

Presentation to Marquette Board of Light and Power (MBLP) 10 October 2006

Hi. I'm Joe Buys, a lifetime resident of Marquette, taxpayer and MBLP customer. Seeing that the BLP is basically owned by the City of Marquette, I'm interested in its operation and ability to continue the tremendous service it has in the past.

Just for your information, I own 4 GPS and they've been a long-time hobby. This leads me to mention the BLP minutes for August 29th (page 2 is incorrect as it cites August 8th), where the Board approved the purchase of a GPS vehicle and location system. The cost of this purchase was shown as \$5,460 one-time, and \$826.80 monthly (that's \$9,921 annually).

Those minutes showed the Board asked a few questions but I didn't see any answers by management which made a lot of sense to me. For example, Richard Goodney asked when the breakeven point would be and David Lynch said typically one year. He went on about tracking mileage and when vehicles need to be serviced, etc. He also mentioned the system permits dispatching the nearest crew to respond to a public emergency. I probably don't understand how tracking mileage via GPS is going to save any money over reading odometers. I hope our BLP knows where its crews are all the time because they dispatch them. I thought too each crew has a FM radio and a cell phone.

The next question was by Carolyn Piirala asking about the monthly charge. Lynch responded "...the saving in crew costs per hour and increased productivity will pay for the monthly costs." That was a pretty vague response. No specifics there. My math says \$9,921 annually divided by the \$200 hourly rate for a crew requires 50 hours a year must be saved **just to break even with annual cost, not counting initial investment**. Now in order to save money more hours must be saved. No mention of who is going to monitor this system to effect these savings. Dispatcher? Someone else? Does not their time cost money?

Carolyn Piirala said it's beneficial because it is a two-way system. The description of this system was "GPS Vehicle/Location" system. There was no mention of two-way communications. Besides, why would you need another system to communicate when each crew already has a radio and cell phone? Does this system have two-way communications? If so, what is its nature – another cell phone, a microphone that plugs into the GPS unit, a laptop, something else? I didn't see any mention of purchasing any of that equipment.

Frankly, I don't see where a power company as small as ours needs this equipment. Perhaps in a big system it would prove useful but ours is not big by most standards. I would like to ask a couple of questions:

Was a written justification presented to the Board sufficient for the Board to make an informed decision? If so, may I see it?

Since there is a yearly expense of a minimum of \$9,921 associated with this system, are there provisions to later evaluate its effectiveness to enable its discontinuance if it's not cost effective?

Are there other expenses associated with this system, other than those mentioned in the minutes, expected in the not-too-distant future?

Thank you for listening to my concerns.