

A REGULAR MEETING

Of The

TRAVERSE CITY LIGHT AND POWER BOARD

Will Be Held On

TUESDAY, May 14, 2013

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: 04-10-13
12:00 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.

None.

3. Unfinished Business

None.

4. New Business

- a. Consideration of approving minutes of the Joint Study Session with City Commission of April 1, Study Session of April 2, Regular Meeting of April 23 and Study Session of April 23, 2013. (Approval recommended)
- b. Public Hearing regarding Solar Garden Rate Tariff. (Arends)

The purpose of this public hearing is to allow the public an opportunity to express, and the opportunity for the Board to consider, the public's support, opposition or general comments regarding this matter. To preserve the written record, members of the public are asked to state whether they are in support or opposition of this matter or whether they are expressing general comments. After such statement, the public is welcome to continue to elaborate on the matter.

- c. Consideration of Second Extension of Option Agreement. (Arends)
- d. Consideration of naming Tim Arends as permanent Executive Director. (Arends)

5. Appointments

None.

6. Reports and Communications

- a. From Legal Counsel.
- b. From Staff.
 1. 3rd Quarter financial report. (Arends)

2. Announcement of Community Solar Informational Meeting. (Wheaton)

c. From Board.

7. Public Comment

/st

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Joint Study Session of City Commission with
Traverse City Light and Power Board
Held at 5:30 p.m., Governmental Center, Commission Chambers
Tuesday, April 1, 2013

LIGHT AND POWER BOARD MEMBERS -

Present: Jim Carruthers, Bob Spence, John Taylor, Pat McGuire

Absent: Barbara Budros, Jeff Palisin, John Snodgrass

EX OFFICIO MEMBER -

Present: Ben Bifoss

OTHERS: Tim Arends, W. Peter Doren, Stephanie Tvardek

The meeting was called to order at 5:30 p.m. by Mayor Estes.

1. Discussion regarding management and operations assessment of Traverse City Light and Power.

The following individuals addressed the City Commission and Traverse City Light and Power Board:

Tim Blodgett, Hometown Connections
Bob Dyer, Hometown Connections

2. Public Comment.

The following individuals addressed the City Commission and Traverse City Light and Power Board:

Pat Brady, 1617 East Lane
Bill Dorrier, Highland Park Drive
Rick Buckhalter, 932 Kelley Street

There being no objection, Mayor Estes declared the meeting adjourned at 6:39 p.m.

/st

Tim Arends, Secretary
LIGHT AND POWER BOARD

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Study Session
Held at 5:30 p.m., Light and Power Service Center
Tuesday, April 2, 2013

LIGHT AND POWER BOARD MEMBERS -

Present: Jim Carruthers, Jeff Palisin, Bob Spence, John Taylor, Pat McGuire

Absent: Barbara Budros, John Snodgrass

EX OFFICIO MEMBER -

Absent: Ben Bifoss, City Manager

OTHERS: Tim Arends, Stephanie Tvardek, Larry LaCross, Scott Menhart, Tom Olney, Rod Solak, Jessica Wheaton, Blake Wilson

The meeting was called to order at 5:30 p.m. by Chairman McGuire.

1. Discussion of the Proposed 2013-14 Six Year Capital Improvements Plan and Operating Budgets.

The Board and staff discussed the 2013-14 Six Year Capital Improvements Plan and Operating Budgets.

The following individuals addressed the Board:

Tim Arends, *Interim* Executive Director/Controller
Scott Menhart, Manager of Telecomm & Technology
Jessica Wheaton, Marketing & Community Relations Coordinator
Tom Olney, Operations Manager
Blake Wilson, System Engineer

6:30 p.m. John Taylor departed the meeting.

2. Public Comment

No one from the public commented.

There being no objection, Chairman McGuire declared the meeting adjourned at 7:50 p.m.

/st

Tim Arends, Secretary
LIGHT AND POWER BOARD

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, April 23, 2013

Board Members -

Present: Barbara Budros, Jim Carruthers, Jeff Palisin, John Taylor, Patrick McGuire

Absent: John Snodgrass, Bob Spence

Ex Officio Member -

Absent: R. Ben Bifoss

Others: Tim Arends, W. Peter Doren, Stephanie Tvardek, Scott Menhart, Tom Olney, Rod Solak, Jessica Wheaton, Blake Wilson

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

Item 2 on the Agenda being Consent Calendar

None.

Item 3 on the Agenda being Old Business

3(a). Consideration of approving the Community Solar Garden Inter-Utility Agreement.

The following individuals addressed the Board:

Tim Arends, *Interim* Executive Director/Controller
W. Peter Doren, General Counsel

Moved by Budros, seconded by Palisin, that the Light & Power Board authorizes the Chairman and Secretary to enter into the Sun Alliance Inter-Utility Agreement, subject to approval as to substance by the *Interim* Executive Director and as to form by General Counsel; and further, the Board proposes a Community Solar Energy Tariff Rate and sets a Public Hearing for the May 14, 2013 regular TCL&P board meeting to consider its adoption.

The following individuals from the Public addressed the Board:

Ann Rogers, 1236 Peninsula Dr., Ratepayer

CARRIED unanimously. (Snodgrass, Spence absent)

Item 4 on the Agenda being New Business

4(a). Consideration of authorizing a Tree Trimming Services Agreement.

The following individuals addressed the Board:

Blake Wilson, System Engineer

Tim Arends, *Interim* Executive Director/Controller
Jessica Wheaton, Marketing & Community Relations Coordinator

Moved by Taylor, seconded by Palisin, that the Board authorize the Chairman and the Secretary to enter into a three year Tree Trimming Services Agreement with Trees Inc. in the amount of \$440,627.20; subject to approval as to substance by the *Interim* Executive Director and approval as to form by General Counsel.

The following individuals from the Public addressed the Board:

Ann Rogers, 1236 Peninsula Dr., Ratepayer

CARRIED unanimously. (Snodgrass, Spence absent)

Item 5 on the Agenda being Appointments

None.

Item 6 on the Agenda being Reports and Communications

a. From Legal Counsel.

None.

b. From Staff.

1. Tim Arends made an announcement he will seek the Board's approval for his employment as Executive Director at the next regular board meeting.

c. From Board.

None.

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 6:06 p.m.

