

A REGULAR MEETING

Of The

TRAVERSE CITY LIGHT AND POWER BOARD

Will Be Held On

TUESDAY, October 23, 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: 10-19-12
4:30 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.

None.

Items removed from the Consent Calendar

None.

3. Old Business

None.

4. New Business

- a. Consideration of approving minutes of the Regular Meeting of September 25, 2012. (McGuire)
- b. Highland Park Overhead to Underground Conversion project authorization. (Rice/Olney)
- c. Consideration of authorizing a Contract with Elmer's for the Highland Park Overhead to Underground Conversion Project. (Rice/Olney)
- d. Consideration of Executive Directors Contract. (Doren)

5. Appointments

None.

6. Reports and Communications

- a. From Legal Counsel.
- b. From Staff.
- 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, September 25, 2012

Board Members -

Present: Barbara Budros, Jim Carruthers, Mike Coco, John Snodgrass, Bob Spence,
John Taylor, Patrick McGuire

Ex Officio Member -

Present: R. Ben Bifoss

Others: Ed Rice, W. Peter Doren, Tim Arends, Stephanie Tvardek, Jessica
Wheaton, Jim Cooper

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

State Representative Wayne Schmidt presented a Centennial Tribute to the Traverse City Light and Power Department on behalf of Governor Rick Snyder, Rep. Wayne Schmidt, and State Senator Howard Walker.

Item 2 on the Agenda being Consent Calendar

None.

Items removed from the Consent Calendar

None.

Item 3 on the Agenda being Old Business

None.

Item 4 on the Agenda being New Business

4(a). Consideration of approving minutes of the Regular Meeting of September 11, 2012.

Moved by Carruthers, seconded by Coco, that the minutes of the Regular Meeting of September 11, 2012, be approved.

CARRIED unanimously.

4(b). Presentation of 2012 Customer Survey Results.

The following individuals addressed the Board:

Jessica Wheaton, Marketing and Community Relations Coordinator
Cathlyn Sommerfield, NMC – Director of Research Services
Ed Rice, Executive Director

- 4(c). Presentation from the Traverse City Area Chamber of Commerce regarding the Energy Optimization Initiative.

The following individuals addressed the Board:

Laura Galbraith, Vice President of Administration, Traverse City Area Chamber of Commerce
Jim Cooper, Manager of Communications and Energy Services
W. Peter Doren, General Counsel
Ed Rice, Executive Director

There was general consensus amongst the board for staff to further investigate working with the Chamber.

- 4(d). Consideration of an electric vehicle lease.

The following individuals addressed the Board:

Ed Rice, Executive Director
R. Ben Bifoss, City Manager
Tim Arends, Controller

Moved by Coco, seconded by Spence, that the Light and Power Board authorize the Executive Director to lease a 2013 Chevrolet Volt to replace a vehicle in the metering department, subject to approval as to form by Counsel.

Roll Call:

Yes – Coco, Spence, Taylor

No – Budros, Carruthers, Snodgrass, McGuire

FAILED.

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 spoke re: the Brown Bark I v. TCLP Circuit Court of Appeals decision.

B. From Staff.

1. Jessica Wheaton spoke re: the Generation Survey.

The following individuals addressed the Board:

Ed Rice, Executive Director
R. Ben Bifoss, City Manager

R. Ben Bifoss departed the meeting at 6:56 p.m.

2. Ed Rice gave an update on the South Side Distribution Substation Project.

Barbara Budros departed the meeting at 7:26 p.m.

Barbara Budros rejoined the meeting at 7:30 p.m.

The following individuals addressed the Board:

W. Peter Doren, General Counsel

3. Jessica Wheaton gave an update re: the Neighborhood Association meetings.
4. Ed Rice spoke re: APPA Public Utility Governance Workshops.

C. From Board.

1. John Snodgrass inquired into the Operations and Management Audit relating to City Commission action on the audit contract.
2. Bob Spence inquired as to the status of the Pine and State Street Project.
3. Jessica Wheaton presented the APPA Century Award.

Item 7 on the Agenda being Public Comment

No one from the public commented.

There being no objection, Chairman McGuire declared the meeting adjourned at 8:03 p.m.

