

A REGULAR MEETING

Of The

TRAVERSE CITY LIGHT AND POWER BOARD

Will Be Held On

TUESDAY, March 13, 2012

At

5:15 p.m.

In The

COMMISSION CHAMBERS
(2nd 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 Tvardek
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: 3-9-12
4:00 p.m.

AGENDA

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 February 28, 2012.

3. Old Business

None.

4. New Business

- a. Consideration of entering into closed session to discuss records and information concerning the security and safety connected with the municipal electric system. (Possible closed session) (Rice)
- b. East Side Transmission Substation project authorization. (Rice/Dine)
- c. Consideration of exercising an Option to Purchase Groleau Property. (Rice/Dine)
- d. Consideration of authorizing an Engineering Services Contract with GRP Engineering, Inc. for the East Side Transmission Substation. (Dine)
- e. Consideration of authorizing an Engineering Services Contract with GRP Engineering, Inc. for the East Side Transmission Line. (Dine)
- f. Consideration of authorizing a Procurement Agreement with Delta Star, Inc. for the purchase of one 138/69kV 90/120 MVA transformer for the East Side Transmission Substation Project. (Dine)
- g. Consideration of authorizing a purchase order for three 138kV CT/PT metering units for the East Side Transmission Substation Project. (Dine)
- h. Consideration of authorizing a purchase order for two 69kV 50KVA transformers for the East Side Transmission Substation Project. (Dine)

5. Appointments

None.

6. Reports and Communications

- a. From Legal Counsel.
- b. From Staff.
 - 1. Verbal update re: recent storm outage. (Rice)
- c. From Board.

7. Public Comment

/st

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, February 28, 2012

Board Members -

Present: Barbara Budros, Jim Carruthers, Patrick McGuire, John Snodgrass, John Taylor, Linda Johnson, Mike Coco

Ex Officio Member -

Present: R. Ben Bifoss

Others: Ed Rice, W. Peter Doren, Tim Arends, Stephanie Tvardek, Jim Cooper, Glen Dine

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

Item 2 on the Agenda being Consent Calendar

Moved by Carruthers, seconded by Budros, that the following actions, as recommended on the Consent Calendar portion of the Agenda, be approved as amended:

- a. Minutes of the Regular Meeting of February 14, 2012.

CARRIED unanimously.

Item 3 on the Agenda being Old Business

- 3(a). Consideration of authorizing an Engineering Services Contract with GRP Engineering for the South Side Distribution Substation.

The following individuals addressed the Board:

Ed Rice, Executive Director
Glen Dine, Chief Engineer
W. Peter Doren, General Counsel

Moved by Johnson, seconded by McGuire, that the Light and Power Board authorize the Chairman and Secretary to execute an agreement for professional services with GRP Engineering, Inc., for a total fee not to exceed \$290,000 including expenses for design and construction management services for the South Side Distribution Substation Project; subject to approval as to substance by the Executive Director and approval as to form by Counsel;

Further, authorizing the Executive Director to execute work orders for professional services and administer amendments and change orders that are in the best interest of the Light and Power Department.

The following individuals addressed the Board:

Janice Hicks, 1687 David Place, Non-Ratepayer
Rick Buckhalter, 932 Kelley Street, Ratepayer

Roll Call:

Yes – Budros, Carruthers, McGuire, Taylor, Johnson, Coco

No – Snodgrass

CARRIED.

3(b). Consideration of adopting a Resolution in Support of a Bayfront Revitalization Legacy Project.

The following individuals addressed the Board:

W. Peter Doren, General Counsel

Ben Bifoss, City Manager

Gary Howe, Parks and Recreation Commission Chair, 926 Lincoln Street, Ratepayer

Moved by McGuire seconded by Johnson, that the Light & Power Board enter into Closed Session immediately to discuss the privileged and confidential attorney-client communication regarding the Resolution in Support of a Bayfront Revitalization Legacy Project.

Roll Call:

Yes – Budros, Carruthers, McGuire, Snodgrass, Taylor, Johnson, Coco

No – None

CARRIED unanimously.

The Board entered into Closed Session at 6:00 p.m.

The Board returned to Open Session at 6:17 p.m.

Moved by Carruthers, seconded by Budros, that the Light & Power Board support the Resolution in Support of a Bayfront Revitalization Legacy Project including the change “Whereas, if these funds are needed for such projects and they are included in an approved capital plan, the City Commission will consider a recommendation for revenue bond financing pursuant to City Charter Section 179(k) taking the contribution authorized by this Resolution into account.”

Moved by Johnson, seconded by Taylor to amend the motion and approve the original Resolution in Support of a Bayfront Revitalization Legacy Project which includes the language “...act favorably on...”

Johnson proposed a friendly amendment to her motion with the support of Taylor, so the language in the sixth paragraph of the Resolution will read “...will favorably consider a recommendation for revenue bond financing pursuant to City Charter Section 179(k) taking the contribution authorized by this Resolution into account.”

CARRIED unanimously.

Moved by McGuire, seconded by Budros, that the following language be added to the proposed Resolution: “Whereas, Traverse City Light & Power Board assures the residential ratepayers that a \$1,000,000 contribution for a Legacy Project will not be the cause of a rate increase and hence residential rates will be frozen at the current level for the 2012-2013 fiscal year.”

The following individuals addressed the Board:

Doug Luciani, TC Chamber of Commerce & TBEDC President/CEO, 202 E. Grandview

Motion amended by McGuire with the support of Budros to remove the word "...residential..." so all classes of customers are included in the freezing of rates.

Therefore, the motion before the Board is as follows: "That the following language be added to the proposed Resolution: 'Whereas, Traverse City Light & Power Board assures the ratepayers that a \$1,000,000 contribution for a Legacy Project will not be the cause of a rate increase and hence rates will be frozen at the current level for the 2012-2013 fiscal year.'"

Roll Call:

Yes – Budros, Carruthers, McGuire, Snodgrass, Taylor, Johnson

No – Coco

CARRIED.

Board discussion continued on the amended motion.

Commissioner Carruthers called the question on the motion, seconded by McGuire.

Roll Call:

Yes – Budros, Carruthers, McGuire, Snodgrass, Taylor, Johnson

No – Coco

CARRIED.

Chairman Coco opened the motion up for Public Comment.

The following individuals addressed the Board:

Rick Buckhalter, 932 Kelley Street, Ratepayer

Mike Coco, Chairman of TCLP Board

John Taylor, TCLP Board Member

John Snodgrass, TCLP Board Member

Chairman Coco restated the amended motion before the Board: "That the Light & Power Board support the Resolution in Support of a Bayfront Revitalization Legacy Project including the change 'Whereas, if these funds are needed for such projects and they are included in an approved capital plan, the City Commission will favorably consider a recommendation for revenue bond financing pursuant to City Charter Section 179(k) taking the contribution authorized by this Resolution into account.'"

Roll Call:

Yes – Budros, Carruthers, McGuire, Taylor, Johnson

No – Snodgrass, Coco

CARRIED.

- 3(c). Consideration of approving a Letter of Understanding Regarding Operations Audit of TCLP.

The following individuals addressed the Board:

W. Peter Doren, General Counsel

Ben Bifoss, City Manager

Doug Luciani, TC Chamber of Commerce & TBEDC President/CEO, 202 E. Grandview

Moved by Carruthers, seconded by Snodgrass, that the Light & Power Board approve the Letter of Understanding Regarding Operations Audit of TCLP.

Budros proposed a friendly amendment to the motion, that the language in the third paragraph of the Letter of Understanding read "TBEDC shall present the proposed RFQ to the City and TCLP for approval." and "TBEDC shall present its recommendation to the City and TCLP for approval." and "The RFQ shall specify the Operations Audit shall ensure a timeline and RFQ which results in completion of the Audit." And to eliminate one TCLP Board member and one City Commissioner from the listed task force.

Carruthers accepted the friendly amendment with the support of Snodgrass.

Therefore, the motion before the Board is as follows: "That the Light & Power Board approve the Letter of Understanding Regarding Operations Audit of TCLP including the changes to the third paragraph 'TBEDC shall present the proposed RFQ to the City and TCLP for approval.' and 'TBEDC shall present its recommendation to the City and TCLP for approval.' and 'The RFQ shall specify the Operations Audit shall ensure a timeline and RFQ which results in completion of the Audit.' And the elimination of one TCLP Board member and one City Commissioner from the listed task force."

Roll Call:

Yes – Budros, Carruthers, McGuire, Snodgrass, Coco

No – Taylor, Johnson

CARRIED.

Commissioner Budros departed the meeting at 8:09 p.m.

Item 4 on the Agenda being New Business

John Taylor made the following disclosure: He is President of SEEDS, a party to Agenda Item 4(a). Taylor indicated he will be refraining from voting upon or otherwise participating in the making of the decision.

- 4(a). Consideration of authorizing a Business Energy Management Services Contract with SEEDS.

The following individuals addressed the Board:

Jim Cooper, Manager of Communications & Energy Services

Mike Powers, SEEDS

Ed Rice, Executive Director

Moved by Johnson, seconded by Coco, that the Board authorize the Chairman and Executive Director to enter into a Consulting Agreement with SEEDS, in the amount not to exceed \$34,500 for Business Energy Management Services; subject to approval as to substance by the Executive Director and as to form by General Counsel.

Roll Call:

Yes – Carruthers, Snodgrass, Johnson, Coco

No – McGuire

CARRIED. (Budros absent)

John Taylor abstained and refrained from voting upon or otherwise participating in the making of a decision on Agenda Item 4(a).

Item 5 on the Agenda being Appointments

None.

Item 6 on the Agenda being Reports and Communications

A. From Legal Counsel.

1. W. Peter Doren gave an update on *Brown Bark I v. TCLP*.

The following individuals addressed the Board:

Tim Arends, Controller

B. From Staff.

1. Jim Cooper spoke regarding the Clean Up Green Up event on March 11, 2012.

C. From Board.

1. Jim Carruthers referenced an article titled “Neighborhoods powered by parks” from the Siemens website.

Item 7 on the Agenda being Public Comment

No one from the public commented.

There being no objection, Chairman Coco declared the meeting adjourned at 8:34 p.m.

RONALD W. SONDEE
JOHN P. RACINE JR.
W. PETER DOREN
JOHN A. MACNEAL
MAURICE A. BORDEN

310 WEST FRONT STREET
SUITE 300
TRAVERSE CITY, MICHIGAN 49684
TEL (231) 947-0400
FAX (231) 947-0748
www.sondeeracine.com

March 8, 2012

Via Email & First Class Mail

Mr. Ed Rice
Executive Director
Traverse City Light & Power
1131 Hastings Street
Traverse City, MI 49686

Re: Closed Session

Dear Ed:

I understand that you wish to go into closed session at next Tuesday's meeting to discuss records or information regarding the security and safety connected with TCL&P's municipal electric system. Such material is exempt from disclosure pursuant to MCL 15.243(1)(y). As such, you may go into closed session with the Board to consider such material and to discuss it under MCL 15.268(h). A two-thirds roll call vote is necessary.

The following agenda item would be appropriate:

Consideration of records and information concerning the security and safety connected with the municipal electric system (possible closed session).

Sincerely,

SONDEE, RACINE & DOREN, PLC



W. Peter Doren

WPD:tls



TRAVERSE CITY
LIGHT & POWER

To: Light & Power Board *ER*
From: Ed Rice, Executive Director
Date: March 6, 2012
Subject: Project Authorization Request – East Side Transmission Substation and 69kv Transmission Line Projects

Staff has prepared a packet of information and is requesting authorization from the L&P Board for staff to continue with the development, design and construction of the East Side 138/69kv Transmission Substation and 69kv Transmission Line Projects. Both projects are identified in the L&P Capital Plan and were unanimously approved by the Board on August 9, 2011 as a staff Objective to support the Board's Strategic Goal #4 "Provide a high level of transmission and distribution system reliability." (See attached). This project has been actively worked on by staff through-out calendar year 2011.

Details for these projects are included in your packet. Staff will be prepared to answer any questions.

Staff recommends L&P Board approval of the 138/69kv East Side Transmission Substation and 69kv Transmission Line Projects, necessary expenditures, and various agreements in order to provide safe and reliable transmission service to its customers. If the Board concurs, the following motion is appropriate:

MOVED BY _____, SECONDED BY _____,
THAT THE LIGHT AND POWER BOARD AUTHORIZE STAFF TO PROCEED WITH
THE 138/69 kv EAST SIDE TRANSMISSION SUBSTATION PROJECT AND 69kv
TRANSMISSION LINE PROJECT AND SEEK THE NECESSARY BOARD
APPROVALS FOR EXPENDITURES AND AGREEMENTS.

- 1. Ensure employee and public safety.**
 - a. Achieve APPA safety accreditation by 12/31/12
 - b. Map location of all TCL&P electric underground facilities by 12/31/12
 - c. Customize TCL&P electric line engineering standards by 12/31/12
 - d. Rehabilitate 1 substation distribution circuit per year for the next 10 years
 - e. Develop and implement a service center disaster drill by 7/1/12
 - f. Revitalize TCL&P Safety Committee by 12/31/11

- 2. Resolve long term baseload requirement deficiencies.**
 - a. Evaluate long-term baseload power supply options and make recommendations upon completion of a public input process.
 - b. Complete evaluation of the Kalkaska Combustion Turbine and make recommendations by 12/31/11
 - c. Evaluate emerging and existing MPPA projects

- 3. Insulate customers from volatile power market prices while keeping rates competitive.**
 - a. Analyze the application for an Energy Supply Risk Management policy by 6/30/12
 - b. Analyze Demand Side Management for commercial and industrial customers and make recommendations by 6/30/12
 - c. Determine the Renewable Energy Credit (REC) financial benefit to TCL&P through 6/30/12
 - d. Manage TCL&P's Distribution, Transmission and other Operating Expenses (\$10.5m) to limit a 1% annual increase (including inflation) through 2015
 - e. Manage Purchase Power Generation expenses to not exceed \$21,500,000 per year through 2014

- 4. Provide a high level of transmission and distribution system reliability.**
 - a. Finalize and implement a disaster recovery plan by 6/30/12
 - b. Rehabilitate 1 substation distribution circuit per year for the next 10 years
 - c. Engineer and construct the East Side Transmission Project by 12/31/13
 - d. Engineer and construct the South Distribution Substation Project by 6/30/13
 - e. Replace 2000 feet per year of old and failing primary underground distribution cable per year for the next 5 years

Project Name: 138/69kv East Side Transmission Substation and 69kv Transmission Line

CIP: \$5,200,000

Date of Board Presentation/Consideration: March 13, 2012

Board Action: Approved Not Approved No Action

Budgeted in Capital Plan: Yes

Goals and Objectives: Target Completion date of December 31, 2012

Project Description:

Construct a new 90/120/150 MVA 138/69kv transmission substation and connect to ITC's 138kV transmission system. Also jointly construct with Consumers Energy 4.1 miles of 69kv transmission line to connect the new transmission substation to TCL&P's existing 69kv transmission system located on Parsons Road.

The major TCL&P substation equipment will include: (1) 138kV circuit switcher, (1) power transformer, (2) 69kV breakers, 69kV switches, control house with equipment, and aluminum bus with supporting structures.

The major 69kv transmission line facilities will include poles, conductor, and line post insulators.

Reference: Exhibit A, Exhibit B, Exhibit C, Exhibit D, Exhibit E and Exhibit F

Project Purpose and Necessity (Problem We Are Solving):

The TCL&P transmission system is a dedicated MISO transmission asset that, therefore, is required to meet specific FERC reliability standards. TCL&P currently receives approximately \$2.0 M / year in revenue as a result of joining MISO and for complying with the reliability standards.

MISO in conjunction with TCL&P performed an analysis of the TCL&P electric system and determined that there are certain conditions under which the TCL&P electric system does not meet the reliability standards. TCL&P has submitted in conjunction with ITC (the regional RTO), the East Side Substation and Transmission Projects to MISO to remedy the reliability standard issues. This submission was analyzed by MISO through their MISO Transmission Expansion Planning (MTEP) process.

The purpose of this process is to ensure that MISO transmission projects meet the FERC reliability standards, are financially sound and meet prudent utility planning criteria, thus resulting in a safe and reliable transmission system. In December 2010, the MISO Board of Commissioners, located in Indianapolis, Indiana, after significant review, APPROVED the TCL&P/ITC projects.

Of particular importance during the MISO system analysis review, their load studies conducted at MISO showed that under certain TCL&P single contingency conditions, segments of the TCL&P electric system would experience high loading conditions that would result in loss of load for an indefinite period of time. This violates MISO/FERC reliability standards. MISO concluded that the East Side Projects remedied the conditions and would bring TCL&P into compliance with the necessary reliability standards. MISO therefore approved the projects in December 2010.

Reference: Traverse City Light and Power Transmission Planning Criteria; Christopher M. Bzdok, Mayor, Letter of October 27, 2010; Peter Schimpke, MPPA Email of December 2, 2010 MTEP 2010 Approval of TCL&P Projects

Project Benefits:

The East Side Transmission Substation and Transmission Line Project Benefits:

- meet MISO/FERC reliability standards
- relieve overload conditions on the TCL&P transmission system
- costs are recovered through Attachment O filing with MISO
- provides increased reliability to TCL&P system and the area transmission network
- provides for the safety and well being of the public
- provides necessary transmission service for existing and future load growth

Other Alternatives:

Having received Board Approval of the 2009 Capital Plan which included the NEW East Side Substation and Transmission Projects, the planning criteria on the east side of the TCL&P system required a new 138kV connection to the existing ITC 138kv transmission line including property for the necessary facilities, and a transmission corridor for TCL&P to construct 4.1 miles of transmission line.

Alternative sites for substation facilities and the 138kv tap were analyzed and determined to: (a) require additional expenditures, (b) damaging to the view shed of East Grand Traverse Bay, (c) located near established residential areas, (d) difficult winter accessibility, (e) require significantly more site preparation due to the existing hilly terrain, (f) difficult to accommodate the needed 138kV tap.

The only reasonable transmission corridor available was to jointly use the existing 4-Mile Road and railroad corridor with Consumers Energy.

Timing of Project (Why Now):

In 2010 the MISO Board of Commissioners voted and approved the necessary TCL&P and ITC projects. In 2011 TCL&P completed survey work, environmental site assessment, land division, site plan development, and obtained approvals from East Bay Township. ITC and TCL&P are currently completing final design and beginning material procurement. TCL&P will be proceeding with closing on the purchase of property within the next couple weeks and is in the process of preparing for spring construction activities.

MISO/FERC requires TCL&P to meet reliability standards. Reliability issues have been identified as early as 2006 that have not been remedied. Continued non-compliance could result in fines or penalties imposed on TCL&P. Indications were given to MISO that remedies would be in place in 2009. TCL&P has extended this to December 31, 2012 with MISO. Further delays may be problematic, not to mention that TCL&P's transmission system remains at risk for substantial loss of load.

Reference: Exhibit D, and East Bay Township Planning Commission Findings of Fact

Project Timeline Gant Charts

SUBSTATION COSTS	<u>Quantity</u>	<u>Cost</u>	<u>Expected Board Approval Date</u>
• Property	-	500k	March 2012
• Site Work	-	250k	March 2012
• Transformer	1	1,525k	March 2012
• Circuit Switcher	1	37k	March 2012
• Circuit Breakers	2	70k	March 2012
• 138kv Metering CT/PT	3	56k	March 2012
• Relaying/control panels	1	66k	March 2012
• Control House	1	52k	Contractor to furnish
• Other Misc Equipment/work	-	66k	N/A
• Substation Const. Contract		200k	May 2012
• SS Transformer	2	72k	March 2012
• Survey, Environmtl, Borings		17k	Completed
		\$2,911k	
• Engineering/Design/Const Mgmt		228k	SUBSTN Design Apprvd Nov 2010 - \$158.5k
• Contingency		55k	
		\$283k	
SUBTOTAL		\$3,194K	
TRANSMISSION COSTS	<u>Quantity</u>	<u>Cost</u>	<u>Expected Board Approval Date</u>
• Poles	-	595k	May 2012
• Conductor	-	158k	May 2012
• Insulators & Hardware	-	217k	May 2012
• Survey, Environmtl, Borings		22k	Completed
• Construction Contracts	-	843k	June 2012
• Railroad Monitoring	-	65k	September 2012
		\$1,900k	
• Engineering/Design/Const Mgmt		145k	March 2012
• Contingency (10%)		188k	
		\$333k	
SUBTOTAL		\$2,233k	
PROJECT TOTAL		\$5.427M	

Engineering Preliminary Project Cost Estimate: \$5.43M

Financing Method:

Cash from TCL&P fund balance as planned for. Bonding will not be required.

Financial Benefits/Implications:

These projects have received approval from MISO and qualify as transmission assets that allow TCL&P to be reimbursed from revenues received by MISO for transmission service. Each year TCL&P is required to file financial statements known as an Attachment O filing with MISO. TCL&P currently receives approximately \$2M/year from MISO. The new TCL&P investment in transmission facilities will increase annual revenue by approximately \$650,000 per year subject to annual adjustments in Attachment O filings with MISO. The project will pay for itself in approximately ten years and bring in additional revenues beyond that on a depreciated value basis.

Impact on O&M Expenses:

Existing labor force will operate (TCL&P System Control Center) and perform normal monthly substation inspections (Line Department). Major Substation equipment can last as long as 50 years with proper maintenance and normal loading conditions. The major maintenance activities on this type of substation is for periodic preventive maintenance and testing of the power transformer, breakers, and circuit switcher, generally on a five year cycle at a cost of approximately \$30,000 for outside services.

Staff Recommended Board Action:

Staff recommends L&P Board approval of the 138/69kv East Side Substation and 69kv Transmission Line Projects, necessary expenditures, and necessary agreements with Consumers Energy and ITC/METC in order to provide safe and reliable transmission service to all its customers.