/st

Tim Arends, Secretary
LIGHT AND POWER BOARD

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Study Session
Held at 6:07 p.m., Commission Chambers, Governmental Center
Tuesday, April 23, 2013

LIGHT AND POWER BOARD MEMBERS -

Present: Barbara Budros, Jim Carruthers, Jeff Palisin, John Taylor, Pat McGuire

Absent: John Snodgrass, Bob Spence

EX OFFICIO MEMBER -

Absent: Ben Bifoss, City Manager

OTHERS: Tim Arends, W. Peter Doren, Stephanie Tvardek, Scott Menhart, Tom Olney, Rod Solak, Jessica Wheaton, Blake Wilson

The meeting was called to order at 6:07 p.m. by Chairman McGuire.

1. Introduction of a proposed property exchange between TCL&P and the City of Traverse City.

The Board and staff discussed possible property exchanges between TCL&P and the City of Traverse City.

The following individuals addressed the Board:

Tim Arends, *Interim* Executive Director/Controller

2. Review and discussion of the Hometown Connections Audit report.

The Board discussed the Hometown Connections Audit report.

The following individuals addressed the Board:

Tim Arends, *Interim* Executive Director/Controller

3. Public Comment

The following individuals from the Public addressed the Board:


Rick Buckhalter, 932 Kelley Street, Ratepayer

There being no objection, Chairman McGuire declared the meeting adjourned at 6:55 p.m.

/st

Tim Arends, Secretary
LIGHT AND POWER BOARD



To: Light and Power Board
From: Tim Arends, *Interim* Executive Director/Controller 
Date: May 2, 2013
Subject: Community Solar Garden Phase I Rate Public Hearing

At its April 23, 2013 meeting the Board approved setting a Public Hearing for May 14, 2013 to consider adoption of a Community Solar Garden Phase I Rate. Notice of the Public Hearing has been posted on the TCL&P web site.

The following process would be appropriate in conducting the Public Hearing:

- Board Chairman introduces the subject
- Open the Public Hearing
- Close the Public Hearing
- Reaffirm the Boards previous action through a motion (or rescind the action)

If after the Public Hearing the Board continues to support its earlier action to adopt a Community Solar Garden Phase I Rate the following motion would be appropriate:

MOVED BY _____, SECONDED BY _____,

THAT THE BOARD ADOPTS THE COMMUNITY SOLAR GARDEN PHASE I RATE WITH AN IMMEDIATE EFFECTIVE DATE.

City of Traverse City
Light and Power Department
Effective: _____

COMMUNITY SOLAR GARDEN PHASE I RATE

(Rate "SLR1")

Availability:

Available to any customer that has an active TCL&P account who has a signed TCL&P Participating Customer Solar Energy Credit Purchase Agreement or an approved Sun Alliance Solar Garden Credit Transfer form which constitutes their investment in a solar panel(s) offered through the Solar Up North Alliance for the Phase I project located at 5930 US 31 South, Grawn, Michigan in which TCL&P is a partner.


Monthly Rate:

Cherryland Electric Cooperative (Cherryland) will make monthly payments to TCL&P equal to the total of TCL&P's proportional share of the total Solar Garden net metering savings, if any, multiplied by a rate per kilowatt hour equal to Cherryland's annual wholesale cost of power, less distribution charges, which shall be calculated annually by Cherryland.

A monthly credit shall be applied to TCL&P's customer accounts based upon the customer's incremental share of the total Solar Garden monthly payment provided by Cherryland.



TRAVERSE CITY
LIGHT & POWER

To: Light & Power Board
From: Tim Arends, *Interim* Executive Director/Controller 
Date: May 9, 2013
Subject: Second Extension of Option Agreement – South Substation Project

At its November 27, 2012 meeting the Board approved a First Extension of Option Agreement (six months) for the purchase of 30 acres along LaFranier Road in Garfield Township for the purpose of constructing a 69/13.8kv Distribution Substation. The original Option Agreement had an expiration date of December 1, 2012, and the First Extension of Option Agreement expires on June 1, 2013. Staff is requesting that the Board approve a Second Extension of Option Agreement.

In February 2013, the Board passed a motion to proceed with the South Substation Project and seek township approval for its construction on the existing Wolverine Substation site; the Wolverine site was preferred by the Board. In addition, the Board authorized staff to also seek township approval on the 30 acre site in the event the township did not approve the Board's preferred location. Because of timing issues through the public process for a special land use permit and zoning change requests at the township level, staff was aware, and informed the Board in February, that the option on the 30 acre site would have to be extended to keep that property as a viable second option.

This month, TCL&P will submit an application to the township for a height variance at the existing site that will be considered by the Garfield Township Planning Commission in June. If approved, TCL&P will then proceed with gaining approval of a special land use permit. At this point, the township is very supportive of the substation construction at the Wolverine site, however, the 30 acre site would be a viable second option should there be any reason that the permit/variance be denied.

Attached is a Second Extension of Option Agreement prepared by General Counsel that allows for two six month terms of extension at a cost of \$7,500 per term. This amount would not apply to the purchase price of the land should TCL&P ultimately exercise its option.

If the Board agrees with staff's recommendation the following motion would be appropriate:

(RECOMMENDED MOTION ON NEXT PAGE)

FOR THE LIGHT & POWER BOARD MEETING OF MAY 14, 2013

MOVED BY _____, SECONDED BY _____,
THAT THE LIGHT & POWER BOARD AUTHORIZES THE *INTERIM* EXECUTIVE
DIRECTOR TO ENTER INTO A "SECOND EXTENSION OF OPTION AGREEMENT"
WITH DIXIE ROETHLISBERGER AT A COST OF \$7,500 FOR EACH OF TWO SIX
MONTH TERMS FOR PROPERTY LOCATED IN GARFIELD CHARTER TOWNSHIP.

SECOND EXTENSION OF OPTION AGREEMENT

In consideration of the Extension Money, Dixie Roethlisberger, Trustee of the Louis G. LaFranier Revocable Inter Vivos Trust and the Marvel R. LaFranier Revocable Inter Vivos Trust, whose address is 15532 Bluff Road, Traverse City, Michigan 49686 (the "Seller"), **hereby extends** the Option Agreement with the Traverse City Light and Power Department, whose address is 1131 Hastings Street, Traverse City, Michigan 49686 (the "Buyer"), as follows:

1. Term of Option. On December 6, 2011, the above parties entered into an Option Agreement regarding the exclusive right and option to purchase a certain parcel of real estate described on Attachment A to the Option Agreement (the "Property") being a part of Tax Parcel No. 05-023-042-00. On November 27, 2012, the original Option Term of twelve (12) months was extended an additional six (6) months to expire at 5:00 p.m. local time June 1, 2013. This term is hereby extended as follows:

- (a) In consideration of the Extension Money described herein, the Option Term is extended six (6) months until December 1, 2013;
- (b) If before December 1, 2013, Buyer gives Seller written notice that it wishes an Additional Extension and pays Seller the Additional Extension Money described herein, the Option Term will be extended automatically until June 1, 2014.

