

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, June 11, 2019

Board Members -

Present: John Taylor, Elysha Davila, Ross Hammersley, Pat McGuire, Amy Shamroe, Tim Werner, Paul Heiberger

Absent:

Ex Officio Member -

Present: Marty Colburn, City Manager

Others: Tim Arends, Jeff Jocks (General Counsel), Daren Dixon, Scott Menhart, Karla Myers-Beman, Kelli Schroeder, Tony Chartrand, Jacob Hardy, Jennifer St. Amour

Item 2 on the Agenda being Disclosure of Recusal - None

Item 3 on the Agenda being Consent Calendar

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

- a. Approval of Agenda.
- b. Approval of the minutes of the Regular Meeting of May 14, 2019 as amended.
- c. *Removed.*
- d. Approval of the 2019-20 Insurance Renewal.
- e. Adopted a Resolution in support of the 80/20 health premium cost share model to comply with the requirements of Public Act 152 of 2011.
- f. Authorized a Construction Agreement for hourly rate assistance with CC Power, Inc.
- g. Approved a Consent to Assignment for Extenet Assets Entity, LLC to accept Extenet Systems, Inc. agreements with TCL&P.

CARRIED unanimously.

Items Removed from the Consent Calendar

- a. Approval of Electric and Fiber Fund Budgets and Six-Year Capital Improvements Plan 2019.

The following individuals from the Public addressed the Board:

Barb Willing, Grant Street, ratepayer

The following individuals addressed the Board:

Tim Arends, Executive Director

Moved by Shamroe, seconded by Hammersley, that the Light & Power Board formally adopts the 2019-20 operating budgets for the Electric Utility and Fiber Optic funds, and Six Year Capital Improvements Plan.

CARRIED unanimously.

Item 4 on the Agenda being Unfinished Business

a. Public Hearing regarding:

- Fiber to the Premise (FTTP) Cost Benefit Analysis.

Chairman Taylor opened the Public Hearing.

The following individuals from the Public addressed the Board:

Barb Willing, Grant Street, ratepayer - opposed
Rick Buckhalter, 932 Kelley Street, ratepayer – in support with clarification
Matthew Scheck, Ninth Street, ratepayer – opposed
Jeff Pynnonen, Beverly Hills, MI, non-ratepayer- in support
Daniel Lecouteur, 1980 Holbert, Interlochen, non-ratepayer – opposed
Marilyn Passmore, Director, Gov. Relations, Charter Communications Inc. - opposed
Lowell Gruman, 318 Wadsworth Street, ratepayer – in support

Chairman Taylor closed the Public Hearing.

b. Consideration of Fiber to the Premise Project financing options.

The following individuals addressed the Board:

Tim Arends, Executive Director
Karla Myers-Beman, Controller

Moved by Shamroe, seconded by Hammersley, that the Light & Power Board approves an interfund loan in the 2019-20 fiscal year in the amount of \$3,500,000 between the electric and fiber fund based on the terms described in the memo.

The following individuals from the Public addressed the Board:

Gerald DeGrazia, 11604 Whittington Street, ratepayer.

Roll Call:

Yes – Hammersley, Shamroe, Taylor, Werner, Davila, Heiberger
No – McGuire

CARRIED.

c. Consideration of approving a Construction Contract with Fujitsu for the Fiber to the Premise Project.

The following individuals addressed the Board:

Tim Arends, Executive Director
Scott Menhart, Manager of Telecom & Technology
Jeff Jocks, General Counsel

Moved by Werner, seconded by Hammersley, that the Board authorizes the Chairman and Secretary to execute a construction agreement with Fujitsu for a Phase One FTTP deployment in the amount not to exceed \$3,309,426.90, subject to review as to substance by the Executive Director and as to form by General Counsel.

The following individuals from the Public addressed the Board:

Gerald DeGrazia, 11604 Whittington Street, ratepayer.

Roll Call:

Yes – Hammersley, Shamroe, Taylor, Werner, Davila, Heiberger
No – McGuire

CARRIED.

- d. Consideration of approving a Operations and Maintenance Contract with Fujitsu for the Fiber to the Premise Project.

The following individuals addressed the Board:

Tim Arends, Executive Director
Scott Menhart, Manager of Telecom & Technology
Michael T. Riley, Director, Network Design & Integration LOB, Fujitsu

Moved by Shamroe, seconded by Heiberger, that the Board authorizes the Chairman and Secretary to execute an operations and maintenance agreement with Fujitsu for a Phase One FTTP deployment in the amount not to exceed \$849,663.00, subject to review as to substance by the Executive Director and as to form by General Counsel.

Roll Call:

Yes – Hammersley, Shamroe, Taylor, Werner, Heiberger
No – McGuire, Davila

CARRIED.

- e. Consideration of approving an updated organizational chart.

The following individuals addressed the Board:

Tim Arends, Executive Director
Scott Menhart, Manager of Telecom & Technology

Moved by Hammersley, seconded by Shamroe, that the Board approves the changes to the organizational chart and ACT group salary ranges as presented.

CARRIED unanimously.

- f. Consideration of authorizing staff to issue request for proposal for construction, operation and maintenance of a solar generating facility located at the Cherry Capital Airport.

The following individuals addressed the Board:

Jeff Jocks, General Counsel, stated Cherry Capital Airport is a client of Sondee, Racine & Doren.

Tim Arends, Executive Director

7:30 p.m. Amy Shamroe left the meeting.

Moved by Heiberger, seconded by Hammersley, that the Light & Power Board directs staff to solicit bids for lease of airport property and renewable energy development located at the airport for the Board's consideration and approval.

The following individuals from the Public addressed the Board:

Gerald DeGrazia, 11604 Whittington Street, ratepayer.

Roll Call:

Yes – Hammersley, Taylor, Werner, Davila, Heiberger

No – McGuire

Absent - Shamroe

CARRIED.

- g. Consideration of authorizing staff to apply for financing for a solar generating facility located at the Cherry Capital Airport through the United States Department of Agriculture Rural Energy Savings Program.

NO ACTION TAKEN AS RECOMMENDED BY EXECUTIVE DIRECTOR.

Item 5 on the Agenda being New Business

- a. None.

Item 6 on the Agenda being Reports and Communications

- a. From Legal Counsel.

- b. From Staff.

1. Presentation of MPPA's report card on TCL&P.

The following individuals addressed the Board:

Karla Myers-Beman, Controller

2. March 31, 2019 financial statements.

The following individuals addressed the Board:

Karla Myers-Beman, Controller

c. From Board

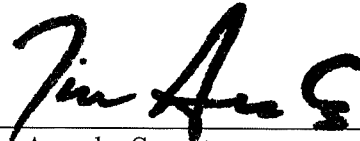
Item 7 on the Agenda being Public Comment

a. General

The following individuals from the Public addressed the Board:

None.

There being no objection, Chairman Taylor declared the meeting adjourned at 7:45 p.m.



Tim Arends, Secretary
LIGHT AND POWER BOARD