Attachments:

Exhibit A Substation Site Rendering
Exhibit B Transmission Line Route Map
Exhibit C Transmission Line Rendering
Exhibit D Certificate of Survey
Exhibit E Support Letters
Exhibit F Site Plans
Project Gant Charts

East Bay Township Planning Commission Findings of Fact
Traverse City Light and Power Transmission Planning Criteria
Christopher M. Bzdok, Mayor, Letter of October 27, 2010
Peter Schimpke, MPPA – Email of December 2, 2010 – MTEP 2010 Approval of TCL&P Projects

EXHIBIT A

**SWITCH YARD AND SUBSTATION
SITE RENDERING**

Switchyard & Substation Site



Existing Site

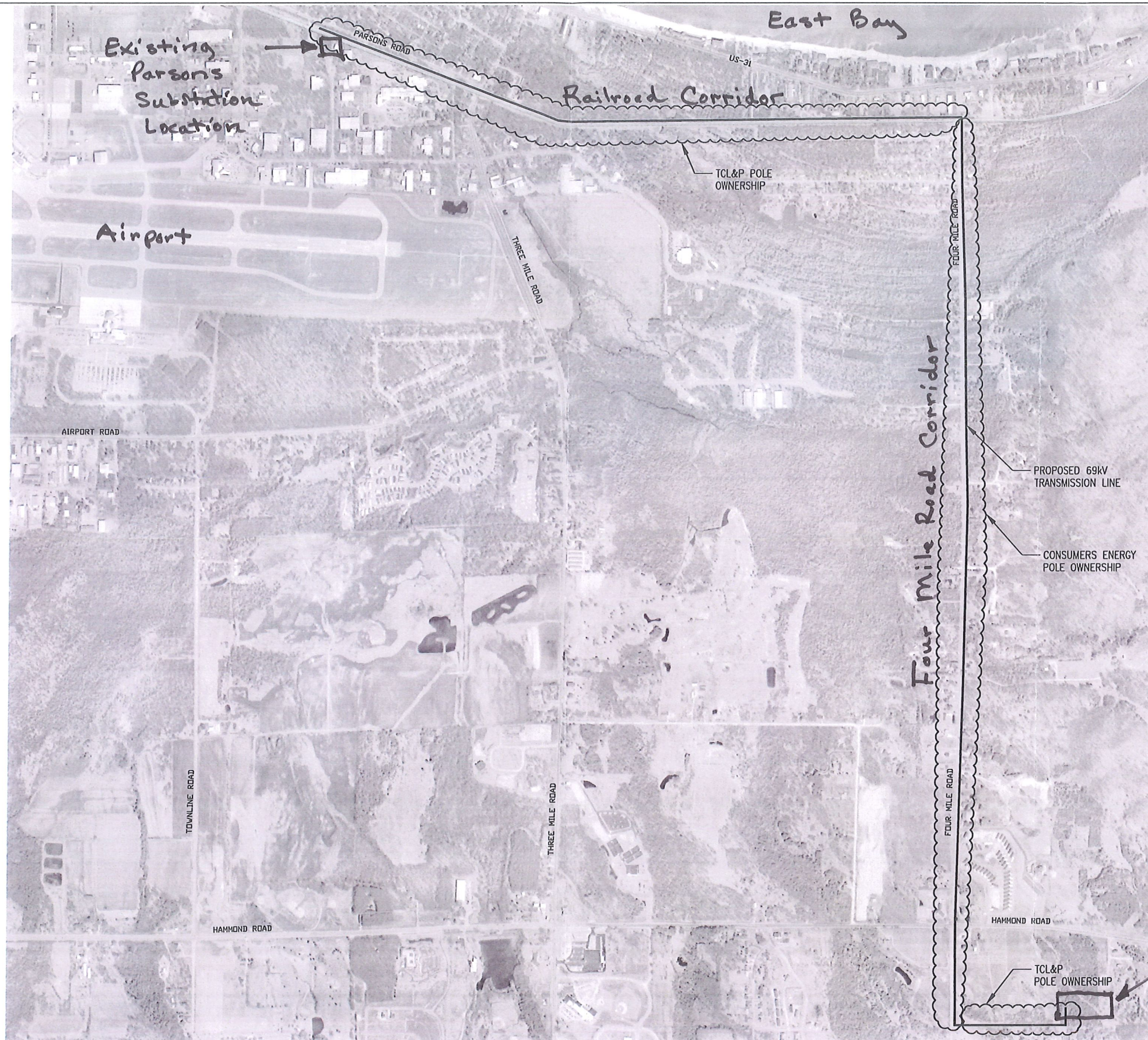
Switchyard & Substation Site



Rendering after Construction

EXHIBIT B

TRANSMISSION LINE ROUTE MAP



- LEGEND**
- PROPOSED 69KV TRANSMISSION LINE ROUTE
 - DELINEATES LINE SECTION POLE OWNERSHIP

*New East Side
Transmission
Substation
Location*



ENG.	MPM		
DR	KRW		
CHK	MPM		
APP	MPM	11-2-2011	SPECIAL LAND USE REVIEW & APPROVAL
		DATE	ISSUED FOR

GRP
Engineering, Inc.
PETOSKEY, MICHIGAN, 231-439-9683
GRAND RAPIDS, MICHIGAN, 616-942-7183

TRAVERSE CITY LIGHT & POWER
MISCELLANEOUS ENGINEERING
TRAVERSE CITY, MICHIGAN
EXHIBIT B - TRANSMISSION LINE ROUTE MAP

PROJECT NUMBER	DRAWING NUMBER
10-0373.01	B

EXHIBIT C

TRANSMISSION LINE RENDERING

East Transmission Line

4 Mile Road



Existing Poles

East Transmission Line 4 Mile Road



Rendering after Reconstruction

EXHIBIT D

CERTIFICATE OF SURVEY

CERTIFICATE OF SURVEY

Patricia C. Groleau
 4542 Albert Courtade Road, Traverse City, MI 49696
 NORTH 1/2 OF THE NW 1/4, SECTION 28, T27N, R10W,
 EAST BAY TOWNSHIP GRAND TRAVERSE COUNTY, MICHIGAN

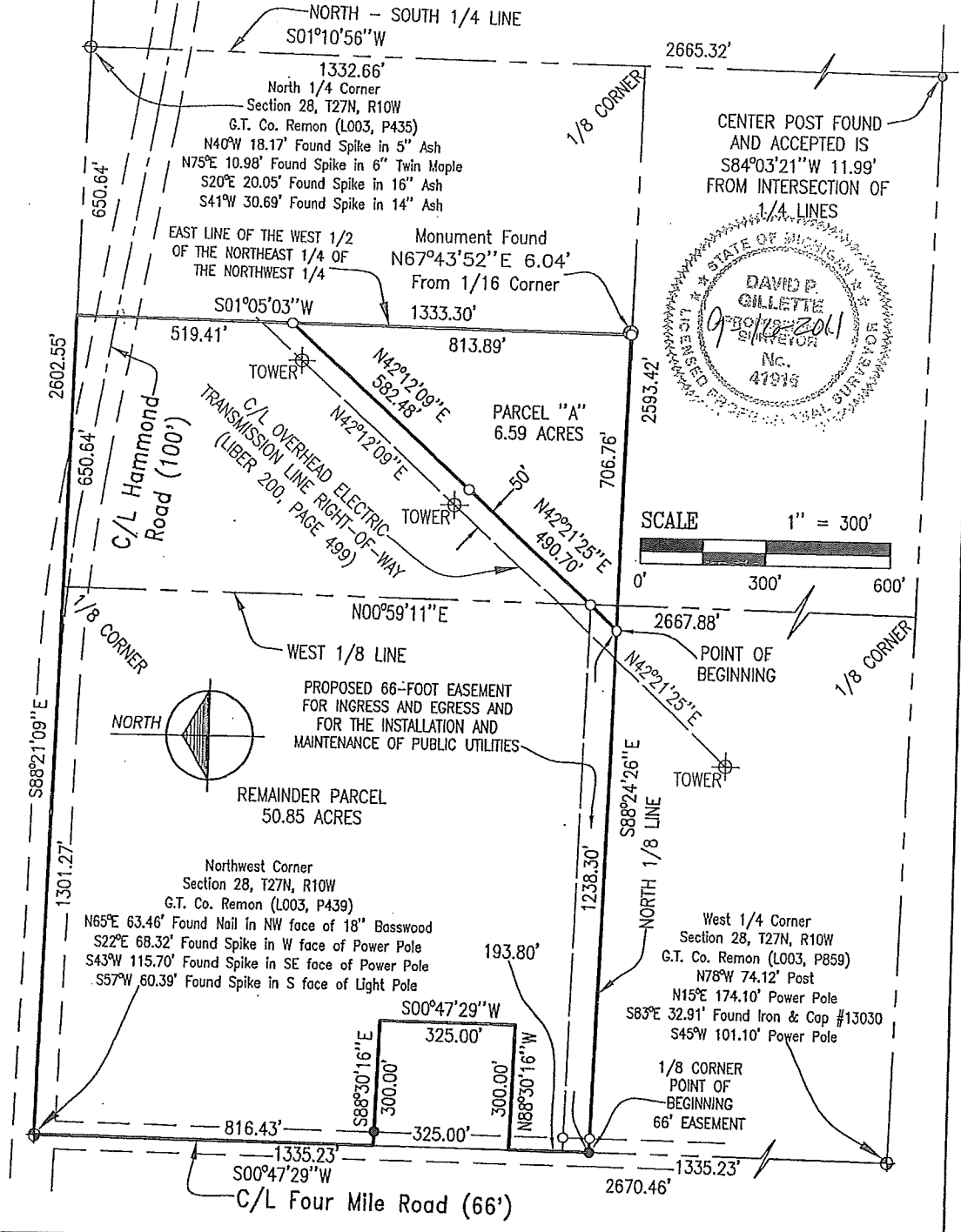


20115-00036
 STATE OF MICHIGAN
 GRAND TRAVERSE COUNTY
 RECORDED
 10/07/2011 3:38 PM PAGE 1 OF 2
 PEGGY HAINES REGISTER OF DEEDS

I, the undersigned, being a Professional Surveyor, hereby certify that I have surveyed and mapped the above parcel of land, that the ratio of closure of the unadjusted field observations is noted, and within limits and that I have fully complied with the regulations of Act 132, P.A. 1970 as amended. The basis for bearings is: Michigan State Plane Coordinate System, (NAD83) (CORS96), Central Zone.
 Error of Closure is 1:5600+

David P. Gillette
 David P. Gillette P.S. #41916

F:\2010720202\CADD-Data\TCLAP Topography\mg\Certified Survey Groleau.dwg Tab: Sheet 1 Saved by: magraf 09/13/11, 5:18pm Plotted by: magraf 09/14/11, 2:22pm



<p>MONUMENT FOUND</p> <p>IRON FOUND</p> <p>NAIL FOUND</p> <p>WOOD STAKE FOUND</p>	<p>LEGEND</p> <p>(R) RECORDED</p> <p>(O) IRON SET</p> <p>(Δ) NAIL SET</p> <p>(□) WOOD STAKE SET</p>	<p>Date: 11/11/2010</p> <p>Scale: AS NOTED</p> <p>Drawn: W.W.A.</p> <p>Chk'd.: J.A.J.</p> <p>Rev.:</p>	<p>Gosling Czubak engineering sciences, inc. 1200 Business Park Drive Traverse City, MI 49686-8507 231-946-9191 800-968-1062 Fax: 231-941-4603</p> <ul style="list-style-type: none"> • Engineers • Surveyors • Environmental Services • Landscape Architecture
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CERTIFICATE OF SURVEY

Patricia C. Groleau
4542 Albert Courtade Road, Traverse City, MI 49696
NORTH 1/2 OF THE NW 1/4, SECTION 28, T27N, R10W,
EAST BAY TOWNSHIP GRAND TRAVERSE COUNTY, MICHIGAN

DESCRIPTION - PARCEL "A"

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Commencing at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section; thence along said 1/8 line S88°24'26"E 1238.30 feet to the Point of Beginning; thence parallel with and 50.00 feet to the Southeast of the centerline of an existing overhead electric transmission line right-of-way (recorded in Liber 200, Page 499) N42°21'25"E 490.70 feet; and N42°12'09"E 582.48 feet to the East line of the West 1/2 of the Northeast 1/4 of the Northwest 1/4 of said Section 28; thence along said East line S01°05'03"W 813.89 feet to said North 1/8 line; thence along said 1/8 line N88°24'26"W 706.76 feet to the Point of Beginning, containing 6.59 acres of land, more or less.

Together with a proposed easement, 66.00 feet in width, for Ingress and egress and for the installation and maintenance of public utilities described as follows:

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Commencing at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section and the Point of Beginning; thence 66.00 feet North of and contiguous with the following described line: along the North 1/8 line of said section S88°24'26"E 1238.30 feet to the Point of Ending, the sidelines of the above easement shorten or lengthen to originate at the West line of said Section 28 and to terminate at a line bearing N42°21'25"E from the Point of Ending.

PARENT PARCEL DESCRIPTION

From First American Title Insurance Company Commitment No. TC-09-3088

The North one-half of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West

EXCEPT, that part of the North one-half of the Northwest one-quarter lying with in the following parcel described as lying Southerly of a County Road, more fully described as: Commencing at the North quarter corner of said Section 28; thence North 89°14' West, 442.00 feet along the North line of said Section 28 to the center line of county road and the Point of Beginning; thence Southeasterly, 215.79 feet along said center line and the arc of a 451.52 foot radius curve to the right, the chord of which bears South 75°32'30" East, 213.75 feet; thence South 61°51' East, 217.01 feet, along the center line; thence Southeasterly, 217.06 feet along said center line and the arc of a 544.86 foot radius curve to the left, the chord of which bears South 73°15'50" East, 215.65 feet; thence South 84°40'40" East, 916.12 feet along the said centerline; thence South 84°34'55" East, 211.87 feet along said center line to the East one-eighth line of said section; thence South 0°25' East, 1052.67 feet along said East one-eighth line to the North one-eighth line of said Section 28; thence North 89°14'25" West, 1288.10 feet along said North one-eighth line to the North and South quarter line of said Section 28; thence North 89°17'50" West, 650.94 feet along said North one-eighth line to the West line of said East half of the Northwest quarter of the Northwest quarter; thence north 0°00'25" West, 1333.23 feet along said West line to said North Section line and center line; thence South 89°14' East, 208.80 feet, along said North Section line to the Point of Beginning.

Also, EXCEPT, that part of the Northwest one-quarter of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West, more fully described as: Commencing at the Northwest corner of Section 28; thence South 00°52'45" East, 816.43 feet along the West line of said Section 28 to the Point of Beginning; thence continuing south 00°52'45" East, 325.00 feet along said West line of Section 28; thence North 89°49'30" East, 300.00 feet parallel with the North one-sixteenth line of said Section 28; thence North 00°52'45" West, 325.00 feet parallel with the said West line of said Section 28; thence South 89°49'30" West, 300.00 feet parallel with said North one-sixteenth line of Section 28 to the Point of Beginning.

Subject to the right of way of 4 Mile Road and Hammond Road.

REMAINDER PARCEL DESCRIPTION

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Beginning at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 816.43 feet; thence S88°30'16"E 300.00 feet; thence S00°47'29"W 325.00 feet; thence N88°30'16"W 300.00 feet to said West section line; thence along said section line S00°47'29"W 193.80 feet to the North 1/8 line of said section; thence along said 1/8 line S88°24'26"E 1238.30 feet; thence parallel with and 50.00 feet to the Southeast of the centerline of an existing overhead electric transmission line right-of-way (recorded in Liber 200, Page 499) N42°21'25"E 490.70 feet; and N42°12'09"E 582.48 feet to the East line of the West 1/2 of the Northeast 1/4 of the Northwest 1/4 of said Section 28; thence along said East line N01°05'03"E 519.41 feet to the North line of said Section 28; thence along said North line N88°21'09"W 1951.91 feet to the Point of Beginning, containing 50.85 acres of land, more or less.

Subject to the right of way of Four Mile Road and Hammond Road.

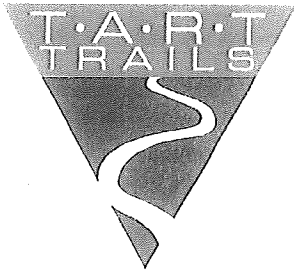
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Bottom section containing metadata: Date: 11/11/2010, Scale: AS NOTED, Drawn: W.W.A., Chk'd.: J.A.J., Rev.: Job No.: 2010720.02, Sheet: 2 of 2, Gosling Czubak engineering sciences, Inc. logo and contact info.

EXHIBIT E

LETTERS OF SUPPORT

Traverse Area Recreation
and Transportation Trails Inc.



November 15, 2011

Glen Dine, Chief Engineer
Traverse City Light & Power
1131 Hastings Street
Traverse City, MI 49686

PO Box 252
Traverse City, MI 49685

231-941-4300
traverse Trails.org

Dear Glen,

The Traverse Area Recreation and Transportation Trails, Inc. (TART) is aware of Traverse City Light & Power's (TCL&P) proposed East Side Substation and Transmission Line project parallel to the TART Trail. TART is supportive of TCLP's approach to utility service that incorporates the use and sharing of existing corridors, including the TART Trail and rail corridor.

Because
Trails
Matter

TART and TCL&P have a long history of working together for the greater good of the Traverse City community. We at TART believe that the project proposed by TCL&P supports the community by providing electrical service reliability that the Traverse City area has come to enjoy and expect from its hometown utility.

The pole line that TCL&P is proposing to build down the railroad corridor will affect the traffic flow on the TART Trail during construction. Based on joint discussions, both parties are committed to a collaborative effort that will result in a controlled construction schedule, trail rerouting as needed, and notification to the public that meets the needs of TART users, the public, and TCL&P.

I look forward to closely working with TCL&P on this project. Please let me know when I can be of additional assistance.

Sincerely,

Julie Clark
Executive Director

Cc: Scott Howard, Board President

December 6, 2011

Traverse City Light & Power
Attn: Ed Rice
1131 Hastings Street
Traverse City, MI 49686

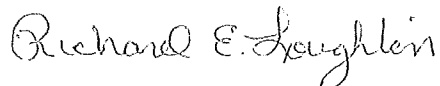
Mr. Rice,

Per our discussion, Consumers Energy and Traverse City Light & Power continue to work together to develop agreements supporting the joint use of the existing 46 kV Hammond Road line owned by Consumers Energy.

The project proposed by Traverse City Light & Power was reviewed as part of the MISO Midwest Transmission Expansion Process (MTEP)-10 of which Consumers Energy provided stake holder comments. In an effort to use existing facilities, Traverse City Light & Power requested to jointly occupy Consumers Energy's 46 KV pole line (Hammond Road line) along Four Mile Rd from a point 1300 ft south of Hammond Road to Consumers Energy's junction for the tap to it's O-AT-KA distribution Substation.

We continue to work on joint occupancy agreements, agreements for appropriate property rights and permits required prior to beginning construction.

Sincerely,



Richard E. Loughlin
Director System Planning & Reliability Programs

cc: JRAnderson, CE
RPGluszewski, CE
DCParker, CE

EXHIBIT F

SITE PLANS

TRAVERSE CITY LIGHT & POWER

TRAVERSE CITY, MICHIGAN

EAST SIDE SWITCHYARD, SUBSTATION & TRANSMISSION LINE EXHIBIT F - SITE PLANS



TRAVERSE CITY
LIGHT & POWER

Investing Our Energy In You

APPROVED	DATE
DESIGNED	DATE
CHECKED	DATE
PROJECT MANAGER	DATE
CLIENT	DATE

REV	DATE	DESCRIPTION

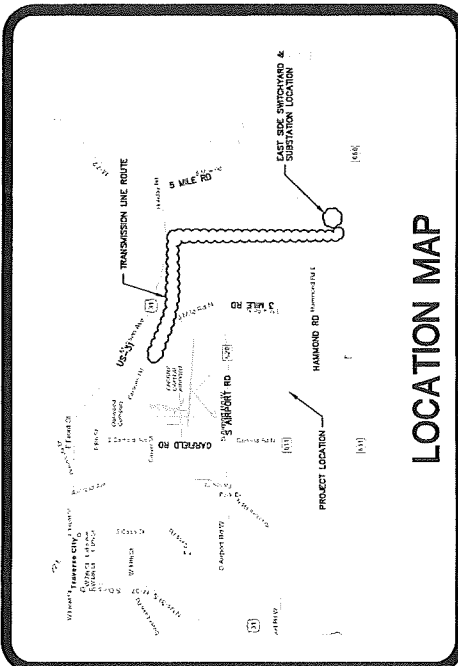
GRP
Engineering, Inc.
OFFICE: MICHIGAN - 455-8883
GRAND RAPIDS, MICHIGAN - 972-442-2783

TRAVERSE CITY LIGHT AND POWER
EAST SIDE SWITCHYARD, SUBSTATION AND TRANSMISSION LINE
TRAVERSE CITY, MICHIGAN
TITLE SHEET, LOCATION MAP, & DRAWING INDEX

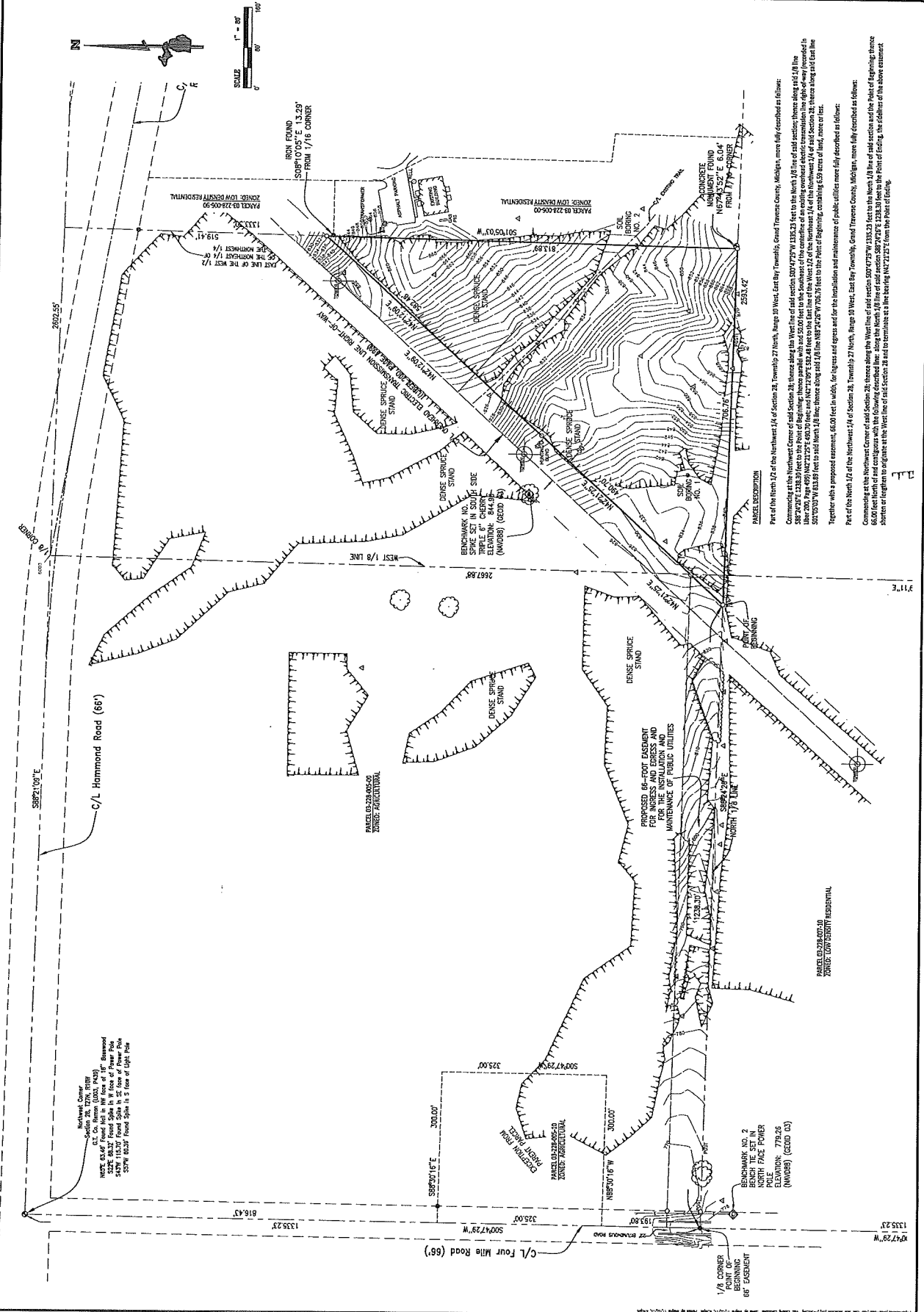
PROJECT NUMBER
10-088101
DRAWING NUMBER
T