2. Extension Money. The consideration for this extension is the Extension Money in the amount of Seventy-Five Hundred Dollars (\$7,500.00). This money is not to be considered Option Money and is not to be credited towards the Purchase Price. The consideration for the Additional Extension is the Additional Extension Money in the amount of Seventy-Five Hundred Dollars (\$7,500.00). This money is not to be considered Option Money and is not to be credited towards the Purchase Price.

3. Other Provisions. All other provisions of the Option Agreement are to remain the same and extended throughout the extended Option Term.

4. Effective Date. The last date of the signatures below is the Effective Date of this Second Extension of Option Agreement.

The Seller and Buyer have executed this Second Extension of Option Agreement on the dates indicated below.

Trustee of the Louis G. LaFranier
Revocable Inter Vivos Trust and the
Marvel R. LaFranier Revocable
Inter Vivos Trust

Traverse City Light and Power
Department

By: _____ / _____
Dixie Roethlisberger, Date
Trustee

By: _____ / _____
Timothy Arends, Date
Interim Executive Director



TRAVERSE CITY
LIGHT & POWER

To: Light & Power Board
From: Tim Arends, *Interim* Executive Director/Controller
Date: May 4, 2013
Subject: Consideration of Promotion to Executive Director

A handwritten signature in black ink, appearing to be "Tim Arends", enclosed in a hand-drawn circle.

At the April 23rd TCL&P board meeting I announced my intention to request of the Board that it revoke its action on February 26th of its intent to conduct a local or national search for a permanent Executive Director, and that the Board promote me to the position, effective immediately.

Attached is my cover letter and resume, along with letters of recommendation for your consideration. If the Board agrees with promoting me to the position the following motion would be appropriate to do so:

MOVED BY _____, SECONDED BY _____,
THAT THE LIGHT & POWER BOARD REVOKES ITS ACTION OF FEBRUARY 26, 2013
OF ITS INTENT TO CONDUCT A SEARCH FOR A PERMANENT EXECUTIVE
DIRECTOR AND NAMES TIM ARENDS AS THE EXECUTIVE DIRECTOR OF
TRAVERSE CITY LIGHT & POWER EFFECTIVE IMMEDIATELY AT HIS CURRENT
SALARY; AND FURTHER DIRECTS GENERAL COUNSEL TO NEGOTIATE CONTRACT
TERMS WITH TIM ARENDS FOR THE BOARDS CONSIDERATION AT A FUTURE
MEETING.

May 6, 2013

Patrick McGuire, Chairman
Traverse City Light & Power Board of Directors
1131 Hastings Street
Traverse City, MI 49686

Dear Board members:

Subject: Promotion to Executive Director

Over the past six months I have had the pleasure to serve as the *Interim* Executive Director of Traverse City Light & Power (TCL&P). At this time, I am requesting that the Board promote me to the position of permanent Executive Director. As reflected in my enclosed résumé, I have held positions with progressive responsibility at the City of Traverse City and TCL&P over my 23 year public service career.

During my term as *Interim* Executive Director, I have had the opportunity to utilize my experience and established relationships with stakeholders of the utility in advancing the mission, vision and goals of the utility, as established by the Board. It was shortly into this *Interim* role that I became most interested in continuing to serve as Director. The position offers a variety of duties and responsibilities that present the challenge of advancing projects and initiatives as desired by the Board, or needed by the employees to continue to provide a culture of continuous improvement at TCL&P for the benefit of the community.

As the *Interim*, I have given my best effort in providing the Board with the information and options it needs to make important decisions for the future of the utility that are in the best interests of the community it serves. Additionally, I have implemented changes at the utility that were either recommended efficiencies by the Hometown Study, myself and/or staff, or as requested by the Board. Further, during this *Interim* period, the Board has adopted new policies which will assist the Board and staff with managing the future direction of TCL&P.

In my opinion, the past six months have not been a stagnate time for the utility with me as *Interim* Executive Director. The Board should only anticipate that it receive more from me as a full-time Director without the challenge of maintaining two positions. Promoting employees from within, whenever possible, contributes to a culture of continuous improvement which is currently identified as a strategic goal of the Board.

I am confident that my performance and past experience meets the needs of the Board as it considers this critical position; that experience will benefit TCL&P in managing the many challenges facing the utility, and enable its staff and employees to further enhance the benefits of the valuable community asset that is Traverse City Light & Power Department.

Sincerely,



Timothy J. Arends
Interim Executive Director/Controller

Enclosure

TIMOTHY J. ARENDS, CPFA, MICPT

4004 StoneRidge Drive • Traverse City, MI 49684 • 231/946-0728

OBJECTIVE

To obtain the position of permanent Executive Director at Traverse City Light & Power and continue my service to the community utilizing my education and experience in a way that will enhance the quality of life for its residents, businesses and visitors.

EXPERIENCE

CONTROLLER (Interim Executive Director – October 2012 to present) 2008 – present
Traverse City Light & Power *Traverse City, Michigan*

Under the general direction of the Executive Director, provides oversight of all financial and budgetary activities. Responsible for financial and administrative policy development and adherence, directs the budgetary process and monitors and refines all finance activities. Coordinates financial reporting with applicable City of Traverse City departments and assists the Executive Director in long-range financial planning and rate analysis. Serves as acting Executive Director in his/her absence.

DEPUTY CITY TREASURER / ASSISTANT FINANCE DIRECTOR 1990-2008
City of Traverse City *Traverse City, Michigan*

Direct supervision of customer service, billing, and collections departments for electric, water and sewer utilities. Direct supervision of the treasurer's office, accounting, payroll and accounts payable employees. Assist in budget preparation, month-end/year-end financial reporting/analysis, and compliance with state and federal reporting requirements. Respond to and monitor the progress of special customer concerns in regard to taxes, utilities and other city business. Responsible for department procedural development, training, and technological enhancements.