/st

Edward E. Rice, Secretary
LIGHT AND POWER BOARD



**TRAVERSE CITY
LIGHT & POWER**

To: Light & Power Board
From: Ed Rice, Executive Director
Date: October 23, 2012
Subject: Project Authorization Request – Highland Park Overhead to Underground Distribution Conversion Project

Staff has prepared a packet of information and is requesting authorization from the L&P Board for staff to proceed with the development, design and construction of the Highland Park Overhead to Underground Distribution Conversion Project.

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

Staff recommends L&P Board approval of the Highland Park Overhead to Underground Distribution Conversion Project and necessary expenditures in order to provide safe and reliable distribution 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
HIGHLAND PARK OVERHEAD TO UNDERGROUND DISTRIBUTION CONVERSION
PROJECT AND SEEK THE NECESSARY BOARD APPROVALS FOR EXPENDITURES.**

Project Name: Highland Park Overhead to Underground Distribution Conversion Project

Date of Board Presentation/Consideration: October 23, 2012

Budgeted in Capital Plan: Yes **CIP:** \$200,000

Objective: Target Completion date of December 31, 2012

Project Description:

Replace 11 spans of non-accessible and deteriorated three phase primary overhead conductor with 3,500 feet of underground primary cable. This is part of the main feeder that serves the Peninsula.

Selection Method:

The area of Highland Park Drive from Eastern Ave to Pine Ridge Ave was chosen for conversion to underground based on numerous interruptions of electrical service as a result of falling tree branches as well as lightning strikes. Interruptions to this line not only affects the 35 customers in the area but also results in outages to 233 customers to the north that are also served by this line. In the past three years, a total of 9 outages have occurred in this area with an average duration time of over 2 and one half hours.

Project Purpose and Necessity (Problem We Are Solving):

The present overhead pole line is located in a rear lot line easement which is inaccessible to TCL&P vehicles requiring all repair work to be completed manually. The line is also in a heavily wooded area in which many customers have been reluctant to grant TCL&P permission to trim trees. Conversion of this line to underground would greatly improve the reliability of service to the customers in this area and also to all customers north of this line.

Project Benefits:

The Highland Park Overhead to Underground Conversion Project

- Improve public safety by reducing the chance of poles and wires falling down.
- Improve customer service by reducing outages as well as duration of outages.
- Improve the aesthetics of the area by replacing overhead conductors with underground cable.

Other Alternatives:

Do nothing. Public safety could be jeopardized by falling wires and poles. Customer satisfaction will decline as the number of outages along with the duration of outages increases. In addition, maintenance costs will increase as more money will be spent on emergency repairs.

Timing of Project (Why Now):

TCL&P has numerous areas where converting overhead lines to underground would result in fewer outages, and safer conditions for the public. We need to get started on this important endeavor as conditions in these areas continue to deteriorate.

Project Timeline (See Attached Gant Chart)

Financing Method:

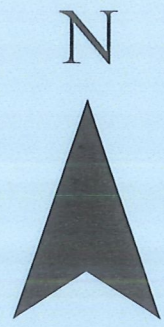
Cash from TCL&P fund balance as planned for. Bonding will not be required.

Impact on O&M Expenses:

A reduction in annual maintenance costs associated with tree trimming, line maintenance and emergency repairs.

Staff Recommendation:

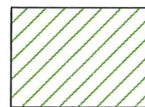

Staff recommends the TCL&P Board approval of the Highland Park Overhead to Underground Distribution Conversion Project and all necessary expenditures in order to improve reliability and public safety.




