

Marquette Board of Light and Power 5-30-17 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 May 30, 2017 beginning at 4:30 p.m. The meeting was called to order followed by the Pledge of Allegiance.

Present: Tom Tourville, Chair
David Puskala, Vice Chair/Secretary
Jerry Irby
Robert Niemi
David Carlson

Absent: None.

Executive Director Paul Kitti respectfully requested two letters 5c and 5d be added to the agenda. J. Irby made a motion to accept the revised agenda as presented. D. Carlson supported motion which was unanimously approved by the Board.

1. **Approval of the May 9, 2017 Regular Meeting Minutes:**

R. Niemi made a motion to accept May 9, 2017 regular meeting minutes, as presented. Support was given by J. Irby and they were unanimously approved by Board.

2. **Approval of Bills Payable:**

J. Irby made a motion to approve the Bills Payable as presented, totaling \$1,446,539.38 with support coming from R. Niemi. After discussion, the Bills Payable were unanimously approved by Board.

3. **Public Comments:**

No public comments at this time.

4. **Financial Discussion – Helen LaFayette:**

Controller Helen LaFayette reviewed the Interim Operating Statement for the seven months ending April 30, 2017, the Projected Cash Flow Statement, the Electric Revenues – Budgeted vs Actual and the kWh Comparison and Revenue charts. Discussion followed.

5. **Recommendation to Award Contracts:**

a. **Purchase of a new 4X4 Pickup Truck.**

J. Irby made a motion to award the contract for the purchase of a new 2017 4X4 Pickup Truck to be used in the Distribution Department for the amount of \$31,049.28. Of the three bids received, Fox Motors of Marquette submitted the lowest bid meeting minimum quality standards. Motion was supported by D. Carlson and Board unanimously approved the purchase.

b. **Renew Contract with MECA for the 2018-20 Safety Programs.**

J. Irby made a motion to renew contract with Michigan Electric Cooperative Association (MECA) for the 2018-20 safety programs and required safety training services for the increased annual fee of \$28,235.00. The price change covers increased operational expenses

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and enables MECA to purchase new training systems that will enhance the quality of the programs. Executive Director Paul Kitti stated that this is a quality program and includes required annual employee job training and certifications. Motion was supported by D. Puskala and Board unanimously approved.

c. Purchase of a Video Wall System for the Control Room in the MEC.

D. Puskala made a motion to award the contract to supply a video wall and equipment for the control room in the MEC to Camera Corner Connecting Point (CCCP) for the approximate cost of \$103,654.88 which was supported by J. Irby. CCCP submitted the lowest bid meeting minimum quality standards. Director of Generation & Engineering Services, Tom Carpenter stated that this equipment is industrial, heavy duty equipment that will last for a very long time. He also said that UPPCO has this same equipment and that he toured their facility and was impressed with the ease of the operation. Board unanimously approved the purchase.

d. Purchase of Console Equipment and Furnishings for the Control Room.

A motion was made by D. Puskala to award the purchase of console equipment and furnishings for the MEC to CCCP (Winsted Control Room Consoles) in the total approximate amount of \$64,509.00. CCCP submitted the lowest bid meeting minimum quality standards. Motion was supported by R. Niemi and unanimously approved by the Board.

6. Sargent & Lundy Update – Ken Mixer:

Ken Mixer joined the board meeting via teleconference and gave an update of the MEC project. MR. Mixer said that the new air dryers were delivered earlier than planned and that they have been installed. The project is on schedule and has not been delayed due to the air compressor system. In the near future, the final site preparation will be completed including grading and paving, the pipe insulation will be finished and the miscellaneous electrical work will be done. He went over in detail with the Board, the potential change items that are currently being reviewed. Wärtsilä stated that Miron did a very good job on the project. Wärtsilä has completed the first smoke performance testing on two of the engines with fuel oil and engine #3 was synchronized to the grid at 1 MW for 10 minutes. They will be testing each engine on fuel oil and with natural gas and each test, with each fuel will take approximately eight hours. T. Carpenter stated that he was there when they synchronized the system to the grid and he said that the ease of it was the best he has ever seen.

7. Marquette Energy Center Update – John Reynolds:

John Reynolds, Project Manager talked about the spare parts that will need to be ordered which will cost approximately \$500,000 which will come out of the contingency fund.

8. Executive Director Position Committee – Report and Recommendation:

D. Puskala stated that he and R. Niemi worked with MBLP Legal Consultant, Laura Katers Reilly on negotiating a contract with Assistant Director-Utility Operations, David Lynch. Unfortunately, Mr. Puskala stated, the committee was not able to reach a mutually-beneficial employment agreement. Mr. Puskala stated the committee's recommendation is to appoint a temporary Acting Director and then initiate a search process. J. Irby made a motion to have Chair Tom Tourville nominate a temporary acting director at the next Board Meeting and then begin a search. D. Carlson supported the motion and Board unanimously approved.

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9. **Public Comments**

Jorma Lankinen 8 Marquette Dr. stated that it was an honor to visit the MEC site last week and congratulated the Board and staff on this project which is an incredible piece of engineering for the City of Marquette.

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

Executive Director, Paul Kitti recognized and congratulated Executive Assistant/Community Relations Coordinator, Noreen Collins on being awarded the Gatekeeper of the Year Award in Lansing on the 19th of May. She was presented the award by Michigan Commission on Services to the Aging and Aging and Adult Services Agency. The Board and staff thanked her for her work in this program.

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

J. Irby said that he was present when N. Collins was awarded the plaque and she did a great job representing the MBLP. She is the perfect person to be coordinating this program.

12. **Adjournment:**

The meeting adjourned at 5:40 p.m.



David Puskala
Vice Chair/Secretary

