

# Marquette Board of Light and Power 4-11-17 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 April 11, 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  
David Carlson  
Jerry Irby  
Robert Niemi

Absent: None

Chairman Tourville offered condolences to former Board Member, Carolyn Piirala's family. J. Irby made a motion to accept the agenda as presented. R. Niemi gave support and Board unanimously approved.

1. **Approval of the March 28, 2017 Regular Meeting Minutes:**

D. Carlson made a motion to accept March 28, 2017 regular meeting minutes, as presented, with support given by D. Puskala. Meeting minutes were unanimously approved by Board.

2. **Approval of Bills Payable:**

J. Irby made a motion to approve the Bills Payable as presented, totaling \$499,337.79. R. Niemi gave support and the Board unanimously approved the Bills Payable, as presented. D. Puskala asked about the Burns and McDonnell payment. Director of Planning and Regulatory Affairs, Erik Booth stated that the Power Supply Planning Analysis Report is nearly finished. He has seen the preliminary model runs and said they are considering breaking the analysis into two separate reports, one will be an Executive Report for the Board members and one report will be the detailed run analysis for the engineers. He also stated that the Executive Report should be available by the middle of May.

3. **Public Comments:**

Mike Angeli, 155 Edgewood Drive, Marquette. As a MBLP user and Marquette City Manager, Mr. Angeli came to speak in regards to item 10 Executive Director Position Discussion. Mr. Angeli recognized Mr. Kitti for his fine job as the current Executive Director. Mr. Angeli said that Mr. Kitti has been easy to work with, their communication has been very open and he will be missed. He also wanted to endorse Mr. Lynch as his replacement. Mr. Angeli said that Mr. Lynch has worked for many years at the MBLP and has worked well with the city. Mr. Lynch has been easy to work with and has the knowledge and understands the city issues. Mr. Angeli said that Mr. Lynch is a fine choice for replacing Mr. Kitti and encourages the Board to support him.

4. **Community Master Plan Presentation – Taylor Klipp:**

Chairman of the Marquette Planning Commission, Taylor Klipp gave an overview of the Community Master Plan (CMP), its purpose and goals, how the CMP is being developed and why the plan is important to the community. This Plan will be used for strategically managing change and opportunities in our community with regards to our residents and

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businesses in the short and long term future. The city faces many challenges in order to reach their goals of maintaining a City that has attractive neighborhoods, affordable housing options, many ways to safely travel, a flourishing natural environment and a healthy business climate. He then discussed how the MBLP could get involved with the process. Board members, T. Tourville encouraged staff to share some of their ideas and concerns with the Planning Committee.

5. **Award Underground Installation Service Contract:**

D. Puskala made a motion to award the underground installation service contract to Northern Utility, Inc. who submitted the bid with the lowest overall price structure (an average of 31.11% lower per underground construction unit). R. Niemi seconded motion and after discussion, the Board approved unanimously.

6. **Sargent & Lundy Update – Ken Mixer via telephone:**

Ken Mixer gave an update on the MEC Project, stating that the overall project is 95 percent complete. He said that the air compressors arrived and will be installed by April 15. The project is on schedule and will not be delayed due to the air compressor system. We are still looking at the end of June for completion.

7. **Approval of Change Order #3 on MEC Project:**

J. Irby made a motion to approve change order #3 from Miron Construction with the exceptions of items 18 Rev 1 and 71. These two items will be delayed until the next Board Meeting because the Board wants more information before making a decision. D. Puskala supported the motion. Mr. Mixer stated that the majority of change items are due to changes in project scope from the original awarded project contract, with the remaining change items due to field changes. J. Irby requested that representatives from Miron Construction, Sargent & Lundy and Wärtsilä be here at the next Board Meeting. P. Kitti stated that the project team is committed to finishing this project on time and under budget. Board approved unanimously, 21 of the 23 change orders with the exception of items 18 Rev 1 and 71. T. Tourville said that he is very impressed with all of contractors on the project.