WEST GRAND
TRAVERSE BAY

EAST GRAND
TRAVERSE BAY

LEGEND

-  AREA TO BENEFIT FROM CONVERSION
(APPROXIMATELY 280 CUSTOMERS)
-  AREA OF CONVERSION
SEE "HIGHLAND PARK WO PRINT"

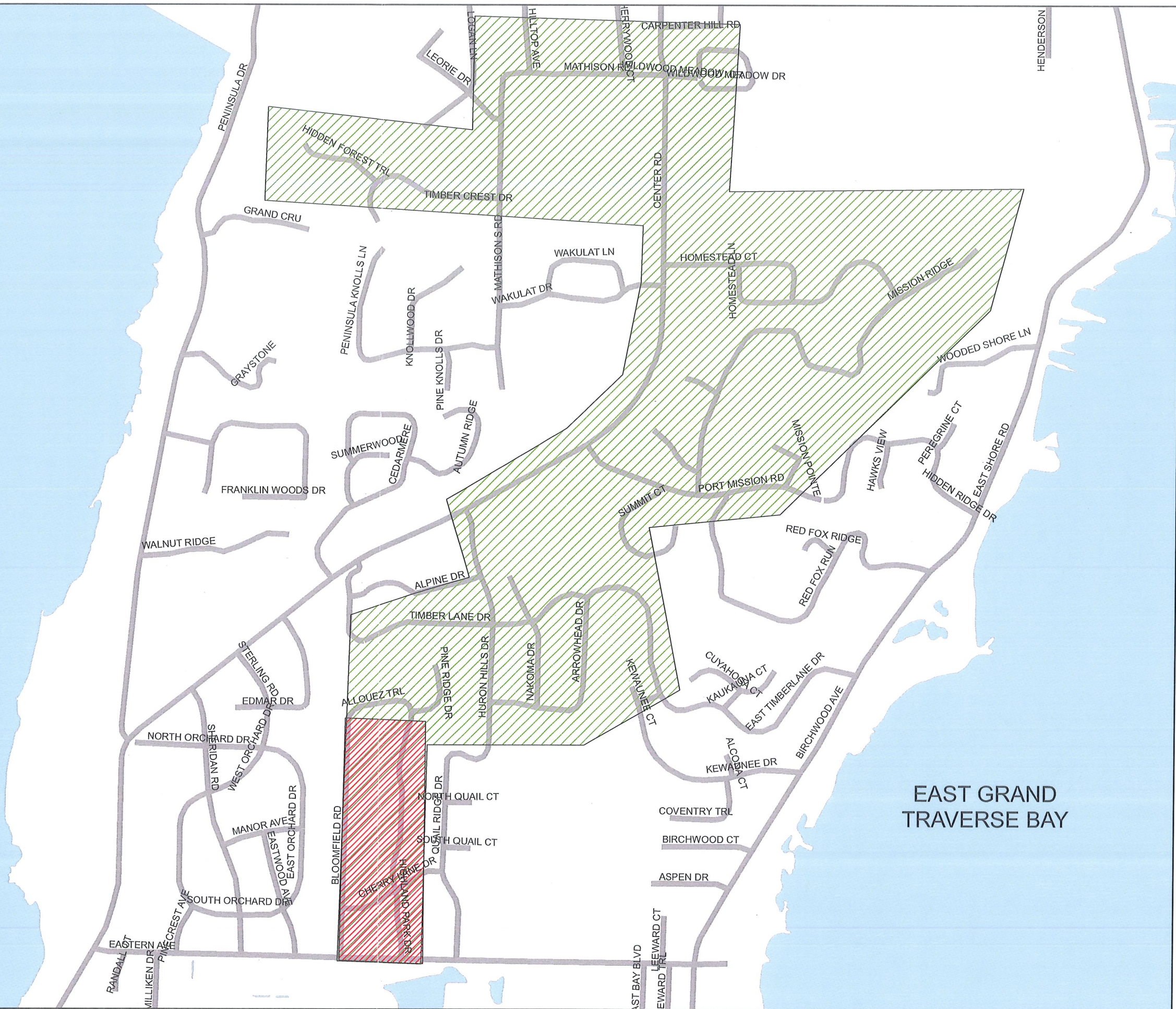
| MK | REVISION | | | SHEET NO. |
