

**A REGULAR MEETING**

Of The

**TRAVERSE CITY LIGHT AND POWER BOARD**

Will Be Held On

**TUESDAY, June 22, 2010**

At

**5:15 p.m.**

In The

**COMMISSION CHAMBERS**  
(2<sup>nd</sup> floor, Governmental Center)  
400 Boardman Avenue

Traverse City Light and Power will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon notice to Traverse City Light and Power. Individuals with disabilities requiring auxiliary aids or services should contact the Light and Power Department by writing or calling the following.

Stephanie Dommer,  
Administrative Assistant  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 932-4543

Traverse City Light and Power  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 922-4940

Posting Date: 06-17-10  
4:00 p.m.

**PLEDGE OF ALLEGIANCE**

**1. ROLL CALL**

**2. CONSENT CALENDAR**

*The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.*

- A. Consideration of approving minutes of the Regular Meeting of June 8, 2010.
- B. Consideration of approving minutes of the Study Session of June 15, 2010.
- C. Consideration of adopting a Joint Resolution establishing a written policy regarding the operations and maintenance of the Street Lighting System within the Jurisdictional Boundaries of the City of Traverse City. (Arends)

**3. OLD BUSINESS**

None as of June 17, 2010

**4. NEW BUSINESS**

None as of June 17, 2010

**5. REPORTS AND COMMUNICATIONS**

- A. From Legal Counsel:

None as of June 17, 2010

- B. From Staff:

- (1) Update re: the MPPA Monthly Meeting. (Rice)
- (2) Verbal update re: Board Wind Turbine tour scheduled for June 23, 2010. (Wheaton)
- (3) Verbal update re: Heritage Stoney Corners Wind Farm – Operations during last week of May 2010. (Feahr)
- (4) Discussion re: Natural Gas generation. (Rice)
- (5) Presentation and analysis of Information from Marty Lagina. (Rice)

- C. From Board:

None as of June 17, 2010

**6. PUBLIC COMMENT**

/sd

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Regular Meeting  
Held at 5:15 p.m., Commission Chambers, Governmental Center  
Tuesday, June 8, 2010

**BOARD MEMBERS -**

Present: Mike Coco, Linda Johnson, John Welch, John Snodgrass, John Taylor,  
Ralph Soffredine, Jim Carruthers

**EX OFFICIO MEMBER -**

Present: R. Ben Bifoss

**OTHERS:** Ed Rice, Tim Arends, Stephanie Dommer, Karen Feahr, Jessica Wheaton,  
Doug Zufelt

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

Chairman Coco requested a verbal update from staff re: Stoney Corners Wind Project be added as number (4) under Reports and Communications.

Moved by Soffredine, seconded by Johnson that the agenda be approved as amended.

CARRIED unanimously.

**2. CONSENT CALENDAR**

Moved by Welch, seconded by Snodgrass, that the following items, as recommended on the Consent Calendar portion of the agenda, be approved:

- A. Consideration of approving minutes of the Regular Meeting of May 25, 2010.
- B. Consideration of approving the 2010-11 Insurance Renewal.

CARRIED unanimously.

**3. OLD BUSINESS**

- A. Tino Breithaupt from the Traverse Bay Economic Development Corporation made a presentation to the Board.

Member Welch left at 6:12 p.m.

**4. NEW BUSINESS**

None

**5. REPORTS AND COMMUNICATIONS**

B. From Staff:

- (1) Ed Rice spoke re: the Study Session scheduled for June 15, 2010.
- (2) Ed Rice spoke re: the all staff quarterly meeting scheduled for June 25, 2010.

- (3) Karen Feahr presented the TCL&P Biomass Project Development Schedule.
- (4) Jessica Wheaton spoke re: the Heritage Stoney Corners Wind Turbine Project and a possible tour for the Light and Power Board and City Commissioners scheduled for June 23 or June 24, 2010.

C. From Board:

- (1) Commissioner Carruthers spoke re: the People's Energy Workshop.
- (2) Commissioner Carruthers spoke re: the Maritime Heritage Alliance boat auction which raised \$25,000 on June 5, 2010.
- (3) Vice Chair Johnson spoke re: the Grand Traverse Lighthouse open house scheduled for June 19, 2010.