DRAWING INDEX

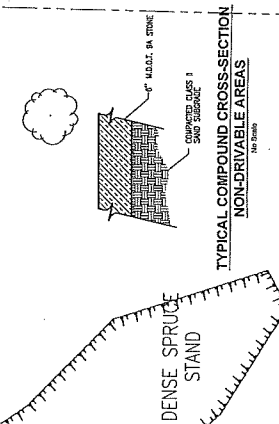
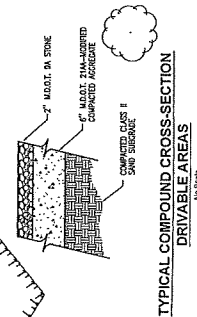
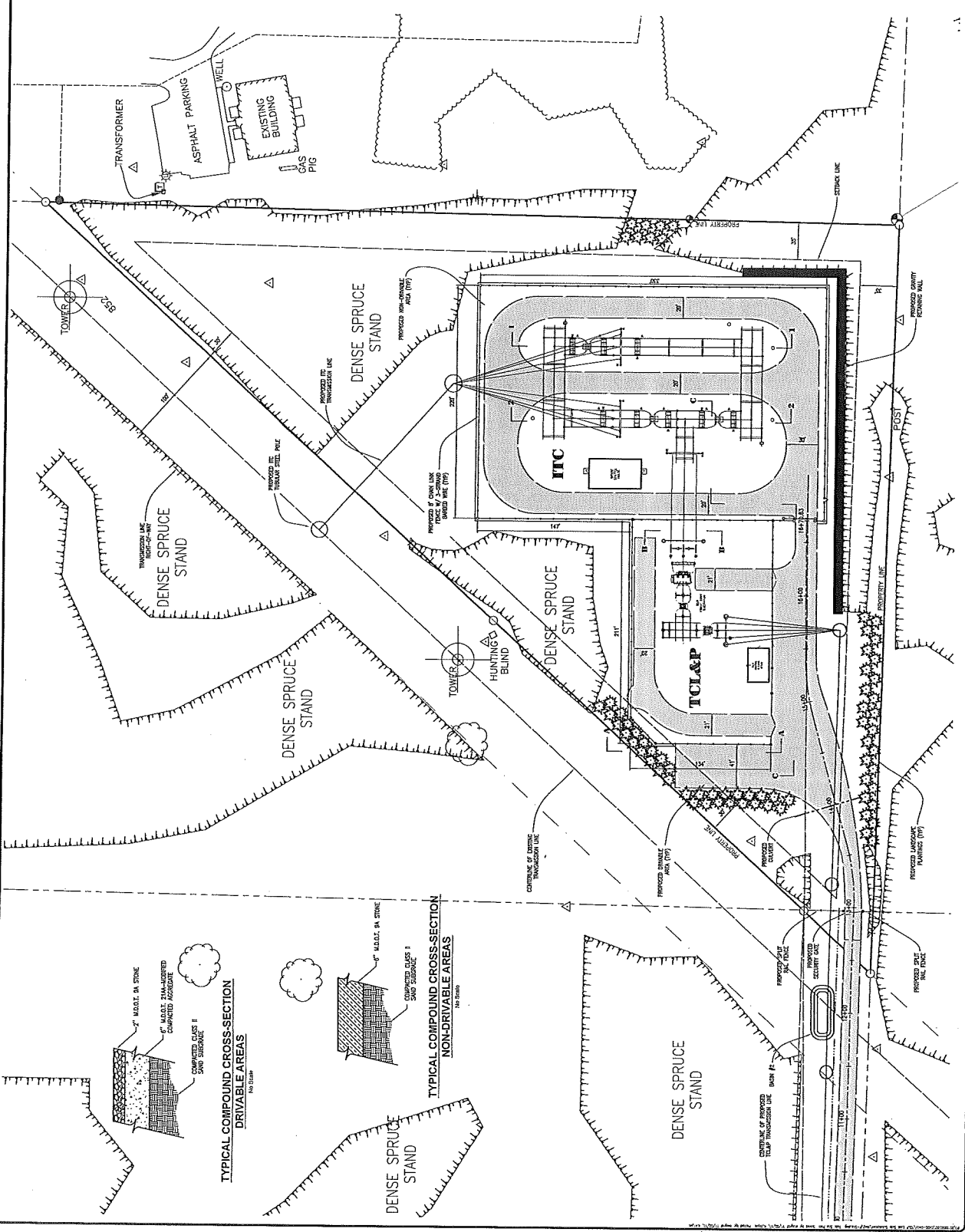
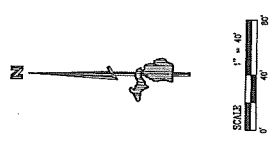
DISC. NO.	DRAWING DESCRIPTION	DISC. NO.	DRAWING DESCRIPTION
1	TITLE SHEET, LOCATION MAP & INDEX	TP-01	TRAP SUBSTATION - STRUCTURAL ELEVATIONS
C-1	ELECTRIC CONDITIONS	TP-02	TRAP SUBSTATION - STRUCTURAL ELEVATIONS
C-2	SITE PLAN	TP-03	TRAP SUBSTATION - STRUCTURAL ELEVATIONS
C-3	LANDSCAPE PLAN	TP-04	TRAP SUBSTATION - STRUCTURAL ELEVATIONS
C-4		TP-05	TRAP SUBSTATION - STRUCTURAL ELEVATIONS
L-1		TP-06	TRAP SUBSTATION - STRUCTURAL ELEVATIONS

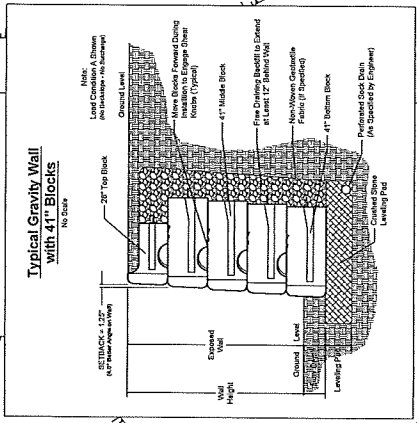
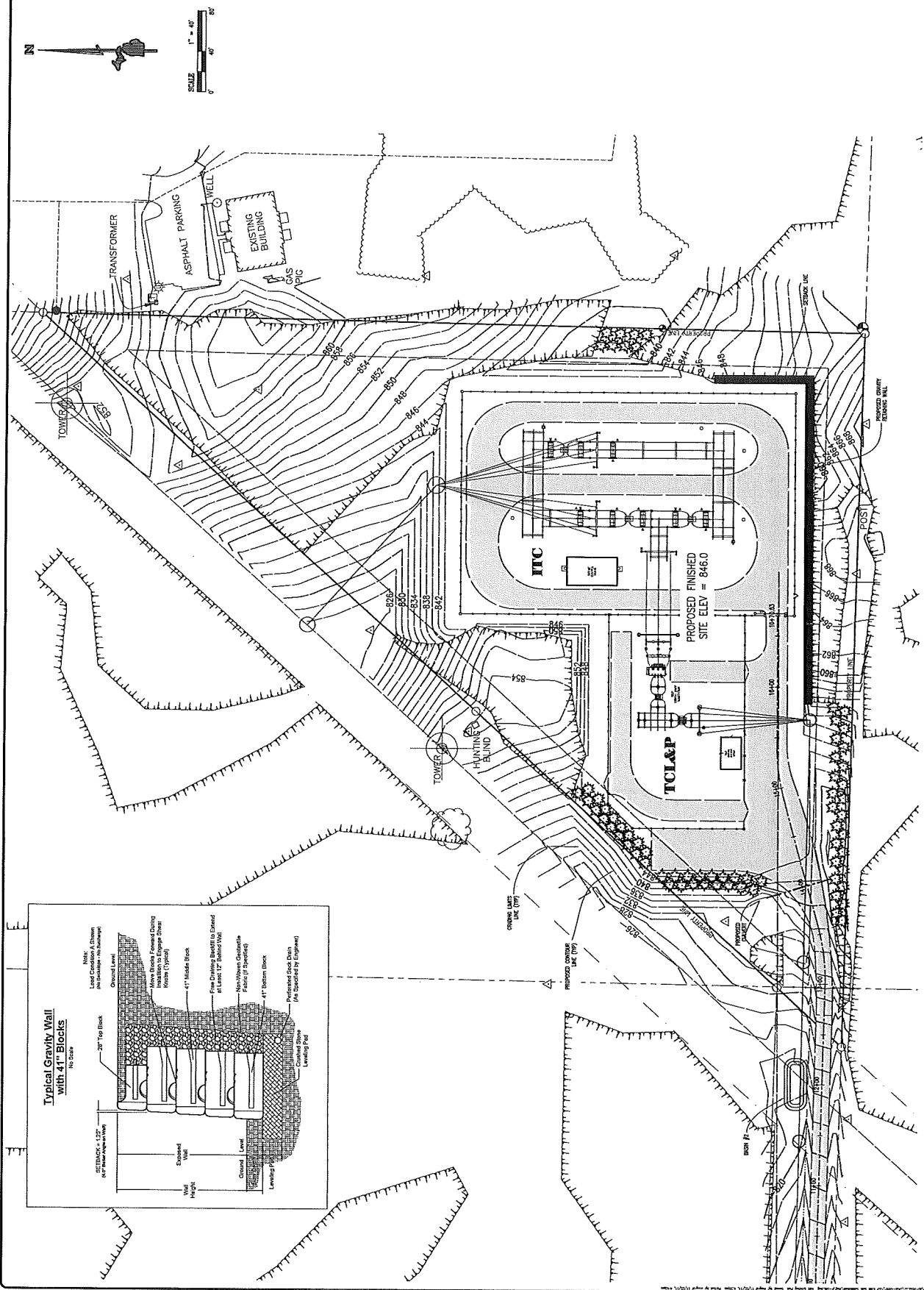


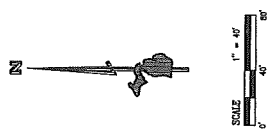
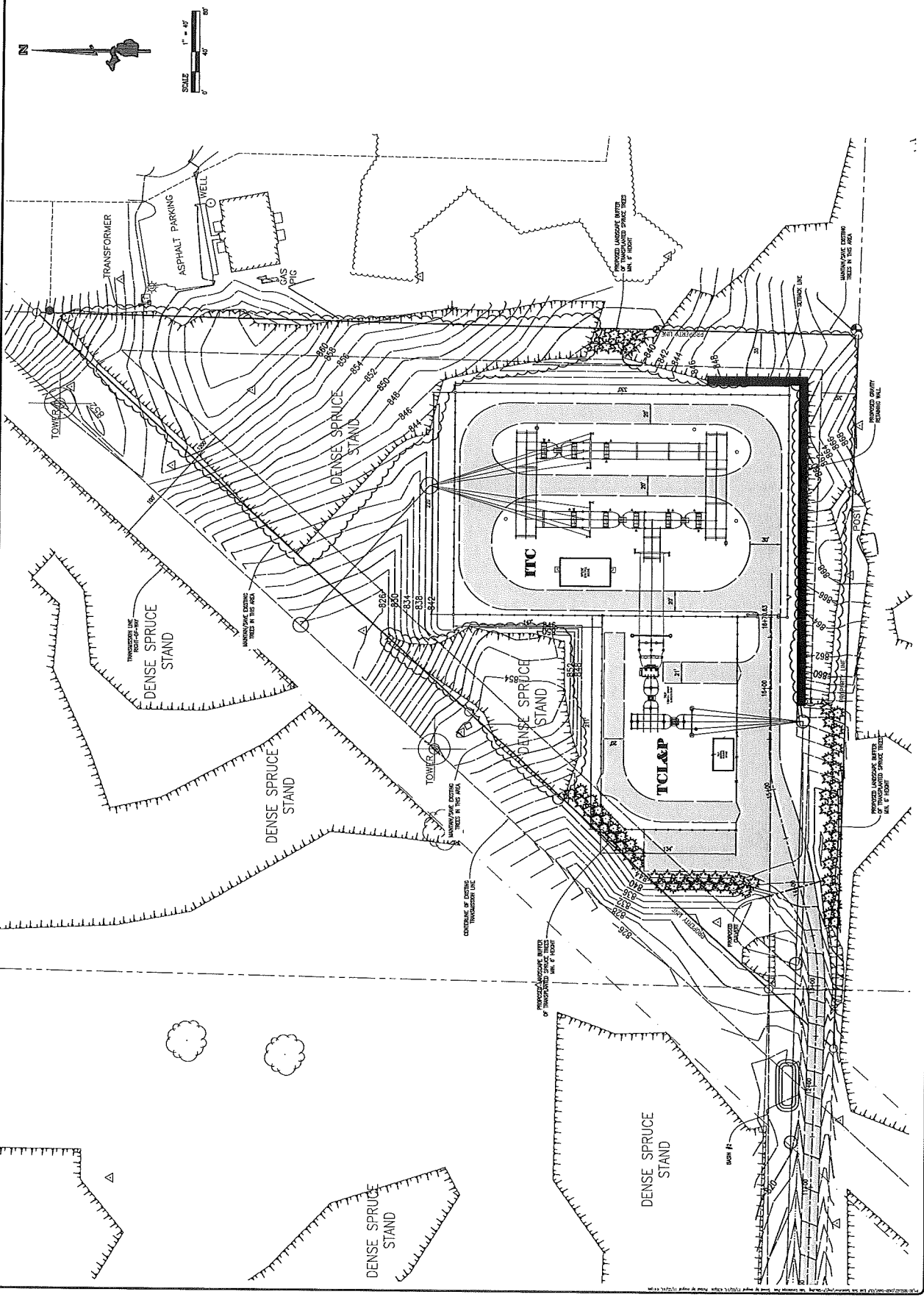
LOCATION MAP

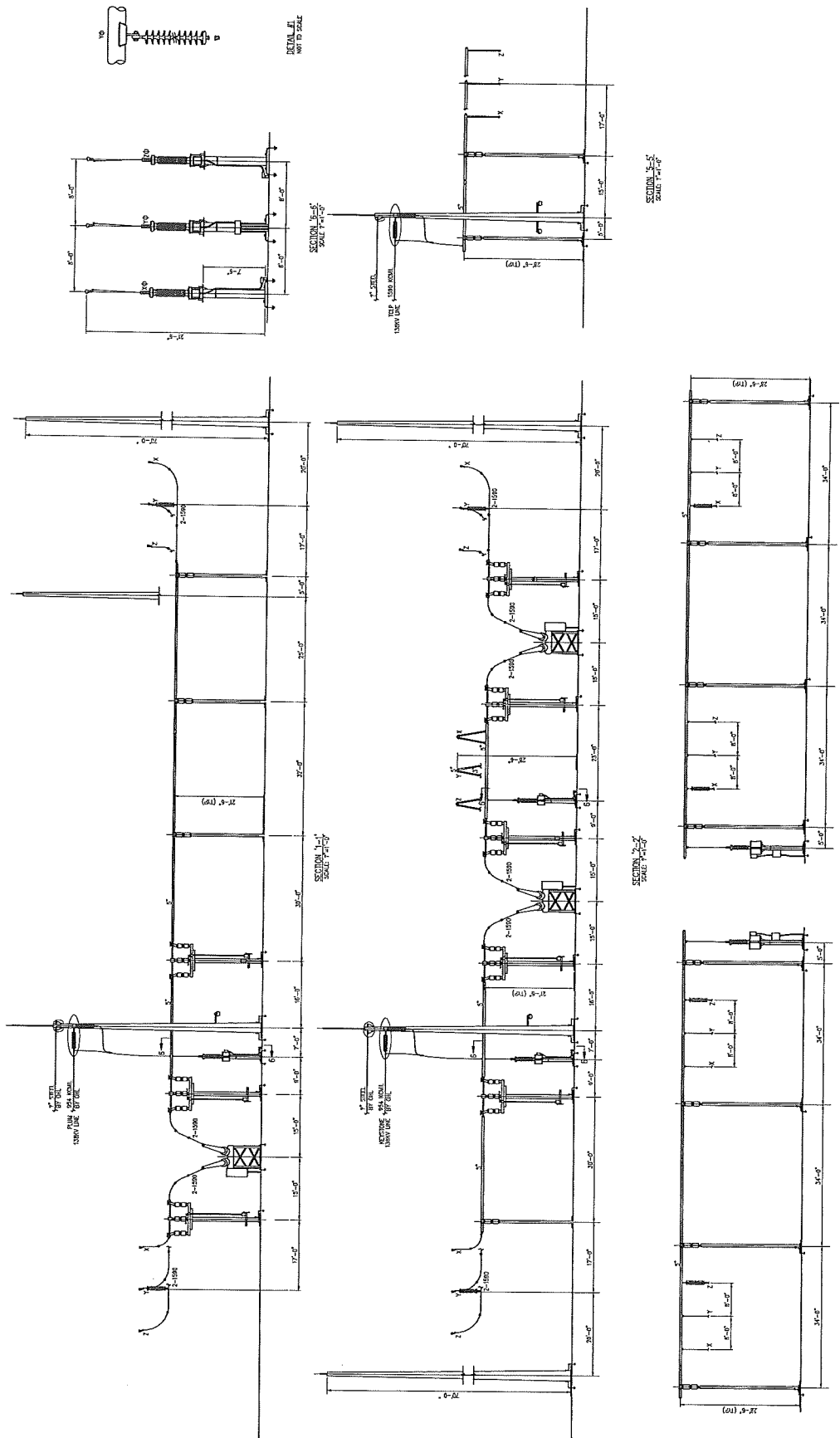


Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 18 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:
 Commencing at the Northwest Corner of said Section 28, thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section thence along said 1/8 line S82°29'57" E 128.30 feet to the Point of Beginning thence parallel with and 500.00 feet to the Southwest of the centerline of an existing overhead electric transmission line (the right-of-way bounded by the centerline of said transmission line) to the Point of Beginning; thence S00°47'29"W 1335.23 feet to the Northwest 1/4 of the Northwest 1/4 of said Section 28, thence along said East line S21°55'30" W 633.69 feet to said North 1/8 line, thence along said 1/8 line, thence along said 1/8 line, thence along said 1/8 line, containing 6.59 acres of land, more or less.
 Together with a proposed easement, 66.00 feet in width, for ingress and egress and for the installation and maintenance of public utilities more fully described as follows:
 Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 18 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:
 Commencing at the Northwest Corner of said Section 28, thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section and the Point of Beginning thence 66.00 feet North of and contiguous with the 66.00 feet described above to the Point of Beginning, thence along the Point of Beginning, the distance of the above statement, thence along the West line of said Section 28 and to terminate at a line bearing N03°23'25" E from the Point of Beginning.