|----|----------|-------|------|--|
| | DRWN: | CHKD: | DATE | |
| A | | | | 1 ORIGIN DATE: 10/16/2012 |
| B | | | | |
| C | | | | |
| D | | | | |
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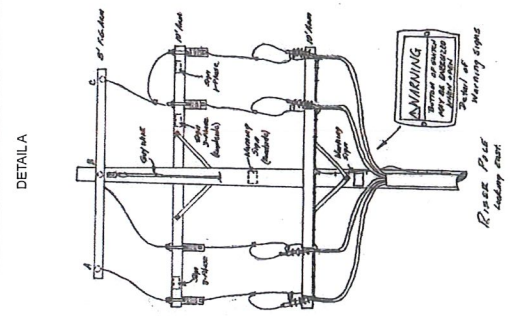
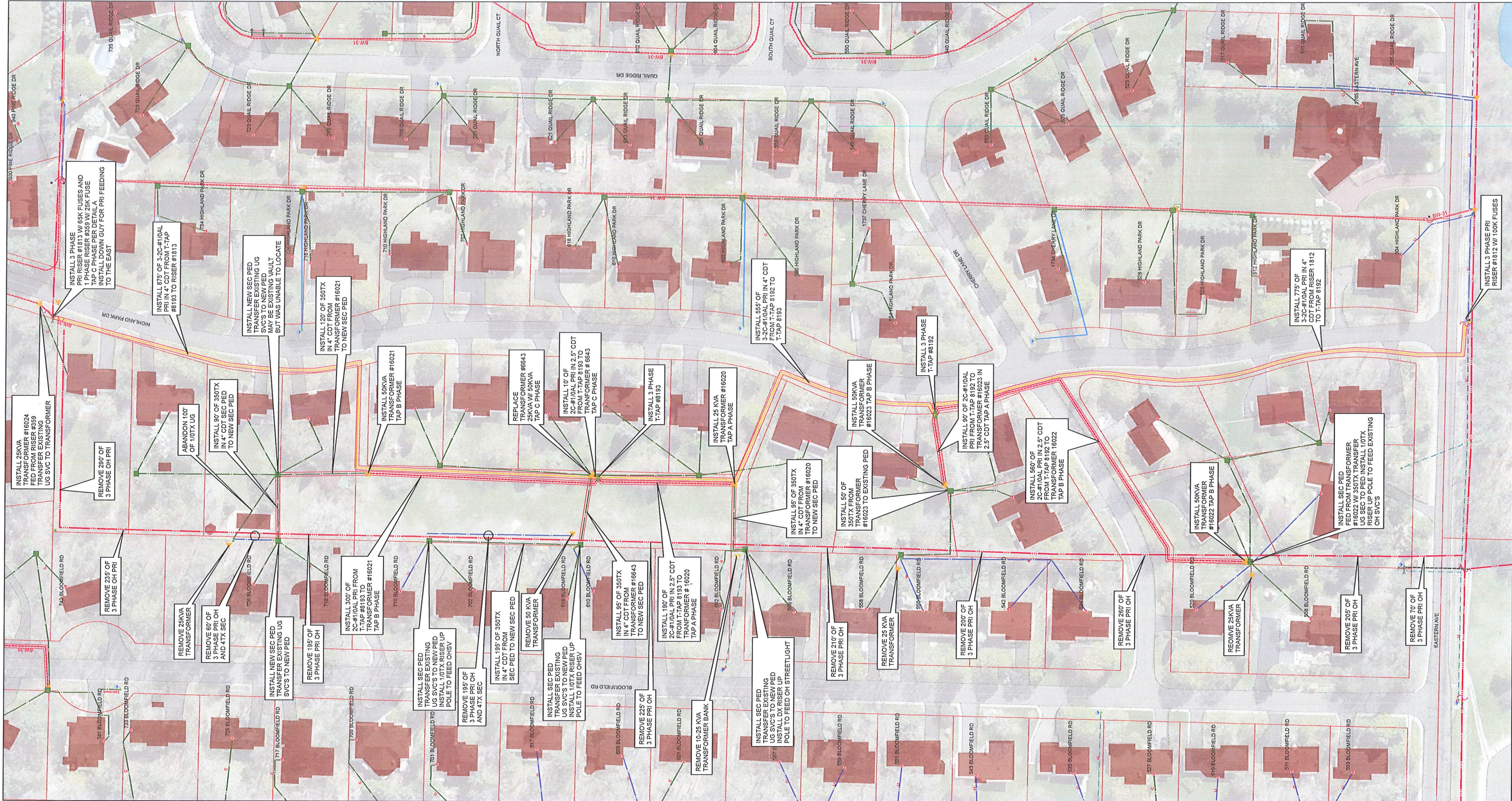