**6. PUBLIC COMMENT**

-Tom Karas, 8801 Section Line Road, Michigan Energy Alternatives Project

The meeting adjourned at 7:19 p.m.

/sd

---

Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Study Session  
Held at 5:15 p.m., Governmental Center, Commission Chambers  
Tuesday, June 15, 2010

**LIGHT AND POWER BOARD MEMBERS -**

Present: Mike Coco, Linda Johnson, John Welch, John Snodgrass, John Taylor, Jim Carruthers

Absent: Ralph Soffredine

**EX OFFICIO MEMBER -**

Present: R. Ben Bifoss

**OTHERS:** Ed Rice, Tim Arends, Stephanie Dommer, Jim Cooper, Jessica Wheaton

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

1. **Presentation from Sue Warren and George Stojic from Lansing Board of Water and Light regarding Energy Optimization.**

2. **Public Comment**

-Tom Karas, 8801 Section Line Road, Michigan Energy Alternatives Project

**From Staff:**

Jessica Wheaton gave a verbal update re: the Board Wind Turbine Tour scheduled for Wednesday, June 23, 2010.

**From Board:**

Jim Carruthers gave an update re: the Dr. William Sammons presentation scheduled for June 22, 2010 at the Chamber of Commerce.

John Welch gave a reminder re: Ed Rice's review which is due on June 19, 2010.

Meeting adjourned at 6:42 p.m.

/sd

---

Edward E. Rice, Secretary  
LIGHT AND POWER BOARD



**TRAVERSE CITY**  
**LIGHT & POWER**

---

**To:** Light and Power Board  
**From:** Tim Arends, Controller *h*  
**Date:** June 17, 2010  
**Subject:** Street Lighting Operations & Maintenance Policy

---

At the request of the City Commission, the Light & Power Board approved accepting the costs associated with the Street Lighting System within its budget beginning in 2010-11. The motion, passed by the Board at its April 13, 2010 meeting, was contingent upon the execution of an operational/maintenance agreement between the city and Light & Power.

Attached is a joint policy drafted by City and Light & Power staff for your consideration. The policy defines the different lighting services offered by the utility as well as defining the process for adding/removing street lights to the System. This item is on the City Commission's consent agenda for Monday's meeting; the City Manager is recommending adoption of the Joint Resolution.

This item is appearing on the consent calendar as it is deemed by staff to be a non-controversial item. Staff recommends that the Board adopt the attached joint resolution establishing a written policy regarding the operations and maintenance of the street lighting system within the City. Approval of this item on the consent calendar means you agree with staff's recommendation.

If removed from the Consent Calendar it should be placed as a New Business item. If after Board discussion you agree with staff's recommendation the following motion would be appropriate:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**THAT THE LIGHT AND POWER BOARD ADOPT A JOINT RESOLUTION WITH THE CITY OF TRAVERSE CITY THAT ESTABLISHES A POLICY REGARDING THE OPERATIONS AND MAINTENANCE OF THE STREET LIGHTING SYSTEM WITHIN THE JURISDICTIONAL BOUNDARIES OF THE CITY.**

Light and Power Department  
City of Traverse City, MI  
Adopted: \_\_\_\_\_

**CITY OF TRAVERSE CITY AND TRAVERSE CITY LIGHT & POWER  
STREET LIGHTING OPERATIONS AND MAINTENANCE POLICY**

---

JOINT RESOLUTION ESTABLISHING A WRITTEN POLICY REGARDING THE  
OPERATIONS AND MAINTENANCE OF THE STREET LIGHTING SYSTEM WITHIN  
THE JURISDICTIONAL BOUNDARIES OF THE CITY OF TRAVERSE CITY

---

WHEREAS Traverse City Light & Power (“TCL&P”) is a component unit of the City of Traverse City and under Section 175 of the Charter for the City of Traverse City is responsible for the development, production, purchase and distribution of lighting services within the City of Traverse City as referenced in the City’s Attorney opinion; and

