program Uniform Resolution, which transfers employees' savings programs for health savings purposes from the ICMA to MERS, with the Resolution to be effective upon final conversion between ICMA and MERS.

CARRIED unanimously. (Taylor absent)

**Item 3 on the Agenda being Old Business****3(a).** Pine Street Overhead to Underground Distribution Conversion project authorization.

The following individuals addressed the Board:

Ed Rice, Executive Director  
Glen Dine, Chief Engineer  
R. Ben Bifoss, City Manager  
W. Peter Doren, General Counsel  
Bryan Crough, Executive Director, Downtown Development Authority  
Tim Arends, Controller

Moved by Coco, seconded by Budros, that the Light and Power Board authorizes staff to proceed with the Pine Street Overhead to Underground Conversion Project; and

That the competitive bidding process be waived, as recommended by the City Manager, and the Executive Director be authorized to seek bids from and enter into a contract with Elmer's Crane & Dozer or other qualified contractor for underground conduit installation in an amount not to exceed the project estimate of \$265,650, with contract subject to approval as to form by Counsel.

Moved by McGuire to amend the motion to add the following language: "...Conversion Project *as presented in the June 26, 2012 Project Authorization Request excepting the expenditure of \$120,000 for streetscape conduit installation, which is not approved...*"

Motion failed due to lack of support.

Therefore, the motion before the Board is as follows: "That the Light and Power Board authorizes staff to proceed with the Pine Street Overhead to Underground Conversion Project; and

That the competitive bidding process be waived, as recommended by the City Manager, and the Executive Director be authorized to seek bids from and enter into a contract with Elmer's Crane & Dozer or other qualified contractor for underground conduit installation in an amount not to exceed the project estimate of \$265,650, with contract subject to approval as to form by Counsel."

Roll Call:

Yes – Budros, Carruthers, Coco, Spence, McGuire

No – Snodgrass

CARRIED. (Taylor absent)

**3(b).** Consideration of authorizing an Interconnection Agreement between METC and TCL&P for the East Hammond Substation Project.

The following individuals addressed the Board:

Ed Rice, Executive Director  
Glen Dine, Chief Engineer

Moved by Coco, seconded by Snodgrass, that the Light and Power Board authorize the Chairman and Secretary to enter into an Interconnection Facilities Agreement between the Michigan

Electric Transmission Company, LLC and Traverse City Light and Power Department for the purpose of establishing a new 138kV transmission interconnection at an interconnection site located in the Township of East Bay, Grand Traverse County for the East Hammond Substation Project; subject to approval as to substance by the Executive Director and approval as to form by Counsel.

CARRIED unanimously. (Taylor absent)

- 3(c).** Consideration of adopting a Resolution to Approve METC Easements for the East Hammond Substation Project.

The following individuals addressed the Board:

Ed Rice, Executive Director  
W. Peter Doren, General Counsel

Moved by Coco, seconded by Budros, that the Light & Power Board approve the Transmission Line Right-of-Way Easement Agreement and the Electric Substation Easement Agreement, both subject to approval as to substance by the Executive Director and approval as to form by Counsel and adopts a Resolution to approve the easements with METC related to the East Hammond Substation Project; subject to the City Commission concurrence in the certification of surplus status.

CARRIED unanimously. (Taylor absent)

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

- 4(a).** Consideration of approving a Hall Street Tenant Lease.

The following individuals addressed the Board:

Tim Arends, Controller  
Kathleen Potter, Owner of Potters Fine Pastries, Inc.  
W. Peter Doren, General Counsel

Moved by Carruthers, seconded by Snodgrass, that the Light and Power Board authorize the Executive Director to enter into a Lease Agreement with Potters Fine Pastries, Inc. at the tenant space at 130 Hall Street for a period of 36 months, with an option to extend said Lease for 60 additional months, subject to approval as to form by Counsel.

The following individuals from the public addressed the Board:

Bryan Crough, Executive Director, Downtown Development Authority

Roll Call:

Yes – Carruthers, Coco, Snodgrass, Spence, McGuire

No – Budros

CARRIED. (Taylor absent)

- 4(b).** Consideration of adopting the Executive Directors Hiring Authority Policy.

The following individuals addressed the Board:

Ed Rice, Executive Director  
W. Peter Doren, General Counsel  
R. Ben Bifoss, City Manager  
Tim Arends, Controller

Moved by Coco, seconded by Budros, that the Light and Power Board adopts the Executive Directors Hiring Authority Policy, as restated by W. Peter Doren to include the change that *“This policy does not allow the Executive Director to exceed his/her spending authority for any employee in one calendar year without Board approval.”*

Bifoss suggested a friendly amendment to the motion with the support of Coco and Budros, that the language be changed to “fiscal year” instead of “calendar year”.

Moved by Spence, seconded by Snodgrass, to amend the third paragraph of the policy to read: *“...and shall fix the duties and hourly wages, but not more than \$20 per hour of said employees...”* and add the following provision to the policy: *“However, this policy does not allow the Executive Director to exceed his/her spending authority for any employee in one fiscal year without Board approval.”*

Roll Call:

Yes – Budros, Carruthers, Snodgrass, Spence

No – Coco, McGuire

CARRIED. (Taylor absent)

W. Peter Doren restated the policy as amended.

Therefore, the motion before the Board is as follows: “That the Light and Power Board adopts the Executive Directors Hiring Authority Policy as amended.”

CARRIED unanimously. (Taylor absent)

#### **Item 5 on the Agenda being Appointments**

None.

#### **Item 6 on the Agenda being Reports and Communications**

A. From Legal Counsel.

None.

Bifoss departed the meeting at 6:57 p.m.

B. From Staff.

1. Karen Feahr spoke re: LBW&L annual power purchase.

The following individuals addressed the Board:

Ed Rice, Executive Director  
W. Peter Doren, General Counsel

2. Jim Cooper spoke re: Solar Rate.

The following individuals addressed the Board:

Ed Rice, Executive Director  
W. Peter Doren, General Counsel

C. From Board.

1. The Board discussed the Public Utilities Element for the City Master Plan.

The following individuals addressed the Board:

William Twietmeyer, Finance Director  
Ed Rice, Executive Director  
W. Peter Doren, General Counsel

Commissioner Budros, Commissioner Carruthers and Board Member Coco volunteered to be appointed to the Public Utilities Element Ad Hoc Committee to review and create a draft list of changes to be presented to the Board at the next Regular Board Meeting.

Chairman McGuire suggested with no objection from the Board that Commissioner Budros be named Chairman of the Public Utilities Element Ad Hoc Committee.

2. Mike Coco passed along a compliment from a customer to the L&P staff.
3. Mike Coco spoke re: the Michigan Municipal Electric Association C.A.R.E.'s official stance regarding a November ballot item. He suggested this be added to the next Regular Meeting agenda for full discussion.
4. Bob Spence requested packets be delivered on Thursday.

**Item 7 on the Agenda being Public Comment**

No one from the public commented.

There being no objection, Chairman McGuire declared the meeting adjourned at 8:25 p.m.



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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

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