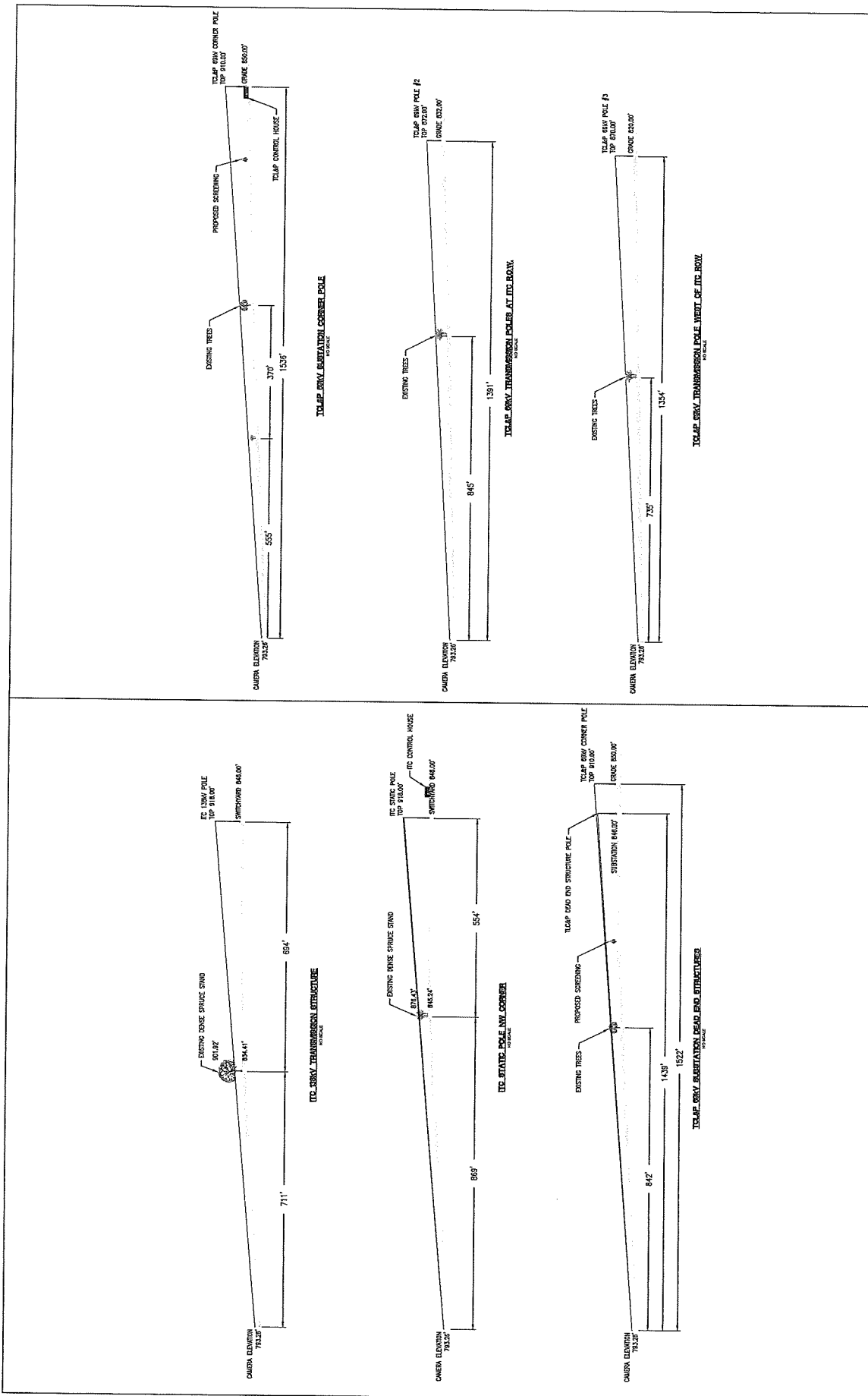






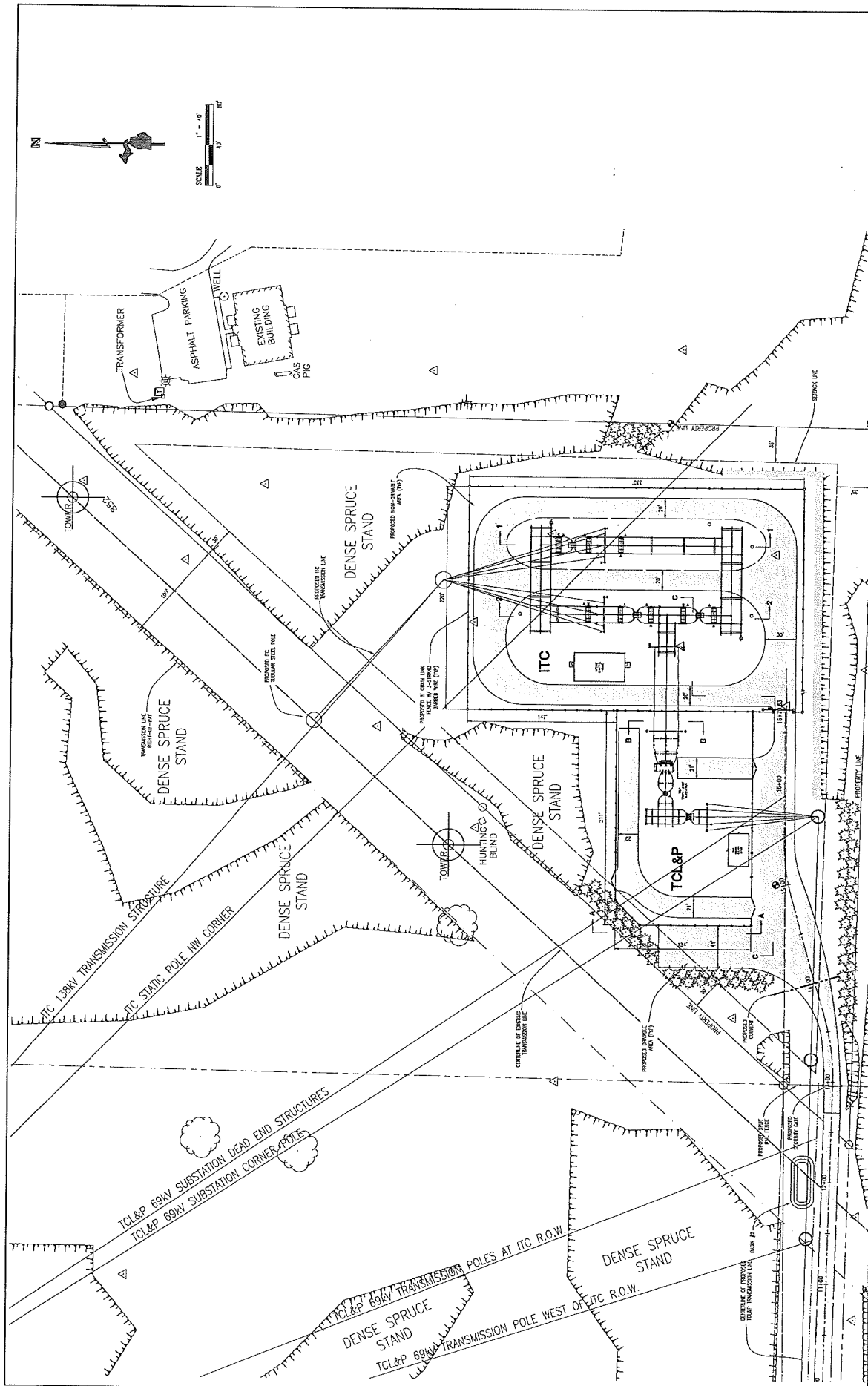


		GRP Engineering, Inc. PETOSKEY, MICHIGAN, 231-438-8883 GRAND RAPIDS, MICHIGAN, 616-942-7183		TRAVERSE CITY LIGHT AND POWER EAST SIDE SWITCHYARD, SUBSTATION AND TRANSMISSION LINE ITC SWITCHYARD - STRUCTURAL ELEVATIONS		PROJECT NUMBER 10-03916.01		DRAWING NUMBER ITC-EL	
DATE	APP	CHK	DES	DATE	DATE	DATE	DATE	DATE	DATE



	DATE	11-2-2017
	DESIGNED BY	WESLEY J. BROWN
SCALE	AS SHOWN	
APP'D		
CHK'D		
REV'D		
UPD		
TRaverse City Light and Power EAST SIDE SWITCHYARD, SUBSTATION AND TRANSMISSION LINE SWITCHYARD & SUBSTATION SITE RENDERING ELEVATIONS		
PROJECT NUMBER	10-0390.01	
DRAWING NUMBER	R-1	

GRP Engineering, Inc.
 PETOSKEY, MICHIGAN, 231-438-9983
 GRAND RAPIDS, MICHIGAN, 616-842-7183



DRAWING NUMBER
R-2

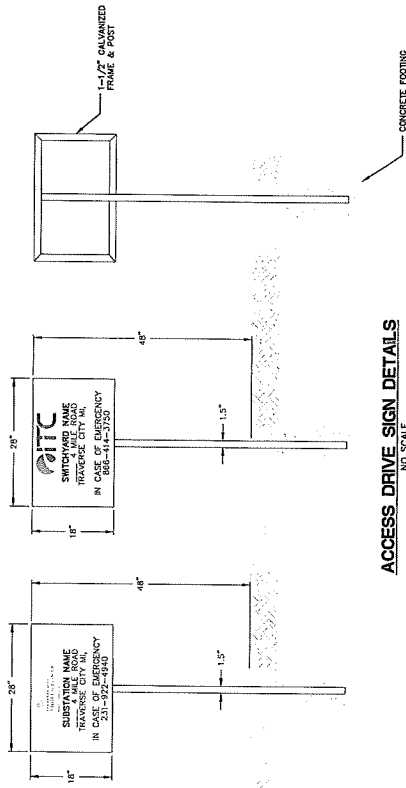
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TRAVERSE CITY LIGHT AND POWER
EAST SIDE SWITCHYARD, SUBSTATION AND TRANSMISSION LINE
SWITCHYARD & SUBSTATION SITE RENDERING PLAN VIEW
TRAVERSE CITY, MICHIGAN

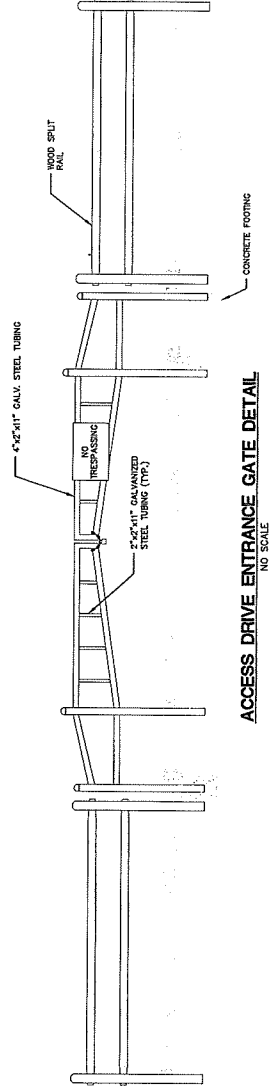
GRP Engineering, Inc.
PETOSKEY, MICHIGAN, 231-439-8983
GRAND RAPIDS, MICHIGAN, 616-942-7153

DATE	BY	CHK	APP	SCALE	DESCRIPTION

DATE	BY	CHK	APP	SCALE	DESCRIPTION



ACCESS DRIVE SIGN DETAILS
NO SCALE



ACCESS DRIVE ENTRANCE GATE DETAIL
NO SCALE

PROJECT NUMBER
19-0398.01

DRAWING NUMBER
D-1

TRAVERSE CITY LIGHT AND POWER
EAST SIDE SWITCHYARD, SUBSTATION AND TRANSMISSION LINE
TRAVERSE CITY, MICHIGAN

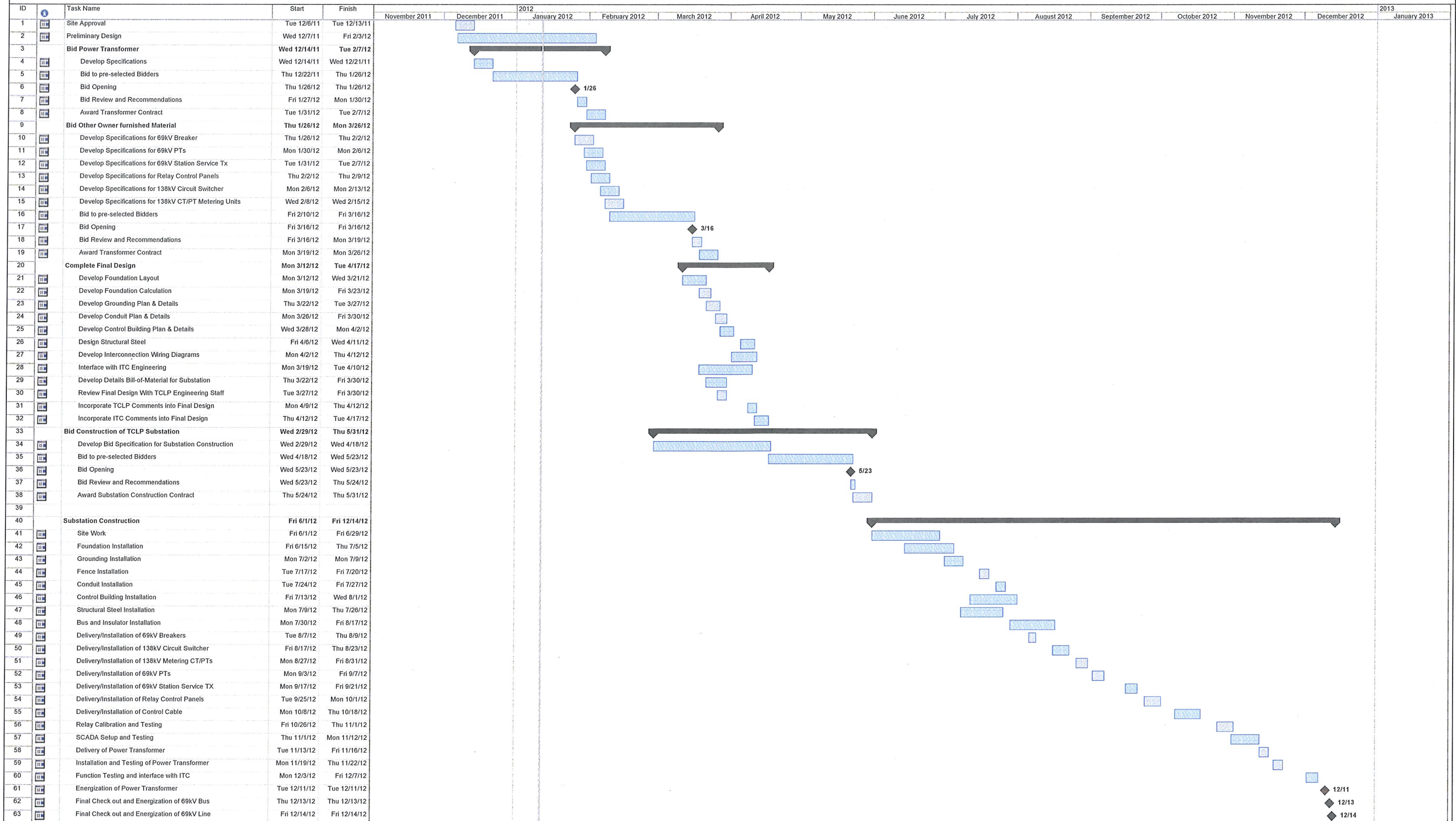
TRAVERSE CITY LIGHT & POWER
FENCE & SIGNAGE DETAILS

GRP
Engineering, Inc.
PETOSKEY, MICHIGAN, 231-439-9683
GRAND RAPIDS, MICHIGAN, 616-942-7185

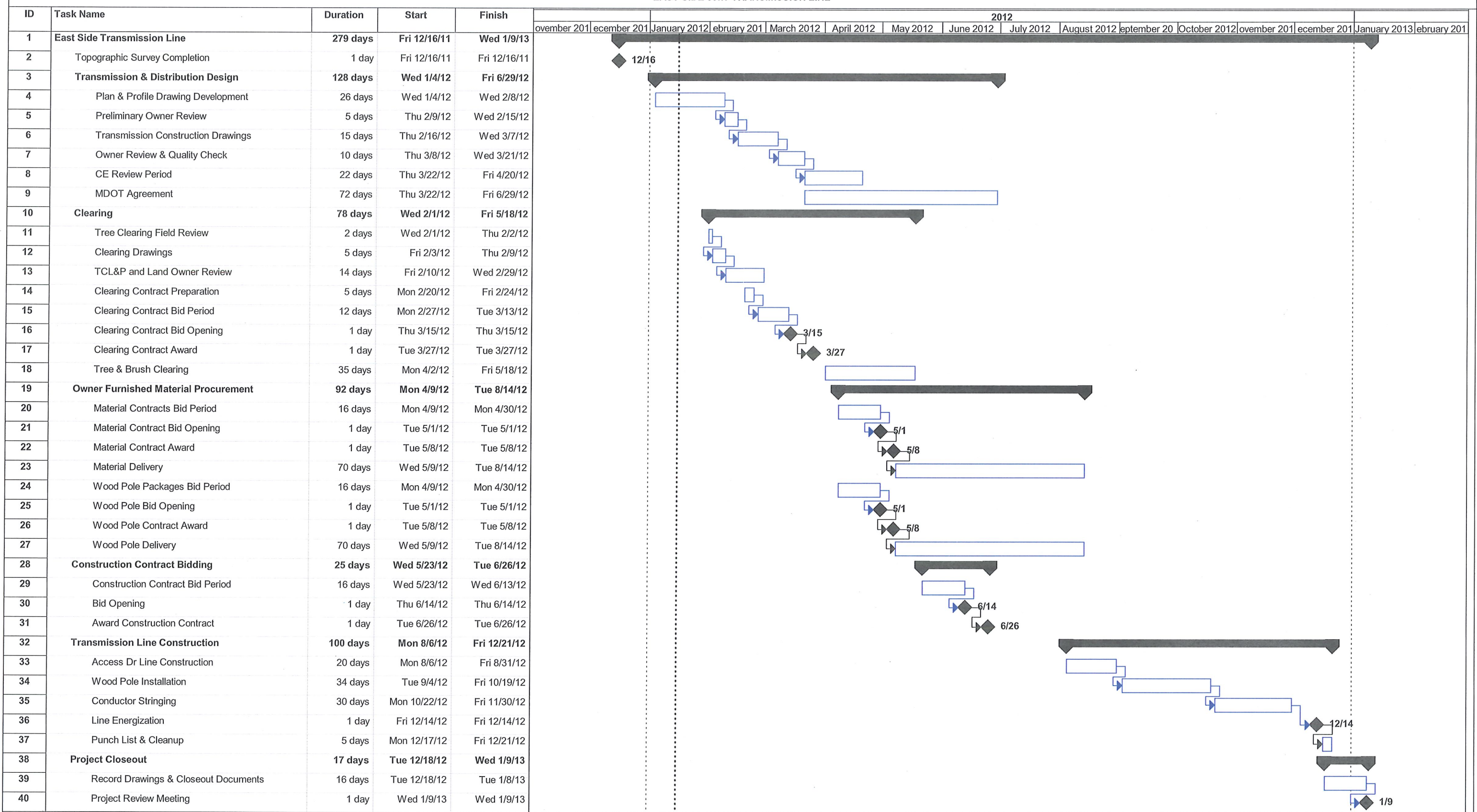
DATE	BY	CHK	APP

TRAVERSE CITY LIGHT & POWER
11-2-2017
DATE

**TRAVERSE CITY LIGHT & POWER
EAST SIDE SUBSTATION
PRELIMINARY CONSTRUCTION SCHEDULE**



TRAVERSE CITY LIGHT & POWER
EAST SIDE 69kV TRANSMISSION LINE



GRP Engineering, Inc.
Mon 1/16/12

Task		Summary		Rolled Up Progress		Split		Deadline	
Progress		Rolled Up Task		External Tasks		Rolled Up Split			
Milestone		Rolled Up Milestone		Project Summary		External Milestone			

East Bay Charter Township Planning Commission

Special Land Use: SLU 6-11, SPR 7-11 for

Traverse City Light & Power Department

Date: December 6, 2011

FINDINGS OF FACT

Background. The City of Traverse City Light & Power Department is a municipally-owned utility that provides domestic electrical service to a significant portion of the region. ITC Holdings LLC, owns and operates a large electrical transmission network, including the existing 138kV line adjacent to the site. The proposed substation will be located on its own parcel with an adjoining non-exclusive access easement 66-feet in width to provide a connection to Four Mile Road. The substation site will be located about 1,200 feet east of Four Mile Road in an area of rolling hills and dense stands of spruce trees. The facility will be well screened from view from surrounding parcels and roads by existing vegetation, proposed plantings and the rolling nature of the terrain. The two adjoining substations will occupy a fenced area consuming about one-half of the 6.5 acre site, with the remainder consisting of new or existing vegetation, setbacks and drive areas. Because of the extent of elevation change across the site, a fairly deep cut will be undertaken along the southern boundary. This will be stabilized with a retaining wall to minimize grading. The transmission line routing along Four Mile Road will consist of a pole-for-pole replacement whenever possible, although somewhat taller poles will be necessary to provide required clearances for cables and conductors. The property is a conforming lot in the Agricultural (AG) district and the proposed replacement substation will occupy about 6.59 acres. The proposed facility is considered a Major Essential Service Facilities and it is treated as a special land use in the AG district.

The Planning Commission thoroughly considered the proposal in public hearing on December 6, 2011 following proper public notice and ultimately took the following action: Conditional approval of the special land use and site plan, subject to the findings and conditions presented below.

The following Exhibits support these findings of fact and the decision the decisions of the Planning Commission:

- ◆ Special Land Use Application and attached additional information, including Exhibits A through E, dated 10/7/2011;
- ◆ GRP Engineering Site Plan Set, including Sheets, T, TC-EL, ITC-EL, R-1, R-2 and D-1, and Gosling-Czubak sheets C-1, C-2, C-3, C-4 and L-1; all dated 11/2/2001;

FINDINGS

The approval process for a Special Land Use requires attention to the specific provisions applicable to such facilities at Section 628, the general standards applicable to all special land uses and the

specific site plan approval standards. The following section addresses each of these provisions and the findings of the Planning Commission:

1. Section 628, Major Essential Service Facilities.

- a. "Any above ground major essential service facility shall be fully secured from unauthorized entry either by construction of the facility itself or through fencing which meets the requirements of this ordinance."

The entire site will be fenced and the site plan indicates the fence will be eight feet high chain-link fence topped with three strands of barbed wire. Subject to the conditions of approval calling for relocation of the fence to include the retaining wall or to top the wall, the Planning Commission finds that this meets the ordinance requirement.

- b. "As a condition of approval of a special land use permit, the Planning Commission may require remote monitoring of major essential service facilities that may be vulnerable to damage or disruption."

- c. "Major essential service facilities located out-of-doors shall be screened from view from adjoining properties and from public road rights-of-way with evergreen plantings planted at such intervals as to provide an opaque screen within one-year of planting. Equipment buildings intended to house major essential service facilities, such as well houses, pump buildings or equipment shelters, shall be constructed of face brick, decorative masonry, cement board or wood lap siding designed to resemble nearby structures. Provided, that a side of such equipment building that is not visible from a public right-of-way, may be constructed of common cement block or metal panels, if further screened with evergreen landscaping."

The two control building are proposed to have a metal panel exterior, but given the isolated distance of the site from surrounding roads and the rolling and wooded nature of the site, the Planning Commission finds that the buildings will not be readily visible from a public roadway and therefore this will meet the ordinance requirement.

- d. "All above ground major essential service facilities shall be located in conformance with the yard, lot width and lot area standards of this ordinance. With the exception of elevated water storage facilities and electrical transmission towers and poles, major essential service facilities shall not exceed the maximum height requirements of the zoning district in which they are located."

The Planning Commission finds that because the proposed facility will consist of electrical transmissions towers and poles the special land use is not impacted by the height limitations of the underlying zoning district.

- e. "A major essential service facility shall be considered an accessory use to any other permitted or special land use, if it occupies no more than ten (10) percent of the parcel which is shared with the principal use. A major essential service facility located on an otherwise vacant parcel shall be considered the principal use of that parcel."

As the only use on this parcel, the substations would be considered the principal use of the property. The Planning Commission finds that the requirements of the ordinance are met with respect to this condition.

- f. “An above ground major essential service facility which is fenced or which is housed in an equipment building shall include a sign placard of not more than two square feet which shall indicate the owner or operator’s name, address and emergency contact information. In addition, such facilities may include any required hazard warning signage.”

The Planning Commission finds that while the site plan provides proposed signage which shall be appropriately located and sized to meet ordinance requirements pursuant to the conditions of approval and the Planning Commission finds that this will meet the ordinance requirement.

2. Section 602, 1, Special Land Use Approval Standards.

- a. “Be consistent with the adopted Township Comprehensive Plan.”

The Planning Commission finds that this standard is met as the Comprehensive Plan designates the site as Residential – Medium to High Density even though its current zoning is Agricultural. Ultimately the Township expects agricultural use of the site to give way to residential development and such growth will require adequate and reliable electrical energy which the substation can help to supply. In addition, because existing and replanted vegetation and the rolling terrain will provide effective screening, the scale of the facility can be mitigated even as future residential land uses begin to emerge.

- b. “Be designed, constructed, operated and maintained to be consistent with the existing or intended character of the general vicinity and that such a use will not change the essential character of the area in which it is proposed.”

The Planning Commission finds that the new substation will be a departure from the current character of the property itself. However, the vegetation and rolling terrain will screen it from view and help to mitigate any impact on the character of the area surrounding the site. In addition, while the facility will include some poles or towers that exceed the height standard of the AG district, the impact on neighboring properties is effectively mitigated both by intervening tree cover and the terrain of the site. Furthermore, the existing power line that crosses the site has included taller transmission towers for many years, so the introduction of additional transmission poles is not felt to be a significant departure from current conditions. The Planning Commission finds that this standard is met.

- c. “Not be hazardous or disturbing to existing or future uses in the same general vicinity and in the community as a whole.”

The potential hazards of a high-voltage substation are well understood and the proposed design includes fencing and signage to help protect the facility from unauthorized entry. The tall retaining wall which is necessary to minimize grading and the loss of natural

features, does create a potential hazard which needs to be addressed as outlined herein. Subject to the conditions of approval, the Planning Commission finds that this standard is met.

- d. “Be served adequately by essential public facilities and services, such as highways, streets, police and fire protection, stormwater drainage, refuse disposal, water and sewage facilities and schools or persons or agencies responsible for the establishment of the proposed use shall be able to provide adequately for such services.”