WHEREAS pursuant to its responsibility under Section 175 of the City Charter TCL&P shall manage all aspects of the street lighting system within the City of Traverse City’s jurisdictional boundaries (the “System”), including all costs of operation and maintenance. The City shall reimburse TCL&P annually an amount equal to 5% of the street lighting revenues recorded on TCL&P’s financial statements; and

WHEREAS, TCL&P has the knowledge, expertise, and ability to manage and operate the System;

NOW THEREFORE BE IT RESOLVED THAT, the TCL&P Board and the City of Traverse City adopt the following written policy regarding the operations and maintenance of the System as follows:

1. Street Lighting Defined. A lighting system consisting of one or more luminaries with the intended use for public roadway lighting that is open to the State of Michigan or any political subdivision or agency having jurisdiction over public streets or roadways. No private property applications would be considered part of the System.
2. Engineering & Design. TCL&P shall be responsible for the engineering and design of the System including any new additions. When appropriate, TCL&P shall coordinate installation/replacement of any new or existing street lighting services with the appropriate city department(s).
3. Charges for Service. The charges for street lighting services shall be charged to the appropriate local unit of government in accordance with the tariff rates established by TCL&P. For street lights within the System TCL&P is the appropriate local unit of government.

4. Addition of Street Lights. Any additions to the System shall be at the sole discretion of TCL&P. In the event that the City requests an addition to the System, such request shall be made by the City Manager or his or her designee and the City will agree to pay a one-time fee per light as agreed to by the parties. In all cases TCL&P retains the right to self fund lighting projects it deems in the best interests of the community or the Light & Power Department.
5. Decorative Street Lighting. Public decorative street lighting shall be available along public streets including neighborhoods and business districts; the process for obtaining approval of a new decorative lighting project shall be governed by the TCL&P Decorative Street Lighting Policy.
6. Security Lighting. From time to time citizens may request that lighting be installed in a public right of way, such as an alley, for security reasons. These private party requests shall be directed to the City Police Department who may recommend to the City Manager that lighting be installed. This type of lighting shall be subject to the Private Area Lighting Rate or “Security Lighting” offered by TCL&P. Monthly fees for this service shall be billed to the appropriate unit of government, or to the requesting party as directed by the City Manager, through the utility billing system. TCL&P shall not be considered the appropriate unit of government for this type of lighting.
7. Removal. The removal of street lights shall be the responsibility of TCL&P. Any City request to remove street lights shall be made in writing by the City Manager. Any liability that may arise as a result of the removal of street lighting as requested by the City shall be the responsibility of the City.

---

Edward E. Rice  
Executive Director and Secretary  
Traverse City Light and Power Board


[Insert Resolution duly adopted by CC  
language here]





TRAVERSE CITY  
LIGHT & POWER

---

**To:** Light & Power Board  
**From:** Ed Rice   
**Date:** June 17, 2010  
**Subject:** MPPA Meeting (6-9-2010) Update

---

Karen Fehr, Glen Dine and Ed Rice participated in the monthly MPPA Meeting on June 9, 2010 during which three (3) significant items were discussed.

A) Granger Landfill Gas Renewable MPPA Project:

- TCL&P has a contractual allocation of 1.69 MW (14,000 MWH) of the total project.
- The contracts with Granger are non-firm as there is no obligation on Granger's part to provide the allocations.
- **Granger is currently indicating that they may only provide approximately 50% of the total allocation. This will translate to 7,000 MWH for TCL&P which shorts us by 3,000 MWH to achieve PA 295 requirements (10% by 2015).**

B) MISO Transmission Update:

The transmission filing with FERC by MISO appears to not recognize the cost burden with no benefit that will apply to Michigan. FERC will probably support the MISO filing this year which may result in court appeals.

C) Belle River MPPA Project:

New railroad contracts are being negotiated with DTE concerning the cost to move coal by rail to the Belle River Plant.

The rail company indicates the existing contracts have been too favorable and therefore increased costs would apply commencing January 1, 2011. The rails costs will be increasing by 150% (from \$8.25/ton to \$20.55/ton). This will in turn increase the Belle River generation cost by 45%.