**TRAVERSE CITY
LIGHT & POWER**
Investing Our Energy In You

DRAWN BY: BWILSON
TITLE: HIGHLAND PARK
CHECKED BY:
OH TO UG CONVERSION

SCALE
1 inch = 800 feet





Legend

Overhead

- Single Phase Delta
- Three Phase Open Delta
- Three Phase Wye Grounded
- Pole
- OH Switch
- Single Phase Primary Overhead
- Two Phase Primary Overhead
- Three Phase Primary Overhead
- Single Phase Secondary Overhead
- Three Phase Secondary Overhead
- Neutral
- OH Streetlight Conductor Single Wire

Underground

- Single Phase Underground
- Three Phase Underground
- Padmount Switch
- Vault
- Pedestal
- T-Tap
- Connection Box
- Single Phase Secondary Underground
- Three Phase Secondary Underground
- Single Phase Primary Underground
- Three Phase Primary Underground
- Underground Streetlight Conductor

Common

- Electric Meter
- Streetlight

Scale: 1 inch = 80 feet

PROJECT: HIGHLAND PARK W/ PRINT
OH TO UG CONVERSION

DATE: 10/09/2012

BY: [Signature]

CHECKED BY: [Signature]

APPROVED BY: [Signature]



| | October 2012 | | | | | | | November 2012 | | | | | | | December 2012 | | | January | |
|---|--------------|----|----|----|----|----|----|---------------|----|----|----|----|----|--------|---------------|--|--|---------|--|
| | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | Week 1 | | | | | |
| Engineering design of job | | | | | | | | | | | | | | | | | | | |
| Contact contractors for boring bids | | | | | | | | | | | | | | | | | | | |
| Evaluate boring bids | | | | | | | | | | | | | | | | | | | |
| Make Project Authorization Request to Board | | | | | | | | | | | | | | | | | | | |
| Award bid for UG Boring | | | | | | | | | | | | | | | | | | | |
| Schedule TCL&P crews for UG Terminations | | | | | | | | | | | | | | | | | | | |
| Keep Jim and Jessica Updated | | | | | | | | | | | | | | | | | | | |
| Order Material | | | | | | | | | | | | | | | | | | | |
| Submit City Permit | | | | | | | | | | | | | | | | | | | |
| Design Plan and Profile | | | | | | | | | | | | | | | | | | | |



TRAVERSE CITY
LIGHT & POWER

To: Light & Power Board
From: Ed Rice, Executive Director
Date: October 23, 2012
Subject: Bids for 2012 Highland Park Overhead to Underground Distribution Conversion Project

Bids have been obtained for directional boring of conduits for underground cable for the Highland Park Overhead to Underground Distribution Project.

| <u>Bidder</u> | <u>Total</u> |
|------------------------------|--------------|
| Elmer's | \$50,910 |
| Doug's Underground | \$63,450 |
| Roemer Utility Services, LLC | \$78,743 |

Staff recommends that the Board select Elmer's as they are the low bidder for the defined work scope.

If the Board is in agreement with staff's recommendation above, the following motion would be appropriate:

MOVED BY _____, SECONDED BY _____, THAT THE LIGHT AND POWER BOARD AUTHORIZE THE CHAIRMAN AND SECRETARY TO ENTER INTO A CONTRACT WITH ELMER'S, IN THE AMOUNT OF \$50,910 FOR THE HIGHLAND PARK OVERHEAD TO UNDERGROUND CONVERSION PROJECT; SUBJECT TO APPROVAL AS TO SUBSTANCE BY THE EXECUTIVE DIRECTOR AND APPROVAL AS TO FORM BY COUNSEL; AND FURTHER AUTHORIZES THE EXECUTIVE DIRECTOR TO ADMINISTER AMENDMENTS AND CHANGE ORDERS THAT ARE IN THE BEST INTERESTS OF THE LIGHT AND POWER DEPARTMENT.