ACCOUNTING SUPERVISOR 1985-1990
C-Tec Cable Systems of Michigan *Traverse City, Michigan*

EDUCATION

Bachelor of Science Degree in Accountancy November 16, 1984
Ferris State University *Big Rapids, Michigan*

AFFILIATIONS, RECOGNITION AND CONTINUING EDUCATION

Michigan Certified Public Treasurer (MiCPT) – Michigan Municipal Treasurers Association (MMTA) – 2010
Michigan Public Power Agency audit committee member (2009 to present)
Traverse City Police & Fire Retirement System Plan Administrator (2004 to 2008)
MMTA (850 members) annual state conference coordinator (2007 to present)
Recipient of the Traverse City Convention & Visitor Bureau Community Champions Award – November 2007
P.R.I.M.E. (Professional Recognition in Municipal Excellence) Award recipient from MMTA – September 2006
Leadership Grand Traverse – Graduating class of 2005
Big Brothers/Big Sisters of NW MI Board of Directors (2003 to 2007) - Treasurer/Executive Committee Member
StoneRidge Property Owners Assoc. 155 Home Association Administrator/past board member (1999 to present)
MMTA Board of Directors 1997 to 2006; Past President, founded MMTA in the UP annual treasurer training program
Assoc. of Public Treasurers U.S. & Canada – 1997 to Present – CPFA Committee and Program Committee member
Certified Public Finance Administrator (CPFA) – APT US&C – 1997
American Public Power Association – member since 1990

The City of Traverse City

Office of the City Manager

GOVERNMENTAL CENTER
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4440
(231) 922-4476 Fax
tcmanage@traversecitymi.gov



April 16, 2013

TCL&P Board
c/o Mr. Tim Arends
1131 Hastings Street
Traverse City MI 49686

Subject: **Executive Director**

Dear Board members:

As the City Manager for the City of Traverse City, I have the opportunity to work with the Light and Power Executive Director on a daily basis. This interaction allows me an insight that I would like to share with you.

During the last six months under the leadership of your interim Director Tim Arends, the working relationship between the City and Light & Power has improved exponentially. We have worked together to create a more cost-effective Human Resources Department and we are exploring options to be more efficient in both IT and GIS operations. We are coordinating capital improvements with both L&P and the DDA. Tim operates on the assumption that Light and Power is a department of the City with similar goals to serve the best interest of our citizens. While under an independent Board, we share a common interest.

Tim has addressed personnel issues that had festered over time. He has addressed excessive administrative overhead. He has reorganized the Department. He has begun the implementation of the Hometown Connections recommendations. He has sought a cooperative rather than combative relationship with neighboring utilities. He has brought clear and useful information to the Board for decision-making. He has applied himself in a professional, competent, and thoughtful way. He is open to advice and willing to cooperate while understanding that there will continue to be areas where the City Commission and Light & Power board interests may not always be identical.

Tim treats the position as I treat the City Manager's position, which is to implement the goals of the governing board, not to create those goals. It is the Board's job to create a vision and goals for Traverse City Light and Power; it is the Executive Director's job to steer toward that vision and accomplish those goals. More has been accomplished in the last six months than in the previous five years.

Before you consider a search for a new Executive Director, I would ask "what more can you get than you already have?" I encourage you to take action to appoint Tim Arends as the permanent Executive Director for Traverse City Light and Power. Thank you for your attention and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Ben Bifoss".

R. Ben Bifoss
City Manager

cc: City Commission



May 3, 2013

Patrick McGuire, Chairman
Traverse City Light & Power
Board of Directors
1131 Hastings Street
Traverse City, MI 49686

Subject: Letter of Recommendation
Tim Arends

Dear Mr. McGuire,

It is my understanding that the Board of Directors will be considering removing the "interim" designation from Tim Arends title at your next meeting on May 14th.

I have worked with Tim for some time in both his capacity as Controller and Interim Executive Director and find him very capable to assume this role on a long-term basis. Tim no doubt possesses the necessary talents, experience, and administrative skills to succeed in this capacity, but more importantly, I believe he has the ability to lead Traverse City Light & Power, collaboratively with the Board, in a very positive direction, addressing many of the challenges highlighted in the recent Comprehensive Assessment prepared by Hometown Connections.

As General Manager and CEO of MPPA, I have had an opportunity to work extensively with executives from municipally owned electric utilities in Michigan and throughout the country in my role as a member of the Board of Directors of APPA. I am confident Tim will, if given the opportunity, "measure up" with the best.

Tim's passion and desire to serve the citizens of Traverse City and the customers of TCLP in a responsive and customer focused

fashion is readily apparent.

As Traverse City's representative on MPPA's Board of Commissioners, I see Tim as an immediate contributor and one that can work collectively and collaboratively with MPPA Staff and its membership in a mutually beneficial manner to meet TCLP's long-term power supply needs consistent with the objectives established by your Board and the greater community.

I look forward to working with Tim and others at TCLP in these regards.

Should you have any further questions, feel free to give me a call.

Sincerely,

A handwritten signature in cursive script, appearing to read "David Walters", with a long horizontal flourish extending to the right.

David Walters
Michigan Public Power Agency
General Manager and CEO

Jim B. Weeks
4211 S. Center Drive
Howell, MI 48855
(517) 546-6993

April 30, 2013

Re: Mr. Tim Arends
Position of Executive Director
Traverse City Light & Power

I am pleased to write this letter of recommendation for Tim Arends who is interested in serving Traverse City Light & Power in the position of Executive Director. I have worked with Mr. Arends since my hiring by the Michigan Public Power Agency more than 17 year ago.

As Executive Director of the Michigan Municipal Electric Association, I have had the privilege of working with Tim over the last six months in his capacity as Interim TCL&P Executive Director. I can attest to his devotion to the customers of TCL&P, and the surrounding community.

Mr. Arends possesses the interpersonal skills and communication abilities that are essential in an Executive Director. Tim's manner is consistently professional, courteous, and thoughtful. Furthermore, he is genuinely liked and respected by all who have dealt with him.

I am confident that Mr. Arends would be an excellent choice to fill the Executive Director position, and given the opportunity he will be successful in this endeavor. His work over the past six months has proven as much.

If you have any questions, or if I can be of any assistance, please do not hesitate to contact me.

Respectfully Yours,



Jim Weeks

May 3, 2013

Patrick McGuire
308 N. Elmwood Ave.
Traverse City, Michigan 49684

Board of Directors
Traverse City Light & Power

As Board Chair I have worked closely with Tim Arends in his capacity as TCLP's interim Executive Director since late October, 2012, and based on Tim's performance during this period I enthusiastically support his promotion to Executive Director of TCLP. I have become convinced Tim possesses a unique set of qualities making him the right person to fill this position at this time.