As an unoccupied facility, the substation will not place additional demands on municipal services. Stormwater impacts will be addressed through the permeable surface throughout much of the site and the two small detention basins along the access drive. The Planning Commission finds that this standard is met, subject to the approval of the Road Commission, MDOT, Metro Fire Department and Drain Commissioner.

- e. “Not create excessive additional requirements at public cost for facilities and services and will not be detrimental to the economic welfare of the community.”

The proposed facility does not include any features that increase public costs for facilities or services. The Planning Commission finds that this meets the ordinance requirement.

- f. “Not involve uses, activities, processes, materials and equipment or conditions of operation that will be detrimental to any person, property or general welfare by reason of excessive production of traffic, noise, vibration, smoke, fumes, glare or odors.”

While the facility may generate some transformer noise, it will be mitigated both by the isolation of the site and the surrounding land forms. The nearest residence is located about 300 feet from the facility with a significant intervening stand of spruce trees and about 14 feet of elevation difference to muffle and deflect audible noise. The Planning Commission finds that this meets the ordinance requirement.

- g. “Ensure that the environment shall be preserved in its natural state, insofar as practicable, by minimizing tree and soil removal, and by topographic modifications that result in maximum harmony with adjacent areas.”

The Planning Commission finds that while the footprint of the site will be changed, the proposal to transplant many of the trees on the site and the effort to minimize grade changes through the use of the retaining wall, helps to preserve much of the natural features, insofar as practical. Beyond the site, the impact of this facility will be effectively mitigated by the existing and transplanted trees and by the rolling terrain. The Planning Commission finds that this standard is met.

- h. Meet the intent and purpose of the Zoning Ordinance; be related to the standards established in the Ordinance for the land use or activity under consideration; and will be in compliance with these standards.

The Zoning Ordinance provides standards for Major Essential Service Facilities, and as outlined here and subject to the conditions of approval, the proposed design appropriately addresses those requirements. Within the AG district, the Township seeks to encourage commercial agriculture. The passive nature of the substation is compatible with agricultural activities and it will help to assure sufficient electrical energy within the growth boundary over the long term, even as commercial agriculture continues at present. The Planning Commission finds that this standard is met.

3. **Section 820, 7, Site Plan Approval Standards.** Section 820, 7, provides criteria for the review of site plans and the following paragraphs highlight issues regarding the site plan the Planning Commission has considered
 - a. Ownership and easements. The applicant for special land use approval is the City of Traverse City Light & Power Department which has an option to acquire the site of the substations from the land owner. In addition, the Light & Power Department will grant an easement to ITC Holdings, LLC, over a portion of the site for their switchyard. Finally, Light & Power will utilize Consumers Energy poles to transmit power to its substation on Parsons Road. In granting special land use approval pursuant to this application, the applicant assures that the terms of approval are binding on all the various parties, and such assurance is subject to review and confirmation by the Township Attorney.
 2. Retaining wall. The nearly 20-foot tall retaining wall to be located immediately south of the substation presents a potential hazard to someone on foot or in an ATV and it provides an elevated perspective into the substation which could be a security risk. As outlined in the conditions of approval, the safety and security of this feature shall be addressed.
 3. Exterior lighting for the facility includes both convenience lights at the entrances to the control buildings and 30-foot tall yard lighting to be used during non-daylight emergency or maintenance activities. The site plan does not include any detail for these light fixtures, but Section 210 requires night sky compliant design with 100% cut-off shielding and no fixture mounted higher than 20 feet above the average grade of the site. According to the attachment to the special land use application, these lights will normally not be in use, but will be needed for emergency repairs, when they will be turned on manually. The elevation of the property varies by about 40 feet making allowing some flexibility in the maximum height of the light fixtures.
 4. Signage. Detail on the proposed signs is provided on the site plan, but the proposed location is not. Section 215, 9 would permit a single, four square foot free-standing sign at the entrance drive. Such a sign could include information on both the Light & Power facility and the ITC facility. In addition, smaller two square foot hazard warning signs may be affixed to the fence and would be regarded as exempt per Section 215, 4, j.
 5. Remote monitoring. The site is fairly isolated location of the facility and it will be manned infrequently. The application mentions remote monitoring but does not provide further detail. In verbal commentary before the Planning Commission, the applicant indicated

that remote monitoring will include systems to monitor the functionality of the equipment as well as a security alarm on the access gates.

6. Transmission lines along Four Mile and the MDOT Rail Right-of-Way. The existing Consumers Energy power poles along Four Mile Road are proposed to be replaced “pole-for-pole” to accommodate the new transmission lines. In addition, the Light & Power Department lines will be upgraded along the MDOT rail right-of-way which includes the TART trail. The applicant and Planning Commission have discussed the process to remove and replace these structures and measures that will be taken to minimize disruption of traffic on the road and trail usage.
 7. Landscaping Irrigation Waiver. Healthy and generous landscaping will be important to softening the visual impact of this facility. The proposal to relocate existing trees on the site will be helpful to providing an effective buffer at the outset, if the relocated trees survive the transplanting operation. Section 229, 3, f, requires a two-year landscape replacement surety and this can be supplemented by a perpetual replacement requirement as a condition of approval.
4. **DECISION AND CONDITIONS OF APPROVAL.** Based on the foregoing review and findings of fact, the proposed special land use and site plan is hereby approved, subject to the following conditions:
- a. No preliminary or final earthwork, grading or timber removal shall be undertaken on the site until a land use permit has been issued; provided that limited timber removal may be undertaken solely for the purposes of completing soil borings.
 - b. The ownership and easement documents associated with the proposal shall be made available to the Township Attorney to assure that there are no provisions in any of the documents that might conflict with a conditional approval by the Planning Commission.
 - c. The site plan shall be revised to realign the security fencing to include the retaining wall within the fenced area.
 - d. The applicant shall submit documentation satisfactory to the Zoning Administrator that all exterior lighting shall comply with the requirements of Section 210; provided that emergency work lighting to provide for the safety of workers on site may be excepted from this requirement so long as it is illuminated only for such emergency repairs.
 - e. The signage on the facility shall include one free-standing sign at the entrance road in accordance with Section 215, 9 as well as appropriate warning information and emergency contact information as required by the ordinance and subject to final approval by the Zoning Administrator.
 - f. The required irrigation of transplanted plantings shall be waived but approval shall be conditioned on a requirement that the applicant shall post with the Township the required surety for landscape viability and further shall replace any plantings that fail to become established for a long as the facility is in existence.

- g. Approval of the special land use and site plan shall be conditioned on the final comments (if any) of the Road Commission, MDOT, Metro Fire Department and Drain Commissioner.

The City of Traverse City

Office of the Mayor

GOVERNMENTAL CENTER
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4440
(231) 922-4476 Fax



October 27, 2010

Digaunto Chatterjee
Midwest ISO
Manager Expansion Planning
P.O. Box 4202
Carmel, Indiana 46082-4202

Re: Traverse City Light and Power
East Side Substation Project (P3703 and P3704)

Dear Mr. Chatterjee:

Per your request, I am writing to amplify the comments I presented at the System Planning Committee of the Board of Directors of MISO meeting of October 20, 2010.

As you are aware, Wolverine Power Supply Cooperative objects to the inclusion of Traverse City Light and Power's (TCLP) East Side Substation Project in Appendix A of the Michigan Transmission Expansion Plan for 2010. Wolverine argues that the East Side project should be rejected in favor of the formerly proposed Gray Road to Hall Street west side transmission line rebuild, because the west side project is the least-cost solution. The west side project was included in Appendix A of the MTEP 9 plan but was removed by TCLP in 2009 after the proceedings outlined in the detailed timeline TCLP has previously submitted to you.

Proposing that the west side project is the least-cost solution presupposes that the west side project is feasible. Wolverine and TCLP disagree on this point.

Wolverine argues that the west side project is feasible because "TCLP is legally entitled to proceed without any further municipal or residential approvals;" and that the only reason TCLP removed the west side project from the MTEP 9 list was that it was "unpopular with a small but vocal group of local residents." Wolverine argues that "the MISO process should not be manipulated to avoid modest local resistance."

TCLP responds that the board of a municipal utility is obliged to balance the requirements of the utility with the needs of the community, and that the planning criteria TCLP previously submitted to MISO reflect this obligation – calling for project planners to be "cognizant of economic, social, environmental, visual, and political implications associated with planned projects."

As the Mayor of Traverse City, I wish to offer the following additional perspective.

First, I reiterate that while 84% of TCLP's customer base by revenue is commercial, industrial and non-city-resident residential customers, the utility is owned by the residents of Traverse City and it is a core obligation of the TCLP board to take the wishes of the residents into account in project planning. Recognition of this obligation is specifically embedded within TCLP's planning principles previously submitted to MISO. TCLP has provided a timeline of its efforts to win public acceptance of the west side project. It is evident from that timeline that TCLP exhausted all reasonable avenues to gain such acceptance, without success.

Second, and contrary to Wolverine's representations, TCLP is not entitled to proceed without any further municipal or residential approvals. TCLP requires at least two additional municipal approvals to proceed, and I do not anticipate TCLP would receive either of them. The question of whether a project is approvable would seem to me to be central to whether it is feasible.

The first approval requirement arises from Section 61 of the Michigan Planning Enabling Act. This provision requires approval by the City Planning Commission of the "location, character, and extent" of many types of public improvements – including utility construction - within the city limits. I do not anticipate that the Planning Commission would approve the location of the west side project.

As detailed in the timeline TCLP provided, the west side project included work within a widely used public park owned and operated by the Traverse City-Garfield Township Joint Recreation Authority. The Recreation Authority went on record in opposition to the project. Additionally, as I mentioned at the meeting, a stretch of the project would have to be run through an old and congested residential neighborhood.

In addition to Planning Commission approval under the planning statute, the west side project also requires approval by the City Commission under Section 179(o) of the City Charter, which governs approval of the TCLP capital plan and amendments to the capital plan. For largely the same reasons given in the previous paragraph, I do not anticipate that the City Commission would approve an amendment to the capital plan authorizing the project.

On behalf of the City of Traverse City and on behalf of Traverse City Light and Power, I sincerely thank the MISO Board of Directors and Staff for the time and attention devoted to this matter. It is a vitally important project for us.

Very truly yours,



Christopher M. Bzdok
Mayor

Digaunto Chatterjee
MISO
October 27, 2010
Page 3 of 3

xc: Ed Rice, Executive Director, TCLP
Glen Dine, Chief Engineer, TCLP
Mike Coco, Chair, TCLP
Peter Schimpke, MPPA
City Manager
City Commission
Fred Wilmeth, Chair City Planning Commission
Ross Biederman, Chair Joint Recreation Authority
Mike Gaines, President Slabtown Neighborhood Association

Traverse City Light & Power

TRANSMISSION PLANNING CRITERIA

The purpose of this document is to establish acceptable transmission planning criteria for Traverse City Light & Power ("TCL&P"). TCL&P utilizes NERC reliability criteria as guidelines in planning its transmission system as well as TCL&P and/or consultant criteria as applicable. Changes to transmission facilities are considered when the criteria are exceeded and cannot feasibly be alleviated by operating practices.

TCL&P's transmission system is planned to provide service during periods of system peak load and under single contingency (N-1) outages as defined by NERC and adopted by Reliability First (RFC). TCL&P reserves the right to utilize more conservative planning criteria where appropriate. TCL&P planners should be cognizant of economic, social, environmental, visual, and political implications associated with planned projects. TCL&P planners must use good judgment and experience when developing projects that lead to an economic and reliable power system that provides access to generation.

For normal conditions with all transmission circuits in service, the following conditions should be met. TCL&P reserves the right to utilize more conservative planning criteria where appropriate:

1. Bus voltages should range from 95.0-to-105.0 percent of nominal.
2. No individual line conductors, connectors or facility components should be loaded above their normal thermal rating for times in excess of design limits.
3. Transformers should not be loaded above their maximum rating using a temperature rise of 65 degree C.
4. Loss of demand, curtailed firm transfers or cascading outages should not occur.

For the loss of a single element (N-1), unplanned outage of a single circuit, circuit breaker, or transformer, the following conditions should be met. TCL&P reserves the right to utilize more conservative planning criteria where appropriate:

1. Bus voltages should range from 92.0-to-106.0 percent of nominal.
2. No individual line conductors, connectors or facility components should be loaded above their emergency rating for times in excess of design limits.
3. Transformers should not be loaded above their maximum rating at a temperature rise of 65 deg C or as determined by the IEEE loading guidelines.

4. Planned or controlled interruption of electric supply to customers supplied by or connected to the faulted element or by the affected area may occur. This should not impact the overall reliability of the interconnected transmission system.
5. Cascading outages should not occur.

Events(s) resulting in the loss of two or more elements, unplanned outage of a bus section, breaker failure, or delayed clearing, the following conditions should be met . TCL&P reserves the right to utilize more conservative planning criteria where appropriate:

1. Bus voltages should range from 90.0-to-106.0 percent of nominal.
2. No individual line conductors, connectors or facility components should be loaded above their emergency rating for times in excess of design limits.
3. Transformers should not be loaded above their maximum rating at a temperature rise of 65 deg C or as determined by the IEEE loading guidelines.
4. Planned or controlled interruption of electric supply to customers, removal of generators, and/or the curtailment of firm (non-recallable reserved) electric power transfers may occur in order to maintain the overall reliability of the interconnected transmission system. A substantial loss of customer demand and generation may occur in a widespread area.
5. Cascading outages should not occur.

Ed Rice

From: Peter Schimpke [PSchimpke@mpower.org]
Sent: Thursday, December 02, 2010 10:11 AM
To: Ed Rice; Glen Dine
Cc: David Walters; Matt Dykstra
Subject: RE: Traverse City East Projects
Ed/Glen:

MTEP10 approved without incident. Time to put on your work boots and hard hat.

From: Ed Rice [ERice@tclp.org]
Sent: Wednesday, December 01, 2010 10:05 AM
To: Peter Schimpke; Glen Dine
Cc: David Walters; Matt Dykstra
Subject: RE: Traverse City East Projects

Pete,

Thanks for the excellent follow up and your representation for TCL&P on important issue for us.

Ed

Edward E. Rice, P.E.
Executive Director
Traverse City Light & Power
1131 Hastings Street
Traverse City, Michigan 49686
231-932-4559

From: Peter Schimpke [mailto:PSchimpke@mpower.org]
Sent: Wednesday, December 01, 2010 8:52 AM
To: Ed Rice; Glen Dine
Cc: David Walters; Matt Dykstra
Subject: Traverse City East Projects

All:

Yesterday MISO had their latest System Planning Committee for the Board Meeting and I attended to protect our interests. Wolverine and Consumers each had two representatives at this meeting. Although the Traverse City projects were discussed for about 10 minutes there was no opposition voiced. This is in contrast to the November 18th meeting when Wolverine voiced objections on 4 different fronts and was borderline disrespectful toward MISO. One of their objections was blatantly incorrect so I stepped up and spoke correcting this error. I also complimented MISO for being thorough in their assessment of the entire situation surrounding the Traverse City projects.

The System Planning Committee approved Appendix A including the Traverse City projects so things are going well. I will be attending the Advisory Committee meeting today to ensure nothing goes wrong at this point. Thursday is the Board of Directors when Appendix A receives its final blessing.

As always, please do not hesitate to contact me if you have questions.

3/6/2012



TRAVERSE CITY
LIGHT & POWER

To: **Light & Power Board**
From: Edward E. Rice, Executive Director
Date: March 7, 2012
Subject: Property Purchase – East Side Substation

A handwritten signature in black ink, appearing to be 'E. Rice', is written over the 'From:' line of the memo.

The Traverse City Light and Power Department entered into an Option Agreement with Patricia C. Groleau on September 27, 2010 for the exclusive right and option to purchase real property for \$500,000, per the terms of the Option Agreement. Having received conditional approval of the Site Plan for construction of the East Side Substation on the parcel to be purchased, staff is ready to proceed with the purchase of the property in preparation of site work that will begin later in the spring. TCL&P must provide written notice to exercise the option to the landowner prior to the option period ending on March 27, 2012.

Information related to the property is included in your packet. The property owner has completed an approved land division with the Township for the parcel being purchased. Staff will be prepared to answer any questions.

Staff is recommending that the Department exercise the option to purchase real property from Patricia C. Groleau. If the Board concurs, the following motion is appropriate:

MOVED BY _____, SECONDED BY _____,

THAT THE LIGHT AND POWER BOARD AUTHORIZE THE DEPARTMENT TO EXERCISE THE OPTION TO PURCHASE GIVEN SEPTEMBER 27, 2010 BY PATRICIA C. GROLEAU TO THE TRAVERSE CITY LIGHT AND POWER DEPARTMENT, AND TO DIRECT THE EXECUTIVE DIRECTOR TO GIVE NOTICE OF THE EXERCISE TO PATRICIA C. GROLEAU AND PROCEED WITH THE PURCHASE OF THE PROPERTY ACCORDING TO THE TERMS OF THE OPTION AGREEMENT BETWEEN THE PARTIES DATED SEPTEMBER 27, 2010.

Option Agreement

Option given the 27 day of September, 2010, by **Patricia C. Groleau**, a widowed woman, "Optionor," whose address is 4542 Albert Courtade Road, Traverse City, MI 49686, to the **Traverse City Light and Power Department**, a Michigan municipal electric utility, "Optionee," whose address is 1131 Hastings Street, Traverse City, MI 49686.

Section 1. Grant of Option

In consideration of the option money payment of \$25,000, paid by Optionee to Optionor, receipt of which Optionor acknowledges, Optionor grants to Optionee the exclusive right and option to purchase, on the following terms and conditions, that real property located in Section 28, East Bay Township, Grand Traverse County, State of Michigan, and more specifically described on the attached Attachment A, the "Property."

Section 2. Option Period

The primary term of this Option will be commencing on the above date and continuing for 18 months which is until March 27, 2012 on 12:00 midnight.

On failure of Optionee to exercise the Option to purchase the Property at the end of the last term, all consideration paid for this Option will be the sole property of Optionor, and there will be no further liability of the parties under this Agreement, one to the other.

In the event the Optionee exercises this Option to purchase the Property, the option money payments to Optionor will be applied to the purchase price.

Section 3. Purchase Price of Property

The full purchase price of the Property is \$500,000 which will be payable as provided in this Option Agreement if Optionee elects to exercise this Option.

Section 4. Exercise of Option

Optionee may exercise this Option by giving Optionor written notice of the exercise, signed by the Optionee, before the time set forth in this Option Agreement for expiration. If exercised, this Option Agreement shall be the purchase agreement. Within 14 days after receipt of the notice, Optionor will deliver to escrow agent, against payment of the purchase price, a full warranty deed to the Property and Easement in the form of Attachment C. Optionee within 14 days after giving notice shall deliver the full purchase price to escrow agent. Such deed shall convey one division right under the Land Division Act.

Section 5. Closing in Escrow

If this Option is exercised, the sales transaction will be consummated through the services of Corporate Title, 414 E. Front, Traverse City, Michigan, as escrow agent. Escrow will be opened

within seven (7) days following exercise of the Option in the manner here provided. Optionor and Optionee will execute escrow instructions consistent with the terms set forth here. Title insurance company escrow and closing fees will be paid equally by the parties. Escrow will close within 30 days from the date of exercise of the Option.

Section 6. Proof of Title

Within 21 days from the date of this Agreement, Optionor shall furnish Optionee with a title insurance policy commitment, written by a title insurer acceptable to Optionee. If objection to the title of the property is made within 21 days from the date of providing such title commitment, Optionor shall have 28 days from the date that it is notified in writing of the particular defects claimed to either (i) use its good faith efforts to remedy the title objection, (ii) obtain title insurance over the title defect, or (iii) terminate this Option Agreement if Optionor is unable to remedy the title defect or obtain title insurance over the title defect. If Optionor is unable to remedy Optionee's title objection or obtain such title insurance over such title defect within said 28 day period, this Option Agreement shall terminate and all option moneys shall be refunded, unless Optionee elects to waive its title objection by notice to Optionor within 7 days after expiration of such 28 day period. If this Option exercised, the title insurance commitment shall be updated to the date of closing.

Title to Property will be conveyed free and clear of all encumbrances, except easements and restrictions of record on the date of this Agreement. Optionor shall not further encumber the Property from the date hereof until Closing or the termination of this Option Agreement. Optionor shall notify Optionee of any involuntary liens or encumbrances on the Property from the date hereof until Closing or termination of this Option Agreement.

Section 7. Apportionment of Taxes and Assessments

The real property taxes on the Property, whether a lien or not, assessed or to be assessed for the year in which this transaction is finally consummated based on proportionate acreage to the larger tax parcel owned by Optionor, will be prorated between the parties to the date of delivery of the deed of conveyance. If the taxes are not determinable at the time of delivery, the amount of the prior year's taxes will then be used as a basis of proration. All special assessments, benefit changes and similar changes which are or may become a lien against the Property, if any, will be paid by the Optionor.

Section 8. Failure to Exercise the Option

If Optionee does not exercise this Option in accordance with its terms and within the Option period, this Option and the rights of Optionee will automatically and immediately terminate without notice. In the event Optionee fails to exercise this Option, Optionor will retain all sums paid as consideration for this Option and be under no obligation to complete the Purchase and Sale contemplated under this Option Agreement.

Section 9. Recording

Either party may record this Option, or any memorandum of this Option, with the Register of Deeds or other public official.

Section 10. License

Optionor shall grant to Optionee a License to Enter Real Property, and the Optionee shall accept such license in the form attached hereto as Attachment B and entitled "License to Enter Real Property Subject to Conditions."

Section 11. Manner of Giving Notice

All notices, requests, demands, and other communications required or permitted to be given under this Option shall be in writing and shall be deemed to have been given if delivered personally or sent by first class mail, postage prepaid, return receipt requested, as follows:

If to Optionor:

Patricia C. Groleau
4542 Albert Courtade Road
Traverse City, MI 49686

If to Optionee:

Executive Director
Traverse City Light and Power Department
1131 Hastings Street
Traverse City, MI 49686

Section 12. Time of the Essence

Time is of the essence in this Option. Within 90 days of the date of the Option Agreement, Optionee shall have under contract an engineering firm to begin design work. Optionee shall also have begun on-site survey work, and will provide evidence of contact with the Township and continuous pursuit concerning all necessary permits including but not limited to land division, land use and zoning.

Section 13. Binding Effect

This Option will bind and inure to the benefit of the parties to it, and their respective heirs, successors, or assigns.

Section 14. Representations and Warranties

Optionor represents and warrants to Optionee (which representations and warranties shall remain true as of the date of closing) and covenants that Optionor has the full right and power to enter into this Agreement and to consummate or cause to be consummated the transaction contemplated by this Agreement.

Section 15. Indemnification

Optionee shall indemnify and hold the Optionor, her heirs, successors and assigns, harmless from any liabilities, including environmental cost or expense, which may occur as a result of Optionee's operations on the optioned parcel and easement.

Section 16. Additional Documents

Each party agrees to execute any additional documents reasonably requested by the other to carry out the intent of this Agreement, including but not limited to zoning, land use and land division applications.