8. **Marquette Energy Center Update:**

John Reynolds, the Project Consultant-Technical & Engineering Support gave an update on the project costs and what still needs to be paid. The remaining contingency does include all of the change orders submitted tonight.

9. **Community Solar Update – David Lynch:**

Assistant Director – Utility Operations, David Lynch said that he has been working with MI Energy Options on the marketing of the solar panels. Initially, the plan is to do a soft rollout by the end of the week. This would be done by notifying those who already signed up in the MBLP Community Solar website via email. Then after a couple of weeks to initiate a hard rollout with bill inserts and have the information published in the Mining Journal.

10. **Executive Director Position Discussion:**

After discussion, T. Tourville stated, “As Chair, I am appointing a two member Executive Director Position Committee, made up of BLP board members Dave Puskala and Bob Niemi. This committee is to have the assistance of legal counsel and BLP Director of Personnel. I’m also considering appointing one more member to this committee at a future time. This

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committee's charge is two-fold: 1) Formulate the Executive Director scope of work, job responsibilities and employment agreement framework, followed by 2) Enter into discussions with David Lynch to explore mutual interests, goals and needs and potential employment terms. This committee's recommendation shall then be submitted to the full board at a future meeting for board discussion and decision. I request this come to us by our May 9<sup>th</sup> meeting, but I will defer to the committee's wishes for the time frame needed. Additionally, if the remaining 3 board members wish to give input on the Executive Director scope of work, job responsibilities or employment agreement framework, then convey these thoughts to our legal counsel for submission to the committee. Keep in mind that this shall not be a two way discussion; it is strictly your thoughts submitted to the committee.

11. **Review of Meeting Time Change:**

When the Board decided to move the meeting to 4:30 p.m. T. Tourville stated that he wanted to revisit this decision in a couple of months to give the public a chance to voice their opinions. T. Tourville asked staff and Board members if they had received any comments or concerns. Staff and board responded that they had not received any comments. D. Carlson stated that he believed that since the time change, 20 percent less people are coming to the meetings. D. Puskala stated that he did not agree with that statement and thought that it has been a great change. J. Irby asked Jen Hill (in the audience) for comment and she stated that once the solar garden gets going, maybe the Board could schedule special meetings for people who work the work hours 9 a.m. to 5 p.m. T. Tourville stated he thinks the number of people in attendance is topic related. It was decided that there will not be a time change in the Board Meeting schedule.

12. **Public Comments:**

Ed Angeli, 510 Hillside Drive commented that he works days and that it is hard for him to get to the meetings before 5 p.m. He suggested that the Board look at the perspective of people who are still working in the workforce (not retired), it could be hard for them to be here before 5 p.m.

Jorma Lankinen 8 Marquette Drive said that he enjoys the earlier meetings. He is still working but he makes the change to his schedule to get here because it is important to him. He also said that it is incredible that Wärtsilä was willing to remove and replaced the air compressors and did it in two weeks so as not to delay the potential start up. Mr. Lankinen stated that he would not overly get bogged down by the two change orders that were delayed. This is a \$60 million project and you should not penalize your contractor for the overrun and the Board still has over \$4 million in the contingency fund.

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

Executive Director, Paul Kitti and Engineering Consultant John Reynolds gave a presentation at the Holiday Inn last night. It was a 90 minute presentation and was attended by approximately 27 engineers.

P. Kitti also informed the Board, with the extreme storm that hit the area last week, Negaunee, Ishpeming and Republic was hit the hardest. With all the damage done to this area, P. Kitti contacted Keith Moyle of UPPCO to see if they needed assistance. After taking care of our service territory, we then released two crews consisting of linemen; Shawn Sheldon, Jonny

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Betz, Travis Niemi and Chad Kauppila to Ishpeming to assist them. P. Kitti said, "They had major problems and we wanted to help them in their time of need. It is all about neighbors helping neighbors."

14. **Any Additional Business the Board Members Wish to Present:**  
No comments were added.

15. **Adjournment:**  
The meeting adjourned at 6:33 p.m.



David Puskala  
Vice Chair/Secretary