Tim's years of experience with both the City of Traverse City and TCLP give him an invaluable historical perspective which has provided me a more complete understanding of various issues coming to the Board. Similarly Tim has had the time to develop relationships with TCLP and City staff, neighboring electric utilities, City and regional interest groups, and state industry trade associations. Time and again I have seen first-hand how these relationships have served to advance TCLP's interest.

Upon being designated our interim executive director Tim elected not to be just a placeholder. He has worked incredibly hard at both his interim position and his job as TCLP controller. Conveniently for me I have been able to meet with him on a quite a few Saturdays, which are seemingly part of his normal work week. He has tackled some tough issues and some backlogged issues, which have been languishing for lack of a champion. Community solar, minimum cash reserve policy, and the City property swap are but some of the issues which would likely still be in limbo without Tim's extra push.

Most importantly for me the Board is more cohesive and much less contentious working with Tim. Communications from staff are greatly improved, and a trust has formed, which did not previously exist. Tim goes out of his way to present issues in an unbiased fashion, and does not take offense when confronted with opposing view-points. Quite simply the Board is better able to serve TCLP in this much improved environment.

Finally, and most importantly by his efforts and accomplishments Tim Arends has made this most important and potentially very difficult decision very easy for me to recommend that the Board promote Tim to the position of Executive Director.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick McGuire', with a long horizontal line extending to the right.

Patrick McGuire



Cherryland Electric

— Cooperative —

April 5, 2013

Board of Directors
Traverse City Light and Power
400 Boardman Avenue
Traverse City, MI 49684

RE: Tim Arends

Dear Board of Directors:

I am writing to recommend Tim Arends for the job of Executive Director of Traverse City Light and Power. Since filling the interim role, I have watched Tim and have worked with him directly. With my more than 20 years of experience in similar jobs, I feel that he is a good fit for this job and our community.

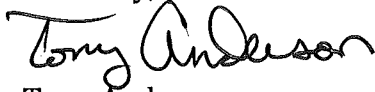
A key component of this leadership position is not only the ability for the executive director to have the strength to make executive decisions such as personnel and public relations, but also the integrity to give the board unbiased information to make decisions on issues such as substation siting and energy generation. I believe Tim has excelled at this most difficult of balancing acts.

It is often said that when we see a leader under stress, we see the true leader. Anyone can lead anybody when times are good. I have watched Tim be challenged publicly to the point of unfairness. Yet, he has remained calm, poised and has continued with the business of the utility as directed by the Board.

In our community, we talk a lot about transparency. I believe strongly that this is Tim's strongest point. All he wants is what is best for the citizens of the community. He has no aspirations to build an empire, to create a utility the board doesn't want or to hide any agenda. If it is good for the ratepayer, he will get it done. In Tim's words, "It's not that hard to do the right thing."

Ultimately, the TCLP Board will make a decision. This decision will be questioned, reported on and bantered about regardless of whom you choose. There is no candidate above the scrutiny of what I believe to be a great community. If I were in your shoes and with the sincerest respect for your difficult position, I would select the candidate who knows the community and who has faced this scrutiny well in the past months. All while achieving more results than the utility has seen in a long while. This candidate is Tim Arends.

Sincerely,


Tony Anderson





Douglas Luciani
President & CEO

May 8, 2013

Board of Directors
Traverse City Light & Power
Attention: Tim Arends
1131 Hastings Street
Traverse City, MI 49686

Dear Members of the Board,

This letter reiterates previous public testimony made on behalf of the Traverse City Area Chamber of Commerce endorsing the promotion of Tim Arends from Interim Executive Director of TCL&P to Executive Director.

The Chamber believes Mr. Arends has demonstrated his competencies for this promotion during the more than half a year he has served as Interim. His more than two decades of experience working for the City and for TCL&P provides unique insights into the necessary interdependencies and relationships between City elected officials and staff and TCL&P Board appointees and staff. Mr. Arends has shown impressive acumen in directing the utility towards major accomplishments as Interim and has done so while also maintaining his previous administrative responsibilities.

As qualified as Mr. Arends is, however, the Chamber believes there should be a sense of urgency within TCL&P to act on the recommendations made by Home Town Connections in its management and operations audit recently presented to the Board. This includes getting to a vision, a set of strategies, key performance metrics, and a credible ongoing evaluation process.

Traverse City is a bright spot in Michigan's economy. The ability of its job creators to maintain the momentum that is propelling the region will depend in large measure on reliable, accessible, and affordable energy. Now is the time for TCL&P to be addressing the near-term energy needs of business and industry, not once the region finds itself in crisis.

The Chamber urges TCL&P's Board to expedite the hiring of its executive director and believes Mr. Arends is a person that can get the utility where it needs to be while remaining cognizant of the role of the citizen-owners and of the politics inherent in the electric utility business.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Douglas Luciani", is written over a faint, illegible typed name.

202 E. Grandview Parkway • Traverse City, MI 49684
Ph: 231-995-7108 • Fax: 231-946-2565 • www.tcchamber.org

Growing Business. Building Community.

May 3, 2013

Board of Directors
Traverse City Light and Power
1131 Hastings St.
Traverse City, MI 49686

Dear Members of the Board:

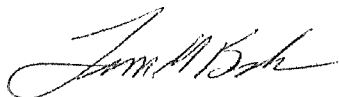
It is my pleasure to write in support of Mr. Tim Arends' application for the position of Executive Director of Traverse City Light and Power. I have known Tim for over thirteen years and I believe I have an excellent base of knowledge regarding Tim's qualities. Through my work with the Michigan Municipal Treasurers Association (MMTA) I have observed Tim in several roles including: Board Member, Education Chair, President and frequent Instructor at the annual Institute.

Tim is amazing. He is an incredibly insightful and fearless leader. I have never seen him back away from a worthwhile challenge. Tim brought the MMTA out of old and staid ways of doing business into modern approaches to conducting the business of the Association to delivering the educational programs of the organization. In spite of opponents who persisted in singing stanzas from the old song "we've always done it that way" Tim led the organization in the development of its first strategic plan. He brought innovative methods for extending the mission of the MMTA to the treasurers in the Upper Peninsula and created a team approach for conducting the business of the Board.