Section 17. Eminent Domain

If before closing, all or any part of the Property is taken by eminent domain, Optionee may terminate this Agreement. If Optionee terminates this Agreement, neither Optionor nor Optionee shall have any further obligation to the other and the option consideration will promptly be returned to Optionee. If Optionee does not terminate this Agreement, at closing, Optionor will assign to Optionee all of Optionor's right to receive any awards that may be made for such taking.

Section 18. Optionor's Default

In the event of Optionor's default under this Agreement, Optionee may, at its option, elect to either (i) specifically enforce the terms of this Agreement, or (ii) demand and be entitled to an immediate refund of the option consideration, in full termination of this Agreement. Optionee acknowledges and agrees that the foregoing shall be Optionee's sole remedies in the event of Optionor's default and Optionee shall not have any right to seek damages against Optionor under this Agreement.

Section 19. Transaction Expenses and Closing Costs

- (a) Optionee shall pay the fees of any counsel representing Optionee in connection with this transaction. Optionee shall also pay the following costs and expenses:
 - (i) the cost of one half of the title insurance company escrow and closing fee;

- (ii) Optionee shall pay for survey costs and prepare surveyed legal description for the "Property";
 - (iii) Optionee shall record and pay the recording fees for the deed and easement.
- (b) Optionor shall pay the fees of any counsel representing Optionor in connection with this transaction. Optionor shall also pay the following costs and expenses:
- (i) any transfer tax, sales, tax, documentary stamp tax or similar tax which becomes payable by reason of the transfer of the Property;
 - (ii) the Title Commitment and the premium for the standard ALTA title policy, but Optionee at its additional expense may upgrade the type of title policy issued; and
 - (iii) one half of the title insurance company escrow and closing fee.
- (c) Ad valorem real estate taxes shall be prorated at closing in accordance with local custom and this Option Agreement.
- (d) All costs and expenses incident to this transaction, and not specifically described above, shall be paid by the party incurring same.
- (e) The provisions of this Section shall survive the closing.

Section 20. Brokerage Commissions

Each party represents that it has not engaged a broker in connection with the transaction contemplated by this Agreement. Each party hereto agrees that if any person or entity makes a claim for brokerage commissions or finder's fees related to the sale of the Property by Optionor to Optionee, and such claim is made by, through or on account of any acts or alleged acts of said party or its representatives, said party will protect, indemnify, defend and hold the other party free and harmless from and against any and all loss, liability, cost, damage and expense (including reasonable attorneys' fees) in connection therewith. The provisions of this Section shall survive the closing or any termination of this Agreement.

Section 21. Interpretation

The pronouns and relative words herein used are written in the masculine and singular only. If more than one party joins in the execution hereof as Optionor or Optionee, or either be of the feminine sex or a corporation, such words shall be read as if written in plural, feminine or neuter, respectively. Each party has participated fully in the negotiation and preparation of this Agreement with full benefit or availability of counsel. Accordingly, this Agreement shall not be more strictly construed against either party.

Section 22. Headings

The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of this Agreement.

Section 23. Saturdays, Sundays and Holidays

Whenever in this Agreement it is provided that notice must be given or an act performed or payment made on a certain date, and if such date falls on a Saturday, Sunday or holiday, the date of the notice of performance or payment shall be the next following business day.

Section 24. Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

Section 25. Successors or Assigns

This Agreement shall be binding on and inure to the benefit of the parties and their respective successors, heirs and assigns. No assignment by Optionee of its rights under this Agreement shall be binding upon Optionor until Optionee shall deliver to Optionor a copy of such assignment.

Section 26. Cooperation

The parties hereto agree to cooperate with each other in every reasonable way in carrying out the transaction contemplated hereby, in obtaining and delivering all required closing documents and obtaining the required governmental approvals, and agree to use their best efforts to expeditiously accomplish same.

Section 27. Modifications

This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it, in whole or in part, unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

Section 28. Entire Agreement

This Agreement, including the attached exhibits and schedules, if any, contains the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements the understandings between the parties pertaining to such subject matter.

Section 29. Counterparts

This Agreement may be executed in counterparts, all such executed counterparts shall constitute the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

Section 30. Facsimile Signatures

In order to expedite the transaction contemplated by this Agreement, telecopied signatures may be used in place of original signatures on this Agreement. Optionor and Optionee intend to be bound by the signatures on the telecopied document, are aware that the other party will rely on the telecopied signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature.

Section 31. Applicable Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

Section 32. No Third-Party Beneficiaries and No Joint Venture

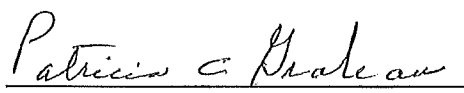
The provisions of this Agreement and of the documents to be executed and delivered at closing are and will be for the benefit of Optionor and Optionee only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at closing. The parties do not intend to create a joint venture or partnership by this Agreement.

Section 33. Attorneys' Fees

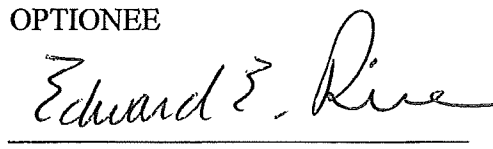
In the event of any litigation between the parties concerning the subject of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees. For this purpose, reasonable attorneys' fees shall be deemed to include court costs, including those for appellate proceedings, and fees for paralegals, legal assistants, accountants, and similar persons.

The Optionor and Optionee have executed this Option on the day and year first written above.

OPTIONOR


Patricia C. Groleau

OPTIONEE


By: Edward E. Rice
Its: Executive Director
Traverse City Light and Power
Department

STATE OF MICHIGAN)
COUNTY OF Grand Traverse)SS

The foregoing instrument was acknowledged before me this 27 day of Sept., 2010, by Patricia C. Groleau.

James H. Cooper, Notary Public
State of Michigan, County of Grand Traverse
My Commission Expires: July 28, 2011
Acting in the County of Grand Traverse

Attachments:

ATTACHMENT A THE PROPERTY - Legal Description of Property
ATTACHMENT B - License to Enter Real Property Subject to Conditions
ATTACHMENT C - Easement

Drafted By:

W. Peter Doren
Sondee, Racine & Doren, PLC
310 W. Front Street, Suite 300
Traverse City, MI 49684

**ATTACHMENT A
THE PROPERTY**

Attached to and made a part of the Option Agreement between Patricia C. Groleau, as "Optionor," and the Traverse City Light and Power Department, a Michigan municipal electric utility, as "Optionee."

The Property subject to this Option Agreement is located in the Township of East Bay, County of Grand Traverse, State of Michigan, and is a part of a Parent Parcel described as follows:

The North one-half of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West

EXCEPT, that part of the North one-half of the Northwest one-quarter lying with in the following parcel described as lying Southerly of a County Road, more fully described as: Commencing at the North quarter corner of said Section 28; thence North 89°14' West, 442.00 feet along the North line of said Section 28 to the center line of county road and the Point of Beginning; thence Southeasterly, 215.79 feet along said center line and the arc of a 451.52 foot radius curve to the right, the chord of which bears South 75°32'30" East, 213.75 feet; thence South 61°51' East, 217.01 feet; along the center line; thence Southeasterly, 217.06 feet along said center line and the arc of a 544.86 foot radius curve to the left, the chord of which bears South 73°15'50" East, 215.65 feet; thence South 84°40'40" East, 916.12 feet along said centerline; thence South 84°34'55" East, 211.87 feet along said center line to the East one-eighth line of said section ; thence South 0°25' East, 1032.67 feet along said East one-eighth line to the North one-eighth line of said Section 28; thence North 89°14'25" West, 1288.10 feet along said North one-eighth line to the North and South quarter line of said Section 28; thence North 89°17'50" West, 650.94 feet along said North one-eighth line to the west line of said East half of the Northwest quarter of the Northwest quarter; thence North 0°00'25" West, 1333.23 feet along said West line to said North Section line and center line; thence South 89°14' East, 208.80 feet, along said North Section line to the Point of Beginning.

Also, EXCEPT, that part of the Northwest one-quarter of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West, more fully described as: Commencing at the Northwest corner of Section 28; thence South 00°52'45" East, 816.43 feet along the West line of said Section 28 to the Point of Beginning; thence continuing south 00°52'45" East, 325.00 feet along said West line of Section 28; thence North 89°49'30" East, 300.00 feet parallel with the North one-sixteenth line of said Section 28; thence North 00°52'45" West, 325.00 feet parallel with the said West line of said Section 28; thence South 89°49'30" West, 300.00 feet parallel with said North one-sixteenth line of Section 28 to the Point of Beginning.

Subject to the right of way of 4 Mile Road and Hammond Road.

The Property that is the subject of this Option Agreement is described as:

That part of the North ½ of the Northwest ¼, Section 28, T27N, R10W, East Bay Township, Grand Traverse County, Michigan, described as:

Beginning at the Southwest corner of the East ½ of the Northeast ¼ of the Northwest ¼; thence West along the South line of the North ½ of the Northwest ¼ of said section to the southeasterly Right-of-Way Line of the existing Consumers Power Company Right-of-Way recorded at Liber 200 Page 499, Grand Traverse County Records; thence Northeasterly along said Right-of-Way to the West line of said East ½ of the Northeast ¼ of the Northwest ¼ of said section 28; thence

South along said West line to the Point of Beginning. This is referred to herein as the Triangular Parcel.

Excepting and reserving to Optionor herein, their successors and assigns, any and all oil, gas and any and all associated hydrocarbons, and mineral rights including but not limited to underground storage rights and rights pertaining thereto.

Notwithstanding, any sub-surface activities on the Property, shall not be allowed which may interfere or threaten to interfere with, pose any present or future risk, or be hazardous to the Optionee's, its successors, licensees, lessees or assigns facilities, or to the construction, operation, or maintenance activities of said facilities. unless demonstrated Geologically that such will not interfere or threaten to interfere with, pose any present or future risk, or be hazardous to the Optionee's, its successors, licensees, lessees or assigns facilities or operations. Such sub-surface activities are limited to any and all oil, gas and any and all associated hydrocarbons, and mineral rights including but not limited to underground storage rights and rights pertaining thereto.

It is understood that the Optionor, their successors and assigns, shall not drill any wells or set any surface equipment within the confines of the Property; nor shall the Optionor, their successors and assigns, enter upon, or use the surface of the Property for any purpose whatsoever.

The Property includes and is together with a non exclusive right-of-way easement for ingress/egress only, and an exclusive easement, subject to the existing Consumers Power Company right-of-way easement, for utilities and the right to lay and maintain lines for transmitting and distributing electricity and communications consisting of poles, wires, cables, conduits and other fixtures and appurtenances along, over, under and within the south 66 feet of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ lying West of the Southeasterly right-of-way line of, and subject to, the existing Consumers Power Company right-of-way. This right of way easement is to run from Four Mile Road to the Triangular Parcel.

With regards to types of poles installed within the 66 feet right-of-way easement, preference shall be given to the use of standard wood poles or laminated wood poles within the right-of-way easement. Final selection shall be made by Optionee, its successors or assigns, based on the preference for use of wood poles or laminated wood poles, design requirements, and permit requirements. Optionee shall review with the property owner (Optionor), or her Heirs, Successors, and Assigns on pole placement and types of poles placed with the easement prior to any construction.

This right-of-way easement shall include the full right and authority of Optionee, its successors, licensees, lessees or assigns and their agents and employees, to enter at all times upon said premises for the purpose of constructing, repairing, removing, replacing, improving, enlarging and maintaining such cables, conduits and poles and other supports, with all necessary braces, guys, anchors, foundations, manholes and transformers, and stringing thereon and supporting and suspending there from lines of wire, cables, or other conductors for the transmission and distribution of electrical energy and/or communications, and to trim, remove, destroy or otherwise control any trees and brush which may, in the opinion of Optionee, interfere or

threaten to interfere with or be hazardous to the construction, operation and maintenance of said lines. It is expressly understood that no buildings or other structures will be placed by Optionor within the easement. It is further expressly understood that non-use or limited use of the easement by Optionee shall not prevent Optionee from later making use of the easement to the full extent herein authorized.

Further, together with a grading easement, within, and subject to, the Consumers Power Company right-of-way adjacent to the above-described Triangular Parcel. This easement shall specifically permit Optionee to cut and fill slopes, grade and build retaining devices in the manner it deems necessary, and at its discretion, shall extend to the removal of trees, shrubs and vegetation. It shall specifically allow soil erosion control measures. Once properly graded, Optionor agrees not to disturb or change the grading without Optionee's consent.

Tax Parcel # 28-03-228-005-00 pt.

If this Option is exercised, the parties agree to substitute a surveyed legal description for the above description in the deed, easements and all closing documents.

ATTACHMENT B

Attached to and made a part of the Option Agreement between Patricia C. Groleau, as "Optionor," and the Traverse City Light and Power Department, a Michigan municipal electric utility, as "Optionee."

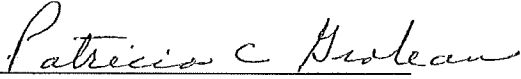
License to Enter Real Property

Optionor hereby grants unto Optionee, its agents, contractors, successors and assigns, a license, during the Option Period (or any extension thereof), to enter upon the Property and the Parent Parcel to the extent necessary to perform such surveys, soil borings, and environmental tests (including but not limited to soil and water testing) as Optionee deems necessary or desirable. Optionee shall have the right to utilize such equipment as is customary and reasonably necessary to conduct such surveys, soil borings, and environmental tests. No trees shall be cut during such testing operations except minor trimming as may be necessary for line of sight or for access to a specific testing location. However, should trees need to be removed or cut, Optionor's prior written consent shall be obtained by Optionee. Any damages to the surface of the Property or the Parent Parcel caused by Optionee's surveys, soil borings, and environmental tests shall be restored by Optionee, at Optionee's sole expense, to as near its original condition as is reasonably practical.

The Property and Parent Parcel are described in Attachment A.

Granted the 9-27-10 day of _____, 2010, by

Optionor


Patricia C. Groleau

**ATTACHMENT C
EASEMENT**

This Easement, made this _____ day of _____, 2010,

WITNESSETH: **Patricia C. Groleau**, a widowed woman, of 4542 Albert Courtade Road, Traverse City, Michigan 49686, (Grantor); for and in consideration of one dollar and No/100 Dollars (\$ 1.00) paid to the Grantor, receipt and sufficiency is hereby acknowledged, does grant and warrant to **Traverse City Light and Power Department**, a Michigan municipal electric utility, of 1131 Hastings Street, Traverse City, Michigan 49686, (Grantee); its successors and assigns, the following non exclusive easement for ingress and egress only and exclusive easement, subject to the existing Consumers Power Company right-of-way easement, to lay, construct, maintain, operate, repair, substitute, remove, enlarge, inspect and replace public and private utilities in, through, along, beneath, over, and across, the following described land in the Township of East Bay, County of Grand Traverse and State of Michigan, viz:

[legal description of Groleau easement]

The easement granted hereby is Sixty-Six (66) feet wide. It is for ingress and egress and for public and private utility purposes including, but not limited to, the right to lay, construct, maintain, operate, repair, substitute, remove, enlarge, inspect and replace electric transmission and distribution lines and communication lines with the customary services, poles, guys, cabinets, connections, manholes, foundations, and related accessories. Grantee shall also have the right to trim, remove, destroy or otherwise control any trees and brush within the easement which may, in the opinion of Grantee, interfere or threaten to interfere with or be hazardous to the construction, operation and maintenance of said lines or other facilities. Also, being conveyed to Grantee is the right to trim, remove, destroy or otherwise control any trees within an additional 10 feet wide strip of land lying next to and parallel to the north side of the Sixty-Six (66) feet wide easement described above which may, in the opinion of Grantee, interfere or threaten to interfere with or be hazardous to the construction, operation and maintenance of said lines or other facilities.

Non-use or limited use of this easement shall not prevent Grantee from later using this easement to its fullest extent.

Grantor, her heirs, successors and assigns, shall retain ingress/egress rights and may use the easement area for activities which do not interfere with Grantee's activities or full use thereof.

Grantee shall not be responsible to pay for or repair damages caused by Grantee in the proper use of its easement to its fullest extent. Grantee shall not be responsible to maintain, make improvements, or in any way contribute financially for such items that are for the benefit of Grantor, her heirs, successors or assigns. Grantor may make at-grade improvements for ingress/egress which do not interfere or threaten to interfere with Grantee, its successors, licensees, lessees or assigns and their agents and employees from later using this easement to its fullest extent. Any improvement made in violation of this provision may be removed by Grantee and the cost of removal and restoration shall be the responsibility of the party causing or making the improvement.

The Grantor agrees that no buildings or other permanent structures will be placed within the boundaries of said easement, or within the additional 10 feet wide strip of land lying next to and parallel to the north side of the Sixty-Six (66) feet wide easement.

Any sub-surface activities on the easement, shall not be allowed which may interfere or threaten to interfere with, pose any present or future risk, or be hazardous to the Grantee's, its successors, licensees, lessees or assigns facilities, or to the construction, operation, or maintenance activities of said facilities, unless demonstrated geologically that such will not interfere or threaten to interfere with, pose any present or future risk, or be hazardous to the Grantee's, its successors, licensees, lessees or assigns facilities or operations. Such sub-surface activities are limited to any and all oil, gas and any and all associated hydrocarbons, and mineral rights including but not limited to underground storage rights and rights pertaining thereto.

It is understood that the Grantor, her successors and assigns, shall not drill any wells or set any surface equipment within the confines of the easement.

The exact boundaries are [to be agreed upon by the parties before substantial construction starts and a survey at Grantee's expense shall be recorded showing the permanent easement route. The easement is intended to run from Four Mile Road to the Triangular Parcel.

This easement is appurtenant to the following described land in the Township of East Bay, County of Grand Traverse and State of Michigan, viz:

[legal description of Triangular Parcel]

This easement shall include the full right and authority of Grantee, its successors, licensees, lessees or assigns and their agents and employees, to enter at all times upon said premises for ingress and egress to the substation property for public and private utility purposes.

Grantee shall give preference to the use of standard wood poles or laminated wood poles for overhead structures placed within the Sixty-Six (66) feet wide easement. Final selection will be made by Grantee based on the preference for use of wood or laminated wood poles, design requirements and permit requirements. Grantee shall review with the Grantor, her heirs, successors or assigns, pole placement and types of poles placed within the easement prior to construction.

Grantee agrees to indemnify and hold harmless Grantor and Grantor's successors and assigns from any claims, actions, demands or suits, including but not limited to environmental matters, for damage or injury to persons or property based on or attributed to the activities of Grantee or its agents or employees on the subject lands.

By: **Patricia C. Groleau**

STATE OF MICHIGAN)
) ss.
COUNTY OF GRAND TRAVERSE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2010, by **Patricia C. Groleau**.

_____, Notary Public
_____, County, Michigan
My Commission Expires: _____
Acting in _____ County

Prepared by:
W. Peter Doren
Sondee, Racine & Doren
310 W. Front Street, Ste. 300
Traverse City, MI 49684

When recorded return to:
Preparer

CERTIFICATE OF SURVEY

Patricia C. Groleau
 4542 Albert Courtade Road, Traverse City, MI 49696
 NORTH 1/2 OF THE NW 1/4, SECTION 28, T27N, R10W,
 EAST BAY TOWNSHIP GRAND TRAVERSE COUNTY, MICHIGAN

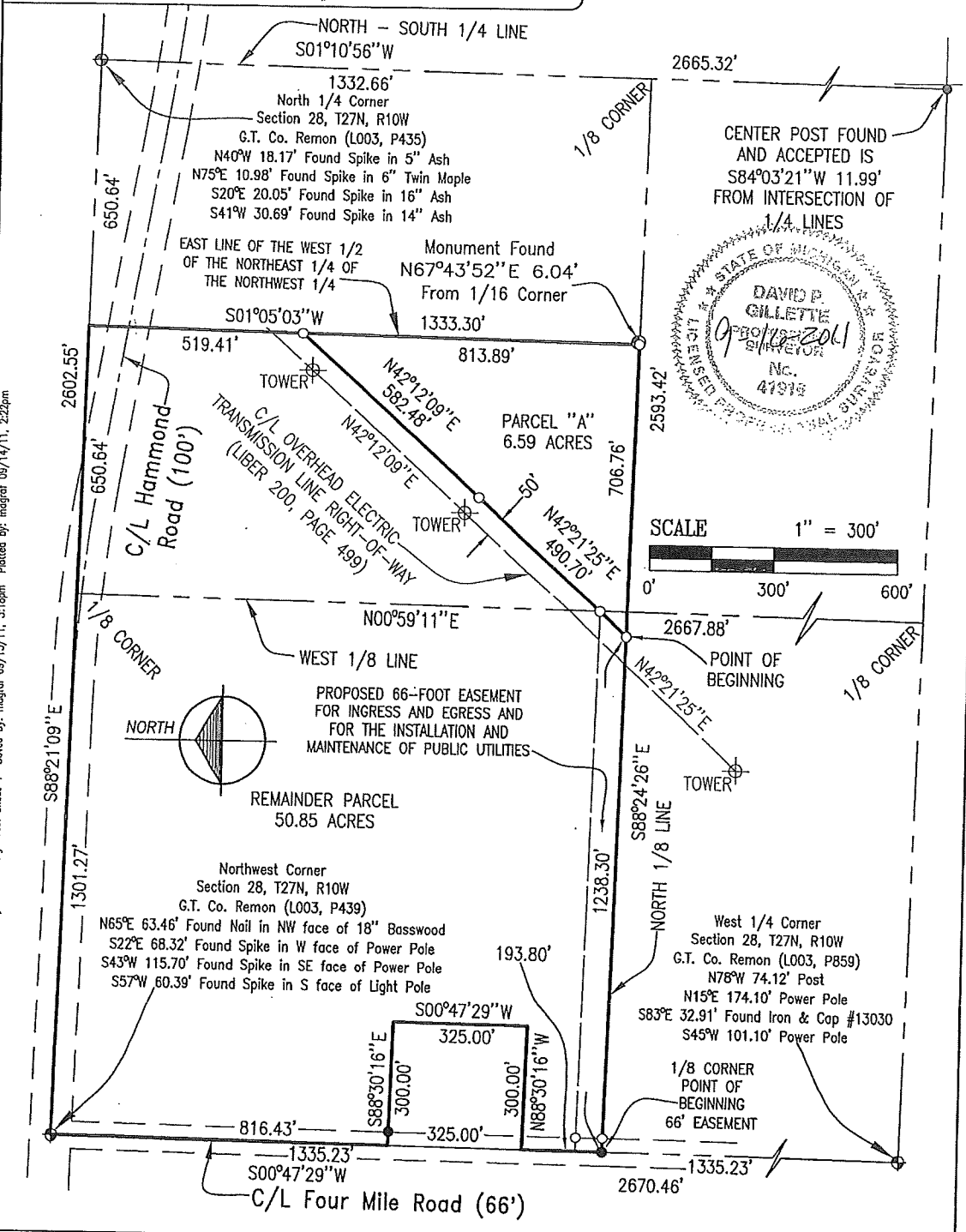


2011S-00036
 STATE OF MICHIGAN
 GRAND TRAVERSE COUNTY
 RECORDED
 10/07/2011 3:38 PM PAGE 1 OF 2
 PEGGY HAINES REGISTER OF DEEDS

I, the undersigned, being a Professional Surveyor, hereby certify that I have surveyed and mapped the above parcel of land, that the ratio of closure of the unadjusted field observations is noted, and within limits and that I have fully complied with the regulations of Act 132, P.A. 1970 as amended. The basis for bearings is: Michigan State Plane Coordinate System, (NAD83) (CORS96), Central Zone. Error of Closure is 1:5000 ±.

