

Marquette Board of Light and Power 9-24-19 MINUTES

2200 Wright St., Marquette, MI 49855 (906) 228-0311

A regular meeting of the Board of Light and Power was called and held on September 24, 2019 beginning at 4:30 p.m. The meeting was called to order, followed by the Pledge of Allegiance and Roll Call.

Present: Tom Tourville, Chair
Robert Niemi, Vice Chair/Secretary
Jerry Irby
John Prince

Absent: Ed Angeli

J. Irby made a motion to excuse Ed Angeli from tonight's meeting. J. Prince gave support and Board unanimously approved. J. Irby made a motion to approve the agenda as presented which was seconded by R. Niemi. Board unanimously approved the agenda.

1. **Approval of the August 27, 2019 Regular Meeting Minutes:**

J. Prince made a motion to accept the August 27, 2019 Regular Meeting Minutes as presented. J. Irby gave support and Board unanimously approved minutes.

2. **Approval of Bills Payable:**

J. Irby made a motion to approve the Bills Payable, as presented, totaling \$1,049,937.23. J. Prince gave support and after discussion, the Board unanimously approved the Bills Payables.

3. **Public Comments:**

John Forslin 36 South Fork Rd asked the Board to participate in a climate summit in that is being held in Marquette and requested some data.

4. **MEC Retrofitting Project Update:**

Executive Director Tom Carpenter updated the Board on the MEC Retrofit Project. Currently, there are three walls completely done. The roof is expected to be done next week and then the last wall. Some preliminary measurements have been done and the results have meet or exceeded our expectations. They continue to work on the radiator noise which has been reduced. Next, their plan is to try to lower the speed of the radiators and/or add an additional radiator bank, so they won't have to be running so fast. Project should be done by the end of October. Once complete, SLR Consulting will be doing the post measurements.

5. **Public Hearing 2019-2020 Budget:**

Chief Financial Officer, Mark Link gave a presentation on the Budget for 2019-2020, and updated Board on some of the high cost capital projects needed in the coming year, with one of them being the \$6 million Second Tie-Line Interconnection Project. There will also be an increase in natural gas transportation charges from a change in Northern

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Natural Gas tariffs. After questions were answered, J. Prince made a motion to approve the Budget for 2019-2020. R. Niemi gave support and the Board unanimously approved.

6. **Recommendation to Award Annual Bulk Transformer Purchase:**

J. Irby made a motion to award the purchase of twelve (12) pad-mounted polyphase transformers in the amount of \$122,877.15 from Power Line Supply. J. Prince gave support. Board approved the purchase unanimously.

7. **Recommendation to Enter into an Agreement to Continue Stream Gauging Station Operations Downstream of the Tourist Park Dam Powerhouse.**

A motion was made by J. Prince to authorize staff to enter into a five-year agreement with the U.S. Geological Survey to continue operating the stream gauging station downstream of the Tourist Park Powerhouse at a cost of \$71,000.00. This monitoring is a requirement in the Federal Energy Regulatory Commission's (FERC) license. R. Niemi gave support for the agreement and Board unanimously approved.

8. **Financial Discussion – Mark Link:**

Chief Financial Officer, Mark Link presented the Interim Operating Statement for the month and eleven months ending August 31, 2019, Projected Cash Flow Statement, KWH Comparative vs. Prior Year and Five-Year History and Trending Actual Revenue versus Budget.

9. **Shiras Discussion:**

This item is to be Round Table discussion to start the conversation on the decommissioning of the Shiras Plant. T. Carpenter started the conversation with some history points of how the MBLP acquired the property. He also shared that the State of Michigan has indicated that there might be some changes to the deeds. By October 2020, the ash ponds must be taken out. Department of Natural Resources would like to use some of our buildings for long term storage of their equipment and for security purposes. BLP still have a contract with CCI for their limestone shipments because it is a deep-sea dock. Board members discussed timelines and creating short term and long-term plans.

10. **Public Comments:**

Jorma Rankinen 8 Marquette Drive suggested before getting rid of the stacks, Board should contact NMU who is looking for property for their cellular towers.

11. **Any Additional Business the Executive Director Wishes to Present:**

T. Carpenter introduced the new Executive Assistant, Matt Zavilak and he stated that he will call John Forlin to see what data he is looking for.

He congratulated Jerry Irby on his recent Honor Flight to Washington DC.

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12. **Any Additional Business the Board Members Wish to Present:**

J. Prince stated that Chief Financial Officer Mark Link and Manager of Accounting and Customer Service Toby Smith did a good job with the Budget and it was very informative. Kudos to both.

R. Niemi suggested that the Board take a full tour of the Shiras site soon to help them with making decisions regarding the demolition of the plant.

13. **Adjournment:**

The meeting adjourned at 5:46 p.m.


Robert Niemi, Vice Chair/Secretary