Tim is a good listener and is concerned about the members of his team. He is not afraid to make decisions and always willing to be held accountable for his decisions and actions. I had the opportunity to briefly work with Tim and his team in the City Treasurer's Office. It was evident that members of Tim's team had high regard and respect for him. He was firm and clear in his expectations of team members yet supportive of their individual needs.

If you seek an intelligent, innovative and brave leader there is no doubt in my mind that Tim Arends should be your selection for Executive Director.

Sincerely yours



Lewis G. Bender, PH.D.

Professor Emeritus, Southern Illinois University Edwardsville

lew_bender@aol.com

Board Members:
Jack R. Smart, Chairperson
Larry L. Kieft
John F. Naser
James F. VanderMolen
Gerald A. Witherell

Board of Light and Power
1700 Eaton Drive
Grand Haven, Michigan 49417
616/846-9200
Fax 616/846-3114



General Manager
Annette S. Allen

May 7, 2013

Patrick McGuire, Chairman
Traverse City Light & Power
Board of Directors
1131 Hastings Street
Traverse City, MI 49686

Gentlemen,

In the 23 years I have known and worked with Tim Arends in the financial arena through our respective utilities, I have always respected his knowledge of the industry and his honesty and openness in his business relationships. When discussing common issues, I have known Tim to look for the best long term solutions for the utility and its customers. For these reasons and more, I would highly recommend you consider Tim Arends to be your next Traverse City Light & Power Executive Director.


From a personal perspective, I feel that Tim's background and experience with Traverse City L&P give him many of the tools necessary to manage a utility. I made a similar transition from the Financial and Customer Service side of the operations to General Manager nine years ago. I have always felt that the financial area is a great place to learn all aspects of the operation. While historically your typical manager had an engineering background, leadership of an electric utility requires an understanding of the technical aspects of the industry but does not require an engineering degree. Leadership of an electric utility requires the analytical abilities to develop and evaluate options, the experience to make sound recommendations to assist the Board in setting the direction of the utility, and the leadership to build support among employees and the community to implement the Board's goals. With Tim's long-term experience with your utility and community, I feel he understands the issues important to Traverse City and has the knowledge, skills and dedication necessary to be a successful leader for Traverse City Light & Power.

Please feel free to contact me at 616-607-1260 with any additional questions you or the Board may have.

Sincerely,

Annette Allen



To: Light and Power Board
From: Tim Arends, *Interim* Executive Director/Controller 
Date: April 30, 2013
Subject: 2012-13 Third Quarter Financial Report

Enclosed in your packet are the third quarter financial statements for the Electric and Fiber Funds.

Electric Utility Fund:

As of March 31, 2013 (75% through the fiscal year) operating revenues are 79.1% of budgeted operating revenues. Total revenues have increased 2.3% over the previous year. Residential sales are 5.6% ahead of the previous year while commercial sales have increased 2.2% and industrial sales down 1.2%. The Board's action to freeze the Power Cost Recovery Rate (PCR) for 2012-13 has resulted in reduced customer bills in the amount of \$1.2 million (March estimated) from July through March 2013.

Total operating expenses are 80.6% of budget year-to-date which is slightly higher than budgeted. Because revenues (sales) have exceeded budget estimates slightly, expenses for purchased power are also higher. Transmission expenses are exceeding budget due to a change in accounting for MISO reimbursable expenses, as explained in the budget study session. General administration is under budget due to decreased wages and benefits. All other expense categories are either on-budget or running below budget estimates.

Net income through the third quarter is (\$916K). The budget anticipated a fiscal year deficit of \$604,500 primarily due to the Board's action to freeze the PCR cap, and the legacy contribution to the Clinch Park Revitalization Project. At this time, I would anticipate the utility to end the fiscal year very close to the budgeted net income deficit.

Fiber Fund:

Revenues in the Fiber Fund are ahead of budget while expenses are significantly under budget (favorable). Net income of \$71K has exceeded budgeted projections through March due to lower maintenance activity of the fiber backbone, and no expenses associated with Wi-Fi as originally budgeted. TCL&P and the DDA recently initiated renewed discussions regarding Wi-Fi services provided by the utility; more information will be presented to the Board when clear direction of the service and TCL&P's requested involvement is known.

TCL&P is currently negotiation a contract for dark fiber services with Grand Traverse Area Catholic schools, and is in discussions with two other potential customers. Contract(s) will be presented to the Board of its consideration in the near future.

TRAVERSE CITY LIGHT & POWER
Schedule of Revenues & Expenses - Budget and Actual
For the Month Ended March 31, 2013

| | Current Month | Y-T-D Actual | Annual Budget | % of Budget |
|--|---------------------|---------------------|---------------------|----------------|
| Operating revenues - sales | \$ 2,508,331 | \$ 22,880,772 | \$ 29,208,500 | 78.3% |
| Other operating revenues | 137,036 | 2,031,496 | 2,299,500 | 88.3% |
| Total operating revenues | 2,645,367 | 24,912,268 | 31,508,000 | 79.1% |
| <u>Generation expense:</u> | | | | |
| Purchased power | 451,168 | 5,727,377 | 6,160,000 | 93.0% |
| Stoney corners-wind energy | 196,812 | 2,077,639 | 2,900,000 | 71.6% |
| Combustion turbine | 281,665 | 2,708,500 | 4,500,000 | 60.2% |
| Campbell #3/belle river | 1,014,845 | 7,104,973 | 7,700,000 | 92.3% |
| Landfill gas | 44,829 | 251,281 | 160,000 | 157.1% |
| Other operations & maintenance | (5,534) | 178,071 | 84,750 | 210.1% |
| Total generation expenses | 1,983,785 | 18,047,842 | 21,504,750 | 83.9% |
| <u>Distribution expense:</u> | | | | |
| Operations & maintenance | 354,526 | 2,600,153 | 3,505,100 | 74.2% |
| <u>Transmission expense:</u> | | | | |
| Operations & maintenance | 23,065 | 287,528 | 198,350 | 145.0% |
| <u>Other operating expense:</u> | | | | |
| Metering & customer accounting | 46,383 | 371,286 | 550,000 | 67.5% |
| Conservation & public services | 15,058 | 1,567,757 | 2,049,350 | 76.5% |
| General administration | 81,520 | 828,976 | 1,145,250 | 72.4% |
| Insurance | 5,428 | 39,168 | 66,500 | 58.9% |
| Depreciation expense | 150,682 | 1,356,137 | 1,875,000 | 72.3% |
| City fee | 120,000 | 1,080,000 | 1,578,200 | 68.4% |
| Total other operating expenses | 419,070 | 5,243,324 | 7,264,300 | 72.2% |
| Total operating expenses | 2,780,447 | 26,178,847 | 32,472,500 | 80.6% |
| Operating income/(loss) | (135,080) | (1,266,579) | (964,500) | 131.3% |
| <u>Other revenues/(expenses):</u> | | | | |
| Non-operating revenues | 27,421 | 350,531 | 360,000 | 97.4% |
| Non-operating expenses | 0 | 0 | 0 | --- |
| Net income | \$ (107,659) | \$ (916,048) | \$ (604,500) | 151.5% |