David P. Gillette
 David P. Gillette P.S. #41916

P:\2010720.02\CADD-Data\TCLJP Topography.dwg Certified Survey Groleau.dwg Tab: Sheet 1 Saved By: magraf 09/13/11, 5:18pm Plotted by: magraf 09/14/11, 2:22pm



<ul style="list-style-type: none"> ● MONUMENT FOUND ○ IRON FOUND ▲ NAIL FOUND ■ WOOD STAKE FOUND 	<p>LEGEND</p> <ul style="list-style-type: none"> (R) RECORDED ○ IRON SET ▲ NAIL SET ■ WOOD STAKE SET 	<p>Date: 11/11/2010 Scale: AS NOTED Drawn: W.W.A. Chkd.: J.A.J. Rev.:</p>
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Gosling Czubak
 engineering sciences, Inc.
 1280 Business Park Drive
 Traverse City, MI 49686-8607
 231-946-9191 800-968-1062
 Fax: 231-941-4603

- Engineers
- Surveyors
- Environmental Services
- Landscape Architecture

Job No.: 2010720.02

Sheet: 1 of 2

CERTIFICATE OF SURVEY

Patricia C. Groleau
4542 Albert Courtade Road, Traverse City, MI 49696
NORTH 1/2 OF THE NW 1/4, SECTION 28, T27N, R10W,
EAST BAY TOWNSHIP GRAND TRAVERSE COUNTY, MICHIGAN

DESCRIPTION - PARCEL "A"

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Commencing at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section; thence along said 1/8 line S88°24'26"E 1238.30 feet to the Point of Beginning; thence parallel with and 50.00 feet to the Southeast of the centerline of an existing overhead electric transmission line right-of-way (recorded in Liber 200, Page 499) N42°21'25"E 490.70 feet; and N42°12'09"E 582.48 feet to the East line of the West 1/2 of the Northeast 1/4 of the Northwest 1/4 of said Section 28; thence along said East line S01°05'03"W 813.89 feet to said North 1/8 line; thence along said 1/8 line N88°24'26"W 706.76 feet to the Point of Beginning, containing 6.59 acres of land, more or less.

Together with a proposed easement, 66.00 feet in width, for ingress and egress and for the installation and maintenance of public utilities described as follows:

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Commencing at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 1335.23 feet to the North 1/8 line of said section and the Point of Beginning; thence 66.00 feet North of and contiguous with the following described line: along the North 1/8 line of said section S88°24'26"E 1238.30 feet to the Point of Ending, the sidelines of the above easement shorten or lengthen to originate at the West line of said Section 28 and to terminate at a line bearing N42°21'25"E from the Point of Ending.

PARENT PARCEL DESCRIPTION

From First American Title Insurance Company Commitment No. TC-09-3088

The North one-half of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West

EXCEPT, that part of the North one-half of the Northwest one-quarter lying with in the following parcel described as lying Southerly of a County Road, more fully described as: Commencing at the North quarter corner of said Section 28; thence North 89°14' West, 442.00 feet along the North line of said Section 28 to the center line of county road and the Point of Beginning; thence Southeasterly, 215.79 feet along said center line and the arc of a 451.52 foot radius curve to the right, the chord of which bears South 75°32'30" East, 213.75 feet; thence South 61°51' East, 217.01 feet, along the center line; thence Southeasterly, 217.06 feet along said center line and the arc of a 544.86 foot radius curve to the left, the chord of which bears South 73°15'50" East, 215.65 feet; thence South 84°40'40" East, 916.12 feet along the said centerline; thence South 84°34'55" East, 211.87 feet along said center line to the East one-eighth line of said section ; thence South 0°25' East, 1032.67 feet along said East one-eighth line to the North one-eighth line of said Section 28; thence North 89°14'25" West, 1288.10 feet along said North one-eighth line to the North and South quarter line of said Section 28; thence North 89°17'50" West, 650.94 feet along said North one-eighth line to the west line of said East half of the Northwest quarter of the Northwest quarter; thence North 0°00'25" West, 1333.23 feet along said West line to said North Section line and center line; thence South 89°14' East, 208.80 feet, along said North Section line to the Point of Beginning.

Also, EXCEPT, that part of the Northwest one-quarter of the Northwest one-quarter of Section 28, Town 27 North, Range 10 West, more fully described as: Commencing at the Northwest corner of Section 28; thence South 00°52'45" East, 816.43 feet along the West line of said Section 28 to the Point of Beginning; thence continuing south 00°52'45" East, 325.00 feet along said West line of Section 28; thence North 89°49'30" East, 300.00 feet parallel with the North one-sixteenth line of said Section 28; thence North 00°52'45" West, 325.00 feet parallel with the said West line of said Section 28; thence South 89°49'30" West, 300.00 feet parallel with said North one-sixteenth line of Section 28 to the Point of Beginning.

Subject to the right of way of 4 Mile Road and Hammond Road.

REMAINDER PARCEL DESCRIPTION

Part of the North 1/2 of the Northwest 1/4 of Section 28, Township 27 North, Range 10 West, East Bay Township, Grand Traverse County, Michigan, more fully described as follows:

Beginning at the Northwest Corner of said Section 28; thence along the West line of said section S00°47'29"W 816.43 feet; thence S88°30'16"E 300.00 feet; thence S00°47'29"W 325.00 feet; thence N88°30'16"W 300.00 feet to said West section line; thence along said section line S00°47'29"W 193.80 feet to the North 1/8 line of said section; thence along said 1/8 line S88°24'26"E 1238.30 feet; thence parallel with and 50.00 feet to the Southeast of the centerline of an existing overhead electric transmission line right-of-way (recorded in Liber 200, Page 499) N42°21'25"E 490.70 feet; and N42°12'09"E 582.48 feet to the East line of the West 1/2 of the Northeast 1/4 of the Northwest 1/4 of said Section 28; thence along said East line N01°05'03"E 519.41 feet to the North line of said Section 28; thence along said North line N88°21'09"W 1951.91 feet to the Point of Beginning, containing 50.85 acres of land, more or less.

Subject to the right of way of Four Mile Road and Hammond Road.

P:\2010720\02\CAD-Data\TCL&P Topography.dwg\Certificate Survey Groleau.dwg Title Sheet 2 Saved by: magraf 09/13/11, 5:18pm Plotted by: magraf 09/14/11, 2:22pm

Date: 11/11/2010
Scale: AS NOTED
Drawn: W.W.A.
Chk'd.: J.A.J.
Rev.:
Job No.: 2010720.02
Sheet: 2 of 2

Gosling Czubak engineering sciences, inc.
1280 Business Park Drive
Traverse City, MI 49686-8607
231-946-9191 800-956-1062
Fax: 231-941-4603
Engineers
Surveyors
Environmental Services
Landscape Architecture



**TRAVERSE CITY
LIGHT & POWER**

To: Light & Power Board
From: Ed Rice, Executive Director *ER*
Date: March 13, 2012
Subject: Engineering Services with GRP Engineering – East Side Substation

In November 2010, the Traverse City Light & Power Department entered into a board approved contract with GRP Engineering, Inc. for professional engineering SUBSTATION DESIGN services. As the design is nearly complete, staff has been in discussion with GRP Engineering, Inc. regarding the need for additional professional construction management services associated with construction and start-up of the substation.

Construction Management services will cover two phases of construction activities: Site preparation followed by the physical substation and electrical installation.

Staff recommends adding additional professional construction management services to the November 23, 2010 Agreement with GRP Engineering, Inc. regarding the East Side Substation Project for a fee not to exceed \$69,500.

If the Board concurs, the following motion is recommended:

**MOVED BY _____, SECONDED BY _____,
THAT THE LIGHT AND POWER BOARD AUTHORIZE THE EXECUTIVE DIRECTOR TO
ADD ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES TO THE NOVEMBER
23, 2010 AGREEMENT WITH GRP ENGINEERING, INC., FOR A FEE NOT TO EXCEED
\$69,500 INCLUDING EXPENSES FOR CONSTRUCTION MANAGEMENT SERVICES
FOR THE EAST SIDE SUBSTATION PROJECT; SUBJECT TO APPROVAL AS TO
SUBSTANCE BY THE EXECUTIVE DIRECTOR AND APPROVAL AS TO FORM BY
COUNSEL;**

**FURTHER, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE WORK
ORDERS FOR PROFESSIONAL SERVICES AND ADMINISTER AMENDMENTS AND
CHANGE ORDERS THAT ARE IN THE BEST INTERESTS OF THE LIGHT AND POWER
DEPARTMENT.**



**TRAVERSE CITY
LIGHT & POWER**

To: Light & Power Board
From: Ed Rice, Executive Director *ER*
Date: March 13, 2012
Subject: Engineering Services with GRP Engineering – East Side Transmission Line

Staff has been in discussion with GRP Engineering, Inc. for professional engineering design and construction management services for the East Side 69kV Transmission Line Project.

Work needs to proceed immediately to complete design, prepare construction bid packages and procure material.

Staff recommends entering into an agreement with GRP Engineering, Inc. for professional engineering design and construction management services for a total fee not to exceed \$145,000 for the East Side 69kV Transmission Line Project.

If the Board concurs, the following motion is recommended:

**MOVED BY _____, SECONDED BY _____,
THAT THE LIGHT AND POWER BOARD AUTHORIZE THE CHAIRMAN AND
SECRETARY TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH
GRP ENGINEERING, INC., FOR A TOTAL FEE NOT TO EXCEED \$145,000 INCLUDING
EXPENSES FOR DESIGN AND CONSTRUCTION MANAGEMENT SERVICES FOR THE
EAST SIDE 69kV TRANSMISSION LINE PROJECT; SUBJECT TO APPROVAL AS TO
SUBSTANCE BY THE EXECUTIVE DIRECTOR AND APPROVAL AS TO FORM BY
COUNSEL;**

**FURTHER, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE WORK
ORDERS FOR PROFESSIONAL SERVICES AND ADMINISTER AMENDMENTS AND
CHANGE ORDERS THAT ARE IN THE BEST INTERESTS OF THE LIGHT AND POWER
DEPARTMENT.**



**TRAVERSE CITY
LIGHT & POWER**

To: Light & Power Board
From: Edward E. Rice, Executive Director *EER*
Date: March 6, 2012
Subject: Purchase of One 138/69kV 90/120 MVA Transformer – East Side Substation

Bids have been obtained for the purchase of one 138/69kV Power Transformer for the East Side Substation Project. Bids were as follows:

<u>Manufacturer</u>	<u>Base Cost</u>	<u>Total Evaluated Cost w/Losses</u>	<u>Delivery Schedule</u>
For 90/120 MVA:			
Delta Star	\$1,468,066	\$1,753,650	30-36 weeks
Waukesha Electric	\$1,438,041	\$1,770,217	1 st Quarter in 2013
ABB Kuhlman	No Bid		
OR			
For 90/120/150 MVA:			
Delta Star	\$1,524,566	\$1,810,150	30-36 weeks
Waukesha Electric	\$1,579,288	\$1,868,504	1 st Quarter in 2013
ABB Kuhlman	No Bid		

(Note: Base cost includes spare bushings and arrestors)

Staff will be prepared to discuss the two bid options shown above for either a 90/120 MVA or 90/120/150 MVA transformer.

Staff recommends accepting either of the two low evaluated bids from Delta Star, Inc. Waukesha Electric is not able to meet a 2012 delivery schedule requested in the bid.

If the Board concurs, the following motion is recommended:

**MOVED BY _____, SECONDED BY _____,
THAT THE BOARD AUTHORIZE THE CHAIRMAN AND SECRETARY TO EXECUTE A
PROCUREMENT AGREEMENT WITH DELTA STAR, INC. IN THE AMOUNT OF
\$ _____; SUBJECT TO APPROVAL AS TO SUBSTANCE BY
THE EXECUTIVE DIRECTOR AND APPROVAL AS TO FORM BY COUNSEL; AND
FURTHER AUTHORIZE THE EXECUTIVE DIRECTOR TO ADMINISTER AMENDMENTS
AND CHANGE ORDERS THAT ARE IN THE BEST INTERESTS OF THE LIGHT AND
POWER DEPARTMENT.**



ISO 9001:2008 CERTIFIED

DELTA STAR, INC.

3550 Mayflower Drive ▲ Lynchburg, VA 24501 ▲ (800) 368-3017
www.deltastar.com

SMALL BUSINESS PER THE U.S. SMALL BUSINESS ADMINISTRATION

TRAVERSE CITY LIGHT & POWER

Traverse City, MI



Bid for Auto Transformer



Bid Due: February 29, 2012



DELTA STAR Quotation #120359

ORIGINAL

BID FORM

TRAVERSE CITY LIGHT & POWER DEPARTMENT NEW TRANSMISSION SUBSTATION – 90/120 MVA AUTO-TRANSFORMER

ARTICLE 1 - BID RECIPIENT

1.01 This Bid is submitted to:

Mr. Glen Dine
Traverse City Light & Power Department
1131 Hastings Street
Traverse City, MI 49686

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Buyer in the form included in the Bidding Documents to furnish the Goods and Special Services as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 - BIDDER'S ACKNOWLEDGMENTS

2.01 Bidder accepts all of the terms and conditions of the Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. The Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Buyer.

2.02 Bidder accepts the provisions of the Agreement as to liquidated damages in the event of its failure to furnish the Goods and Special Services in accordance with the schedule set forth in the Agreement.

ARTICLE 3 - BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents, as set forth in the Agreement, that:

- A. Bidder has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of all of which is hereby acknowledged.

<u>Addendum No.</u>	<u>Addendum Date</u>
<u>N/A</u>	<u>N/A</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

- B. If specified, or if in Bidder's judgment, any local condition may affect cost, progress or the furnishing of Goods and Special Services, Bidder has visited the Point of Destination and become familiar with and is satisfied as to the local conditions that may affect cost, progress, or the furnishing of Goods and Special Services.
- C. Bidder is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress and the furnishing of Goods and Special Services.
- D. Bidder has carefully studied and correlated the information known to Bidder, and information and observations obtained from Bidder's visits, if any, to the Point of Destination with the Bidding Documents.
- E. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.
- F. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions

for furnishing the Goods and Special Services for which this Bid is submitted.

- G. Bidder further represents that this Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; Bidder has not solicited or induced any individual or entity to refrain from bidding; and Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over Buyer.

ARTICLE 4 - BASIS OF BID

4.01 Bidder will furnish the Goods in accordance with the Contract Documents for the following price(s):

ITEM 1	One (1) 90/120 MVA Auto-Transformer	
BASE BID	<u>One million, four hundred fifty-nine thousand, five hundred fifty</u> (use words)	<u>\$ 1,459,550</u> (figures)
	Base Bid includes delivery in <u>30-36</u> week from date of Notice of Award.	
ITEM 2	Provide an extended five (5) year warranty.	
Add/Deduct	<u>Included at no additional charge.</u> (use words)	<u>\$ 0</u> (figures)
ITEM 3	Alternate No.1 One (1) 90/120/150 MVA Auto-Transformer	
BASE BID	<u>One million, five hundred sixteen thousand, fifty dollars</u> (use words)	<u>\$ 1,516,050</u> (figures)
	Base Bid includes delivery in <u>30-36</u> week from date of Notice of Award.	
ITEM 4	Alternate No.2 – Provide one (1) spare 138kV primary Bushing.	
Add/Deduct	<u>Two thousand, eight hundred seventy-seven</u> (use words)	<u>\$ 2,877</u> (figures)
ITEM 5	Alternate No.3 – Provide one (1) spare 69kV secondary Bushing.	
Add/Deduct	<u>One thousand, seven hundred eighty-three</u> (use words)	<u>\$ 1,783</u> (figures)
ITEM 6	Alternate No.4 – Provide one (1) spare 138kV primary Lightning Arrester.	
Add/Deduct	<u>Two thousand, five hundred ninety-four</u> (use words)	<u>\$ 2,594</u> (figures)
ITEM 7	Alternate No.5 – Provide one (1) spare 69kV secondary Lightning Arrester.	
Add/Deduct	<u>One thousand, two hundred sixty-two</u> (use words)	<u>\$ 1,262</u> (figures)
ITEM 8	Pre-Diem Rate	

The following per-diem rates will apply for field service representatives of which FOUR (4) days Total are included in the base bid. This per-diem rate shall be used in adjustment of the base bid add/deduct for the actual field time required for the Project.

Not Applicable

Dollars (\$ N/A)

ARTICLE 5 - TIME OF COMPLETION

5.01 Bidder agrees that the Goods shall be delivered to the Point of Destination and placed on Owners Concrete foundation on (or within a period of 15 days prior to November 7, 2012).

ARTICLE 6 - ATTACHMENTS TO THIS BID

6.01 The following documents are attached to and made a condition of this Bid:

- A. Required Bid security in the form of a 5% Bid Bond;
- B. Preliminary transformer design data, in the form of the Bid Supplement.

ARTICLE 7 - DEFINED TERMS

7.01 The terms used in this Bid have the meanings indicated in the General Conditions and the Supplementary Conditions. The significance of terms with initial capital letters is described in the General Conditions.

ARTICLE 8 - BID SUBMITTAL

8.01 This Bid submitted by:

Corporation Name: Delta Star, Inc.

State of Incorporation: Delaware

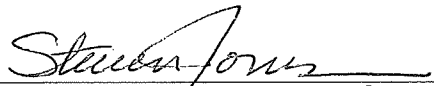
Type (General Business, Professional, Service, Limited Liability): General Business

By: 
(Signature – attach evidence of authority to sign)

Name (typed or printed): Ivan H. Tepper

Title: President

(CORPORATE SEAL)

Attest: 
(Signature of Corporate Secretary) **Steve Jones**

Business Address: 3550 Mayflower Drive
Lynchburg, VA 24501

Phone: 800-368-3017 Facsimile: 434-845-7089

SUBMITTED on February 27, 2012

BID BOND

Any singular reference to Seller, Surety, Buyer, or other party shall be considered plural where applicable.

SELLER (Name and Address):

Delta Star, Inc.
3550 Mayflower Drive
Lynchburg, VA 24501

SURETY (Name and Address of Principal Place of Business):

Fidelity and Deposit Company of Maryland
600 Red Brook Boulevard
Owings Mills, MD 21117

BUYER (Name and Address): Traverse City Light & Power Department
1131 Hastings Street
Traverse City, MI 49686

BID

Bid Due Date: FEBRUARY 29, 2012
Project (Brief Description Including Location): New Transmission Substation
90/120 MVA Auto-Transformer Procurement
Traverse City, Michigan

BOND

Bond Number: N/A
Date (Not later than Bid due date): January 30, 2012
Penal Sum: Five Percent of Total Amount Bid 5%
(Words) (Figures)

Surety and Seller, intending to be legally bound hereby, subject to the terms printed on the reverse side hereof, do each cause this Bid Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

SELLER

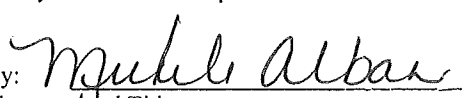
SURETY

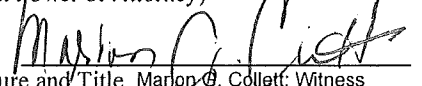
Delta Star, inc. (Seal)
Seller's Name and Corporate Seal

By: 
Signature and Title Ivan W. Tepper, President

Attest: 
Signature and Title Steve Jones, CFO

Fidelity and Deposit Company of Maryland (Seal)
Surety's Name and Corporate Seal

By: 
Signature and Title Michele Alban; Attorney-In-Fact
(Attach Power of Attorney)

Attest: 
Signature and Title Marlon G. Collett; Witness

Note: Above addresses are to be used for giving required notice.



