

Marquette Board of Light and Power 12-13-16 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 December 13, 2016. 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.

R. Niemi requested an additional item 6a be added to discuss changing our meeting times. T. Tourville requested that we add item 4a to discuss the rate design process. J. Irby made a motion to accept the agenda with the two additional items. Motion was supported by D. Puskala and the Board unanimously approved the revised agenda.

1. **Approval of the November 29, 2016 Regular Meeting Minutes:**
D. Puskala made a motion to accept November 29, 2016 regular meeting minutes, as presented. Motion was supported by R. Niemi and unanimously approved by Board.
2. **Approval of Bills Payable:**
J. Irby made a motion to approve the Bills Payable as presented, totaling \$2,230,139.61. R. Niemi supported motion. After discussion, the Board unanimously approved the Bills Payable, as presented.
3. **Public Comments:**
No public comments at this time.
4. **Presentation on Coal Combustion Residual (CCR) Rule – Erik Booth:**
Erik Booth, Director of Planning and Regulatory Affairs gave a presentation on the Environmental Protection Agency's CCR Rule including the history and background of the creation of the CCR Rule. Mr. Booth gave an overview of the Shiras Steam Plant's current process for handling the coal ash and some ideas on how to handle the coal ash in the future in order to comply with Federal Regulation, Chapter 40, Part 257, Subpart D, which was finalized on April 17, 2015. E. Booth recommended that the MBLP update the Power Supply Planning Analysis that was completed in 2013. Discussion followed.
 - a. T. Tourville asked E. Booth to give a brief overview of our rate design and how the rates are structured and developed.
5. **Solar Update:**
E. Booth stated that staff and legal counsel, Ken Seavoy have been working on the solar land lease and management drafts.

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6. **Approval of Change Order from Miron Construction:**

D. Carlson made a motion to approve payment of the 18 change orders to the Civil General Work Contract with Miron Construction totaling \$142,490.06. J. Irby supported the motion. These changes were due to project changes in scope from the original contract drawings. Sargent and Lundy Project Manager, Ken Mixer has reviewed all of the change orders and found the costs to be reasonable therefore is recommending payment. Mr. Mixer also stated that no additional change orders are expected on this contract. Mr. Mixer pointed out that even with the change orders; the costs are still less than the original contract. Board approved the change order payment to Miron Construction unanimously.

a. R. Niemi requested, on the next meeting's agenda, the topic of changing the starting time for the regular board meetings.

7. **Marquette Energy Center Update:**

a. Sargent & Lundy - Ken Mixer and Chuck Beitel were both in attendance to present an update to the Board and to answer any questions they may have. Project Manager, Ken Mixer gave a summary of the project status. The overall project is 65 percent complete. They are continuing to prepare and review the engineering, cable tabulation, wiring and schematic drawings. The construction continues on the install of the engine hall and electrical building, piping and mixing ducts, exterior platforms, substation foundations and engine fuel boosters and charge air filters. Sargent and Lundy continue to review and carefully evaluate potential change items to control project costs. Of the 19 total shipments, we have received 12 with seven pending with six shipments expected by the beginning of January and the last shipment scheduled at the end of March. Discussion followed with questions and answers given.

8. **Public Comments:**

Jorma Lankinen 8 Marquette Dr. asked the Board not to forget the issue of trying to use the BTUs, which will be coming out of the stacks when the new plant is running. He thanked the Board and staff for all of your hard work and for keeping the lights on.

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

Executive Director Paul Kitti stated that Noreen Collins, Executive Assistant is working on the second video about the new plant and hopefully, it will be completed in February.

This morning, Mr. Kitti was interviewed on the Ryan Report Show. The show will air on WLUC-TV 6 on Sunday morning.

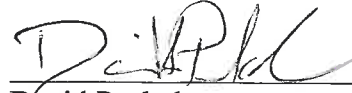
Mr. Kitti suggested that we change the meeting time for the December 22 meeting, due to the holidays. R. Niemi made a motion to change the starting time of the December 22 Board Meeting to begin at 5 p.m. instead of 5:30 p.m. J. Irby supported the motion and Board approved unanimously.

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

D. Carlson had some questions in regards to the CCR Rule and asked if we had any numbers yet. P. Kitti stated that tonight was to bring all the Board members up to speed with what has been done for compliance with the rule to date and what we are working on over the next couple of months. Numbers will be forth coming through an engineering screening analysis.

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11. **Adjournment:**
The meeting adjourned at 6:50 p.m.



David Puskala,
Vice Chair/Secretary

Minutes of Regular Board Meetings are available at City Hall, the Peter White Public Library, or the MBLP Main office at 2200 Wright St., Marquette, MI 49855. The minutes can also be viewed at www.mblp.org.