TRAVERSE CITY LIGHT & POWER

Balance Sheet

March 31, 2013

| ASSETS | | LIABILITIES AND NET ASSETS | |
|----------------------------------|----------------------------|---|----------------------------|
| Current assets | | Current liabilities | |
| Cash and cash equivalents | \$2,019,284 | Accounts payable | \$1,965,609 |
| Investments | 23,673,123 | Customer deposits & credits | 162,642 |
| Receivables | | Accrued expenses & other liabilities | 206,953 |
| Customer (net of allowance) | 3,761,870 | Due to primary government | <u>0</u> |
| Accrued interest | 36,400 | Total current liabilities | 2,335,204 |
| Taxes | 0 | | |
| Other | 99,451 | Long-term liabilities | |
| Inventories | 1,766,801 | Compensated absences | <u>279,430</u> |
| Prepaid expenses | <u>25,378</u> | | |
| Total current assets | 31,382,307 | Total liabilities | 2,614,634 |
| | | | |
| Long-term assets | | Net assets | |
| Long-term advances & OPEB assets | 900,275 | Invested in capital assets | 41,296,855 |
| Land and land improvements | 1,309,431 | Unrestricted | <u>29,667,947</u> |
| Construction in progress | 3,513,825 | | |
| Capital assets, net | <u>36,473,598</u> | Total net assets | 70,964,802 |
| Total long-term assets | 42,197,129 | | |
| | | | |
| Total assets | <u>\$73,579,436</u> | Total liabilities and net assets | <u>\$73,579,436</u> |

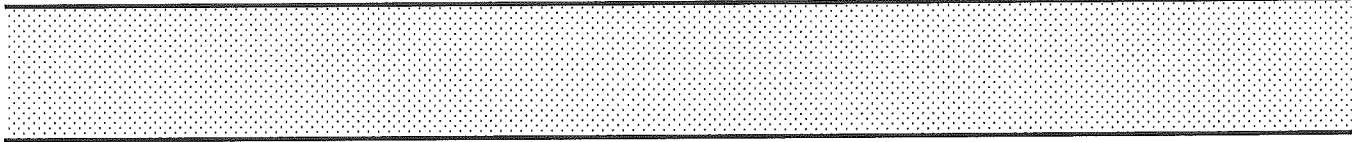
TRAVERSE CITY LIGHT & POWER
Revenue & Expenses Compared

| | March 2013 | March 2012 | Increase/Decrease | % | Y-T-D 3/31/2013 | Y-T-D 3/31/2012 | Increase/Decrease | % |
|---------------------------------|------------------------|------------------------|------------------------|---------------|-------------------------|-------------------------|--------------------------|----------------|
| Federal Grants | \$ - | \$ - | \$ - | - | \$ - | \$ (5,082.40) | \$ 5,082.40 | (100.0) |
| State Grant - Other | - | - | - | - | - | - | - | #DIV/0! |
| Residential Sales | 504,525.29 | 402,863.26 | 101,662.03 | 25.2 | 4,542,793.11 | 4,301,222.64 | 241,570.47 | 5.6 |
| Commercial Sales | 1,305,101.75 | 1,099,544.07 | 205,557.68 | 18.7 | 11,209,397.87 | 10,964,180.27 | 245,217.60 | 2.2 |
| Industrial Sales | 656,936.78 | 714,555.17 | (57,618.39) | (8.1) | 6,708,932.24 | 6,787,554.95 | (78,622.71) | (1.2) |
| Public Authority Sales | 17,944.64 | 14,335.98 | 3,608.66 | 25.2 | 213,600.30 | 201,223.04 | 12,377.26 | 6.2 |
| Street Lighting Sales | 16,273.32 | 15,413.53 | 859.79 | 5.6 | 146,115.47 | 145,989.62 | 125.85 | 0.1 |
| Yard Light Sales | 7,548.90 | 6,987.37 | 561.53 | 8.0 | 59,932.65 | 60,134.47 | (201.82) | (0.3) |
| Forfeited Discounts | 4,355.94 | 3,794.17 | 561.77 | 14.8 | 44,410.11 | 30,767.63 | 13,642.48 | 44.3 |
| Merchandise & Jobbing | 1,655.00 | 770.66 | 884.34 | 114.8 | 26,537.73 | 45,396.87 | (18,859.14) | (41.5) |
| Interest & Dividend Earnings | 8,795.10 | 4,962.09 | 3,833.01 | 77.2 | 164,499.88 | 199,353.15 | (34,853.27) | (17.5) |
| Rents & Royalties | 1,475.00 | 0.00 | 1,475.00 | #DIV/0! | 19,210.00 | 2,534.64 | 16,675.36 | 657.9 |
| Sale of Fixed Assets | - | - | - | - | - | - | - | #DIV/0! |
| Reimbursements | 17,151.18 | 18,403.25 | (1,252.07) | (6.8) | 123,155.64 | 254,266.23 | (131,110.59) | (51.6) |
| Recovery of Bad Debts | 62.50 | 79.88 | (17.38) | (21.8) | 62.50 | 79.88 | (17.38) | (21.8) |
| Sales of Scrap | 3,305.42 | 92.50 | 3,212.92 | 3,473.4 | 50,090.90 | 12,782.79 | 37,308.11 | 291.9 |
| Miscellaneous Income | 3,177.89 | 2,347.43 | 830.46 | 35.4 | 39,703.75 | 8,455.72 | 31,248.03 | 369.5 |
| Refunds & Rebates | - | 3,500.00 | (3,500.00) | (100.0) | 2,222.59 | 10,038.80 | (7,816.21) | (77.9) |
| Pole Rentals | - | - | - | - | 41,443.05 | 31,773.05 | 9,670.00 | 30.4 |
| MISO Revenues | 124,479.61 | 177,445.02 | (52,965.41) | (29.8) | 1,870,691.46 | 1,639,193.60 | 231,497.86 | 14.1 |
| Total Revenues | \$ 2,672,788.32 | \$ 2,465,094.38 | \$ 207,693.94 | 8.4 | \$ 25,262,799.25 | \$ 24,689,864.95 | \$ 572,934.30 | 2.3 |
| Expenses: | | | | | | | | |
| Generation Operations & Maint | \$ 1,983,785.14 | \$ 1,944,169.41 | \$ 39,615.73 | 2.0 | \$ 18,047,841.96 | \$ 17,107,274.56 | \$ 940,567.40 | 5.5 |
| Distribution Operations & Maint | 354,526.36 | 471,775.39 | (117,249.03) | (24.9) | 2,600,152.79 | 2,484,205.29 | 115,947.50 | 4.7 |
| Transmission Operations & Maint | 23,065.39 | 14,750.90 | 8,314.49 | 56.4 | 287,527.83 | 123,281.80 | 164,246.03 | 133.2 |
| Metering & Customer Accounting | 46,382.69 | 44,949.31 | 1,433.38 | 3.2 | 371,286.14 | 351,184.35 | 20,101.79 | 5.7 |
| Conservation & Public Services | 15,057.62 | 50,051.51 | (34,993.89) | (69.9) | 1,567,756.79 | 467,961.56 | 1,099,795.23 | 235.0 |
| Administration | 81,519.93 | 107,333.46 | (25,813.53) | (24.0) | 828,976.45 | 798,234.74 | 30,741.71 | 3.9 |
| Other | 276,109.94 | 269,573.17 | 6,536.77 | 2.4 | 2,475,304.92 | 2,567,400.36 | (112,095.44) | (4.3) |
| Total Expenses | \$ 2,780,447.07 | \$ 2,902,603.15 | \$ (122,156.08) | (4.2) | \$ 26,178,846.88 | \$ 23,919,542.66 | \$ 2,259,304.22 | 9.4 |
| Net Income | \$ (107,658.75) | \$ (437,508.77) | \$ 329,850.02 | (75.4) | \$ (916,047.63) | \$ 770,322.29 | \$ (1,686,369.92) | (218.9) |
| | \$ 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | \$ 0 | 0 |