AUTO - TRANSFORMER SPECIFICATION PERFORMANCE GUARANTEE

CUSTOMER: TRAVERSE CITY LIGHT & POWER

PG: 120359-1

SPEC: 16272

INQ: 10-0373.01

DATE: February 23, 2012

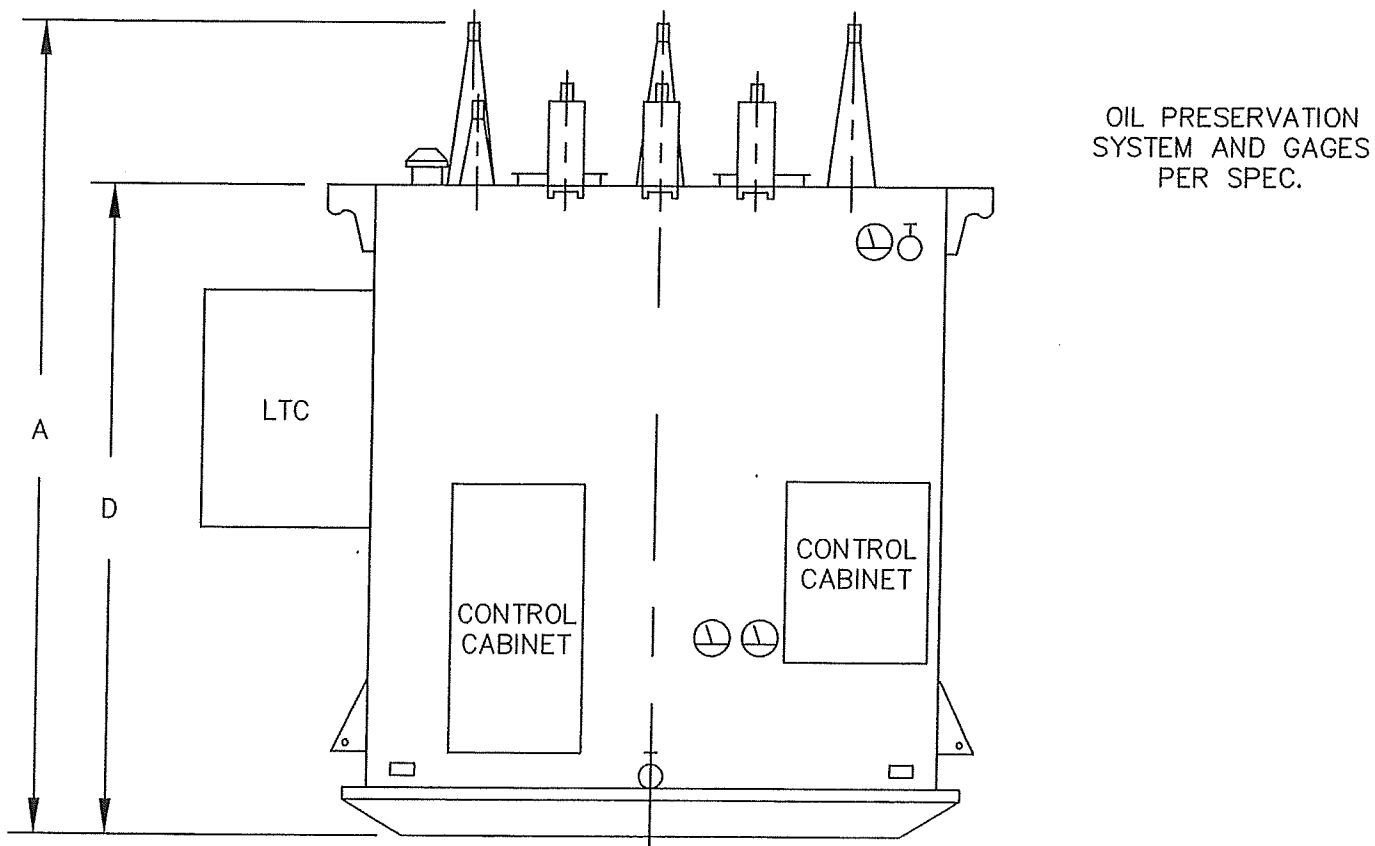
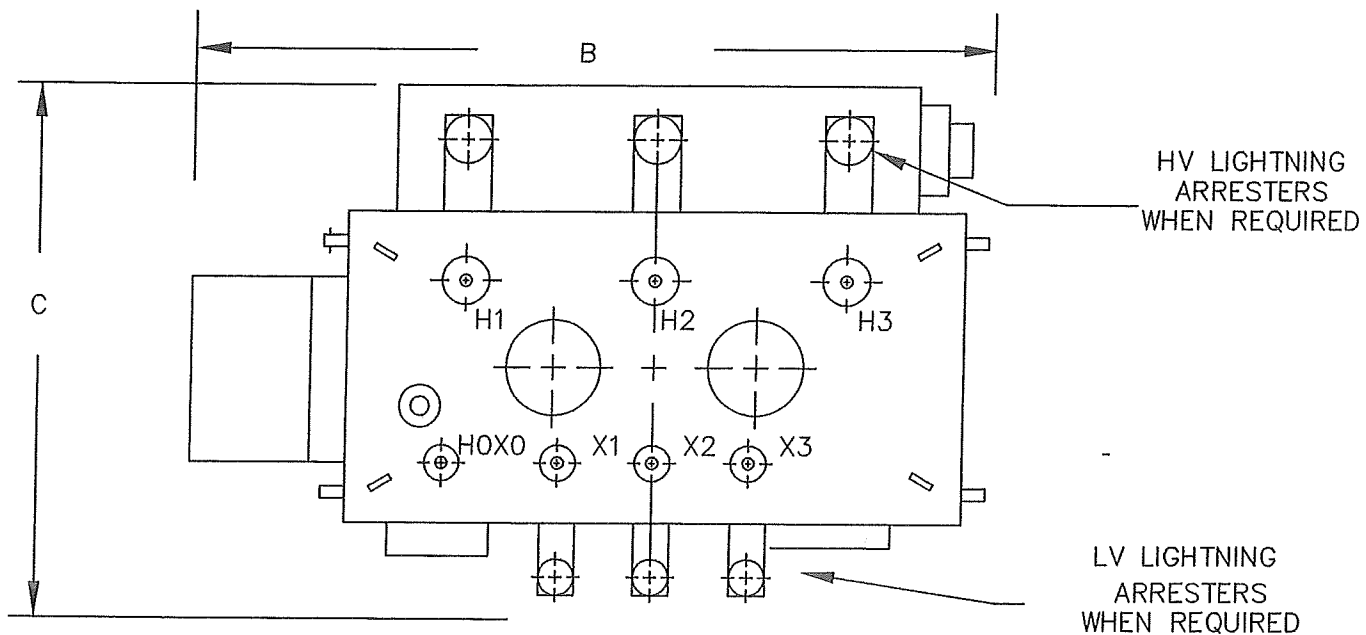
RATING: 3 PHASE 60 HERTZ				
CLASS	ONAN/ONAF	HV - WDG (H)	LV - WDG (X)	TV - WDG (Y)
TEMP	55 °C	90/120 MVA	90/120 MVA	16.5/22 MVA
TEMP	65 °C	100.8/134.4 MVA	100.8/134.4 MVA	18.5/24.6 MVA
RATED VOLTAGE (kV)		138GrdY/79.67	69GrdY/39.84	9.2
ADDITIONAL TAPS (kV) OR PERCENT TAPS		±2 @ 2.5% F.C.	±16 @ 0.625% R.C.	NONE
BIL (kV)	LINE	650	350	---
	NEUTRAL	110	110	---
DIELECTRIC TEST	APPLIED (kV)	34	34	---
	INDUCED (kV)	251		
	RIV	217		
% IZ @ RATED MVA		7 H-X	4 X-Y	5.5 H-Y

PERFORMANCE DATA @ 75 °C												
MVA	%		LOSSES (kW)			PERCENT EFFICIENCY				% REGULATION		
	EXC VOLTS	EXC AMPS	NO LOAD	FULL LOAD	TOTAL	FULL	3/4	1/2	1/4	1.0	0.9	0.8
90	100	0.4	32.4	139	171.4	99.8	99.83	99.85	99.81	0.39	3.37	4.46
90	110	0.8	47.1									

CLASS	ONAN	ONAF	ONAF	OFAF
AUXILIARY LOSSES kW	---	5.25	---	---
SOUND LEVEL dB(A)	78	80	---	---

APPROXIMATE DIMENSIONS IN INCHES AND WEIGHTS IN POUNDS (NOT FOR CONSTRUCTION)										
ATTACHED DRAWING NUMBER	OVERALL DIMENSIONS			HEIGHT OVER COVER	BASE	OIL		CORE AND COIL	TANK AND FITTINGS	TOTAL WEIGHT
	HEIGHT	WIDTH	DEPTH			GAL	WEIGHT			
	A	B	C	D	E X F					
ATL2A1	233	272	197	165	100 X 227	11,565	86,700	135,900	61,800	284,400

SHIPPING WEIGHT		SHIPPING DIMENSIONS	HEIGHT		WIDTH	DEPTH
WITH OIL	WITHOUT OIL		WITHOUT LV BUSHING	WITH LV BUSHING		
270,400	183,700		175	211	272	125



SEE AUTO-TRANSFORMER SPECIFICATION SHEET FOR DIMENSIONS .
(NOT FOR CONSTRUCTION) [INCH, LBS]



DELTA STAR, INC.

LYNCHBURG OPERATION (434) 845-0921
3550 MAYFLOWER DR LYNCHBURG, VA 24506

TITLE		TRANSFORMER OUTLINE	PG. 1
			OF 1
DWN. BY	wrm	SCALE	NONE
CKD. BY		DATE	08/08/08
		ATL2A1	0
DRAWING NO.			REV 08



AUTO - TRANSFORMER SPECIFICATION PERFORMANCE GUARANTEE

CUSTOMER: TRAVERSE CITY LIGHT & POWER
SPEC: 16272

PG: 120359-1A
DATE: February 23, 2012

INQ: 10-0373.01

RATING: 3 PHASE 60 HERTZ				
CLASS	ONAN/ONAF/ONAF	HV - WDG (H)	LV - WDG (X)	TV - WDG (Y)
TEMP	55 °C	90/120/150 MVA	90/120/150 MVA	16.5/22/27.5 MVA
TEMP	65 °C	100.8/134.4/168 MVA	100.8/134.4/168 MVA	18.5/24.6/30.8 MVA
RATED VOLTAGE (kV)		138GrdY/79.67	69GrdY/39.84	9.2
ADDITIONAL TAPS (kV) OR PERCENT TAPS		±2 @ 2.5% F.C.	±16 @ 0.625% R.C.	BURIED
BIL (kV)	LINE	650	350	---
	NEUTRAL	110	110	---
DIELECTRIC TEST	APPLIED (kV)	34	34	---
	INDUCED (kV)	251		
	RIV	217		
% IZ @ RATED MVA		7 H-X	---	---

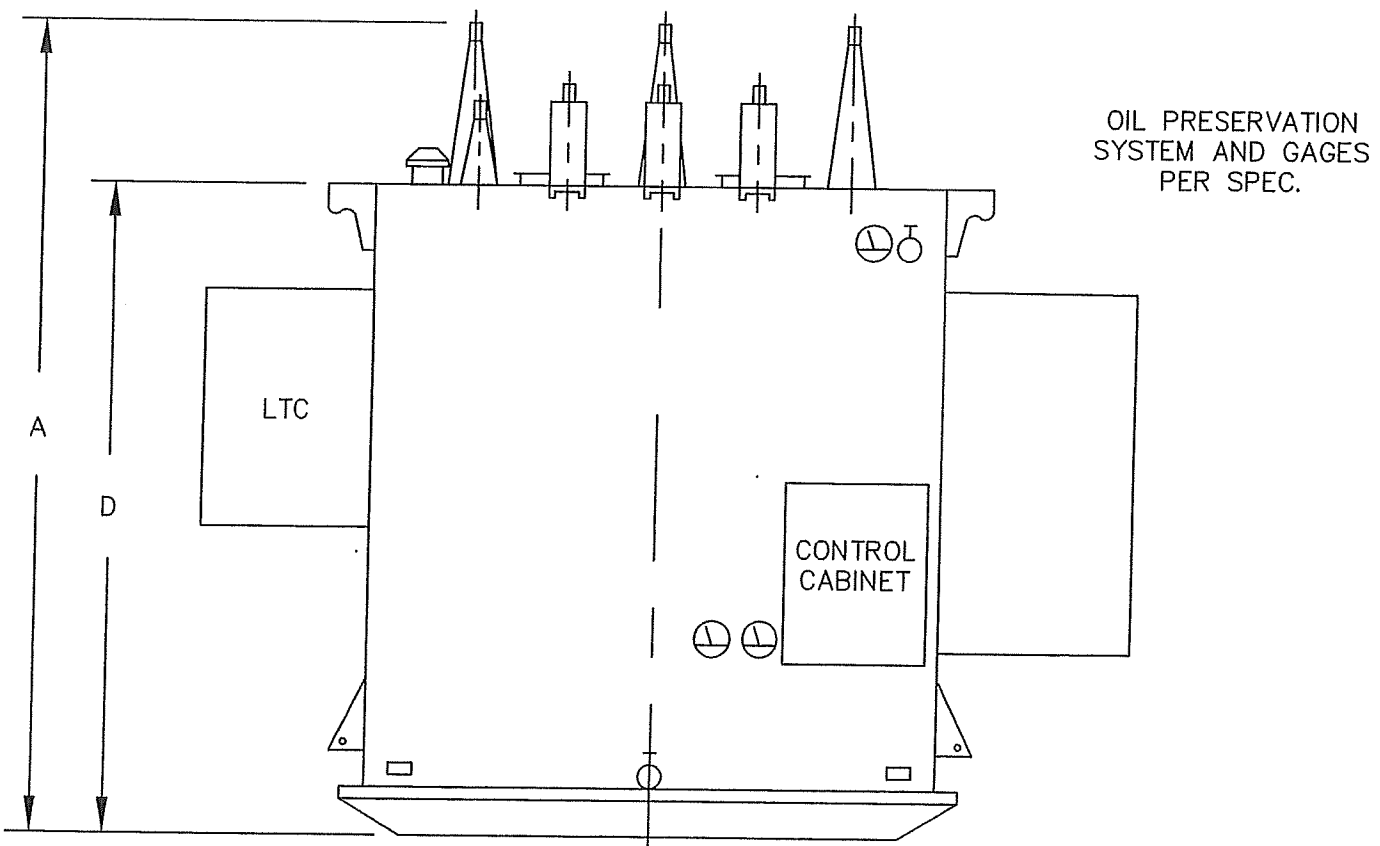
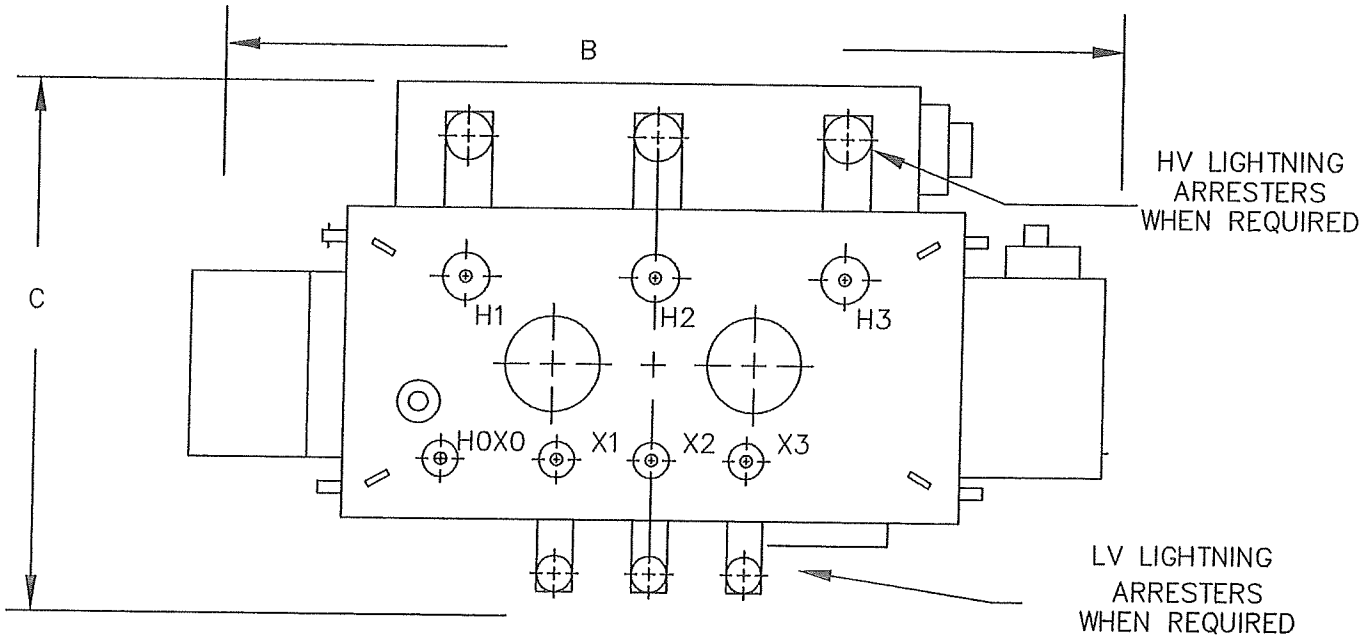
PERFORMANCE DATA @ 75 °C												
MVA	%		LOSSES (kW)			PERCENT EFFICIENCY				% REGULATION		
	EXC VOLTS	EXC AMPS	NO LOAD	FULL LOAD	TOTAL	FULL	3/4	1/2	1/4	1.0	0.9	0.8
90	100	0.4	32.4	139	171.4	99.8	99.83	99.85	99.81	0.39	3.37	4.46
90	110	0.8	47.1									

CLASS	ONAN	ONAF	ONAF	OFAF
AUXILIARY LOSSES kW	---	4	7.75	---
SOUND LEVEL dB(A)	78	80	81	---

APPROXIMATE DIMENSIONS IN INCHES AND WEIGHTS IN POUNDS (NOT FOR CONSTRUCTION)										
ATTACHED DRAWING NUMBER	OVERALL DIMENSIONS			HEIGHT OVER COVER	BASE	OIL		CORE AND COIL	TANK AND FITTINGS	TOTAL WEIGHT
	HEIGHT	WIDTH	DEPTH			GAL	WEIGHT			
	A	B	C	D	E X F					
ATL2A	233	344	197	165	100 X 227	12,425	93,200	135,900	75,800	304,900

SHIPPING WEIGHT	
WITH OIL	WITHOUT OIL
276,900	183,700

SHIPPING DIMENSIONS	HEIGHT		WIDTH	DEPTH
	WITHOUT LV BUSHING	WITH LV BUSHING		
	175	211	272	125



SEE AUTO-TRANSFORMER SPECIFICATION SHEET FOR DIMENSIONS .
(NOT FOR CONSTRUCTION) [INCH, LBS]



DELTA STAR, INC.
LYNCHBURG OPERATION (434) 845-0921
3550 MAYFLOWER DR LYNCHBURG, VA 24506

TITLE		TRANSFORMER OUTLINE		PG. 1	
				OF 1	
DWN. BY	MS	SCALE	NONE	DRAWING NO.	0
CKD. BY		DATE	9/30/06		
				ATL2A	REV.

Delta Star, Inc.

3550 Mayflower Drive ♦ Lynchburg, VA 24501
Telephone (434) 845-0921 ♦ Toll Free (800) 368-3017

270 Industrial Road ♦ San Carlos, CA 94070
Telephone (650) 508-2850 ♦ Toll Free (800) 892-8673



TRANSFORMER WARRANTY FIVE YEAR UNLIMITED WARRANTY

Delta Star, Inc. warrants to the purchaser that the transformer, together with all parts included in the original purchase, is free of defects in workmanship and materials.

This warranty extends for 60 months after shipment from the factory. It covers any defects and malfunction of the transformer except that which may occur because of vandalism, improper installation, handling, operation, or for any cause other than defects in workmanship and materials. The method and extent of repairs to be made rests solely with Delta Star.

During the warranty period, prior to the expiration the warranty is conditional upon the customer notifying Delta Star, Inc. of any claim related within 60 days of when the customer knew or should have known of such a claim.

This warranty does not cover the cost of removal from the site and reinstallation after repair, and costs resulting from the moving of structures or associated equipment are excluded. The seller, Delta Star, Inc., shall not be liable for special, indirect, or consequential damages, and this warranty is in lieu of all warranties of merchantability, fitness for a particular purpose or other warranties expressed or implied, and the remedies of the customer herein provided fulfill all liabilities of Delta Star, whether in warranty, negligence, contract, or otherwise.

Unless otherwise agreed, the transformer will be shipped f.o.b. destination, prepaid. Shipments will be by mutually agreed upon means (e.g., truck) to site specified by customer, provided no unusual circumstances unknown to Delta Star occur (no roads, impassable conditions or extreme grades). Customer agrees to inspect transformer within 48 hours of arrival at destination and notify both Delta Star Inc. and the carrier of any observable damage or irregularity. NOTIFICATION SHALL BE ACCOMPLISHED BY COMPLETING AND RETURNING DELTA STAR INC's FORM F-CA-2011 (2/19/08) (Inspection Receipt Summary).

THE SELLER SHALL IN NO EVENT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. THE SELLER MAKES NO WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTY EITHER EXPRESSED OR IMPLIED, EXCEPT AS EXPRESSLY SET FORTH HEREIN.



STORAGE POLICY

Delta Star, Inc. has limited facilities for storing new transformers. In the event that delivery cannot be accepted upon completion of manufacture, Delta Star, Inc. will store the unit for 30 days free from the acknowledged ship date. The storage facilities are intended for short term storage only, therefore higher rates apply for storage exceeding six months.

1. Storage is contingent upon the factory storage space available at time of request.
2. The unit will be invoiced on the acknowledged ship date.
3. It is required that **Delta Star, Inc.** receive a signed **Request for Storage** prior to placing any equipment into storage. "Notification" to **Delta Star, Inc.** is defined as receipt of a signed **Request for Storage** at our offices. (An email is acceptable.)
4. An initial one time set up charge in the amount of **\$6,000.00** will apply to prepare the unit for storage and remove and prepare for shipment.
5. One-half percent of the unit price shall be charged for each month, or portion of month, of storage. The minimum charge for storage shall be **\$1,500.00 per month**. After six months in storage the monthly rate increases to one percent of the unit price (**\$3,000.00 per month minimum**).
6. Terms of payment are Net 30 Days from date of invoice.
7. If there are any increases in freight and/or offloading rates, material and field services based on the invoice from the time the equipment is invoiced to the time it is actually shipped, customer will be invoiced for the additional costs.
8. **Delta Star, Inc.** requests four weeks advance notification for shipping out of storage to insure shipping preparations are completed in time to meet the designated ship date.
9. Title passes to Purchaser at the time the equipment is placed into storage, however **Delta Star, Inc.** will insure the equipment from damage until it is received and accepted at the destination as originally quoted. Warranty starts upon arrival at the destination or six months after completion of manufacture, whichever occurs first.

Effective 8/11/08



CANCELLATION POLICY

*Prior to Scheduled Ship Date	Cancellation Charge
30 – 59 Days →	100% (Purchase Order)
60 – 89 Days →	50%
90 – 119 Days →	35%
120 – 149 Days →	25%
150 – 179 Days →	15%
180 + Days →	10%

*Ship date is the date requested by the customer on the purchase order and acknowledged by Delta Star, Inc. Should these dates be different, Delta Star's acknowledged date will be the official ship date.

Note: Delta Star, Inc. may add any extra ordinary charges, such as but not limited to material that cannot be cancelled, etc.



TRAVERSE CITY
LIGHT & POWER

To: **Light & Power Board**
From: Edward E. Rice, Executive Director *EEER*
Date: March 6, 2012
Subject: Purchase of three 138kV CT/PT Metering Units – East Side Substation

Bids have been obtained for the purchase of three 138kV combination current/voltage transformers required for metering at the East Side Substation Project. Bids were as follows:

<u>Manufacturer</u>	<u>Total Price</u>
ALSTOM	\$ 55,365
TRENCH	\$ 58,905

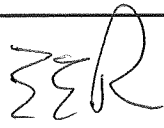
Staff recommends accepting the low bid from ALSTOM Grid, Inc. in the amount of \$55,365.

If the Board concurs, the following motion is recommended:

**MOVED BY _____, SECONDED BY _____,
THAT THE BOARD AUTHORIZE THE EXECUTIVE DIRECTOR TO ISSUE A PURCHASE
ORDER IN THE AMOUNT OF \$55,365 TO ALSTOM GRID, INC. FOR THREE 138KV
CURRENT/VOLTAGE TRANSFORMERS FOR THE EAST SIDE SUBSTATION.**



TRAVERSE CITY
LIGHT & POWER

To: **Light & Power Board**
From: Edward E. Rice, Executive Director 
Date: March 6, 2012
Subject: Purchase of Two 69kV 50KVA Transformers – East Side Substation

Bids have been obtained for the purchase of two 69kV 50KVA transformers. Bids were as follows:

<u>Manufacturer</u>	<u>Total Price</u>
ABB Kuhlman	\$ 71,600
ITEC	\$ No Bid

Staff recommends accepting the bid from ABB/Kuhlman in the amount of \$71,600.

If the Board concurs, the following motion is recommended:

**MOVED BY _____, SECONDED BY _____,
THAT THE BOARD AUTHORIZE THE EXECUTIVE DIRECTOR TO ISSUE A PURCHASE
ORDER IN THE AMOUNT OF \$71,600 TO ABB KUHLMAN FOR TWO 69KV 50KVA
TRANSFORMERS FOR THE EAST SIDE SUBSTATION.**