**TRAVERSE CITY LIGHT & POWER
FIBER FUND**
Schedule of Revenues & Expenses - Budget and Actual
For the Month Ended March 31, 2013

| | Current Month | Y-T-D Actual | Annual Budget | % of Budget |
|---------------------------------------|------------------|------------------|------------------|----------------|
| <u>Operating revenues:</u> | | | | |
| Charges for services | \$ 17,440 | \$ 156,650 | \$ 186,500 | 84.0% |
| Wi-fi Service Fee - DDA | - | - | 65,000 | 0.0% |
| Total operating revenues | 17,440 | 156,650 | 251,500 | 62.3% |
| <u>Operating expenses:</u> | | | | |
| Office & operating supplies | - | - | 3,250 | 0.0% |
| Supervision & maintenance | 1,161 | 9,273 | 66,150 | 14.0% |
| Overhead & underground lines | 121 | 7,961 | 6,000 | 132.7% |
| Customer installations | - | 1,762 | 5,600 | 31.5% |
| Wi-Fi Operations & Maintenance | - | - | 45,000 | 0.0% |
| Termination boxes | - | 5,096 | 35,400 | 14.4% |
| Safety | - | 35 | - | --- |
| City fee | - | - | 12,600 | 0.0% |
| Professional development | - | 2,238 | 500 | 447.7% |
| Insurance | 93 | 645 | 1,450 | 44.5% |
| Repairs and Maintenance | - | - | 500 | 0.0% |
| Miscellaneous | - | - | 150 | 0.0% |
| Depreciation expense | 7,209 | 64,884 | 99,800 | 65.0% |
| Total operating expenses | 8,584 | 91,894 | 276,400 | 33.2% |
| Operating income/(loss) | 8,856 | 64,756 | (24,900) | -260.1% |
| <u>Non-operating revenues:</u> | | | | |
| Reimbursements | - | 6,431 | 75,900 | 8.5% |
| Net income | \$ 8,856 | \$ 71,187 | \$ 51,000 | 139.6% |

**TRAVERSE CITY LIGHT & POWER
FIBER FUND
Balance Sheet
March 31, 2013**



| ASSETS | | LIABILITIES AND NET ASSETS | |
|-------------------------------|--------------------|---|--------------------|
| Current assets | | Current liabilities | |
| Cash and cash equivalents | \$180,451 | Accounts payable | \$0 |
| Accounts receivable | 0 | Due to other funds | 0 |
| Prepaid Insurance | 280 | Deferred revenue | 12,100 |
| Total current assets | 180,732 | Total liabilities | 12,100 |
| Long-term assets | | Net assets | |
| Construction in progress | 78,492 | Contribution from other funds | 1,208,876 |
| Capital assets, net | 1,299,864 | Unrestricted fund balance | 338,111 |
| Total long-term assets | 1,378,356 | Total net assets | 1,546,987 |
| Total assets | \$1,559,087 | Total liabilities and net assets | \$1,559,087 |



**TRAVERSE CITY
LIGHT & POWER**

To: TCL&P Board of Directors
From: Jessica Wheaton, Marketing & Community Relations Coordinator
Date: May 8, 2013
Subject: Community Solar Informational Meeting

A handwritten signature in black ink, appearing to be "JW", is located to the right of the "From:" line in the email header.

An Informational Meeting will be held on May 23, 2013 for customers to learn more about the Community Solar Garden project. The meeting will consist of a presentation reviewing how the program works, what rebates are available, and how to sign-up, along with a question and answer period. If customers are ready to begin the sign-up process at the meeting, TCL&P will have Reservation Applications available. If customers have already submitted their Reservation Application, and received an approval letter, TCL&P will be prepared to have customers sign the Solar Energy Credit Purchase Agreement and accept payment for their SUN share(s).

TCL&P Community Solar Informational Meeting

When: Thursday, May 23, 2013

Where: TCL&P Office - 1131 Hastings Street, Traverse City

Time: 6 p.m.

Customers do not need to wait until the Informational Meeting to begin the sign-up process. The Reservation Application, which is the first step in the sign-up process, can be found on TCL&P's website, tclp.org, and clicking on the button at the bottom of the homepage titled 'Community Solar Garden.' There customers will find an overview of the project, along with a link to the Reservation Application. Customers can also send an email to SunAlliance@tclp.org or call 231-932-4574 to request an application.