

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – August 17, 2016**

I. CALL TO ORDER AND ROLL CALL:

The meeting was called to order at 6:01 p.m. by Chairman Canfield. General Manager Steve Donkersloot called the roll.

Present: Board Members: Perry Beachum, Greg Canfield, Tina Cadwallader, Jim Salzwedel and Andrew Schrauben.

Also Present: General Manager Steve Donkersloot, Utility Services Coordinator Sharon Morris, Distribution/Transmission Manager Ryan Teachworth, Plant Accountant Megan Keyser, Generation Supervisor Doug Barnes, and Lowell City Councilman Alan Teelander.

II. APPROVAL OF AGENDA:

Donkersloot made two additions to the agenda. The first one below public comment is Biodigester update from Greg Northrup. The second one is a third action Item C - Material purchase for five year plan.

It was MOVED by BEACHUM, SUPPORTED BY SCHRAUBEN, to approve the agenda as amended.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

III. APPROVAL OF MINUTES:

It was MOVED BY SALZWEDEL, SUPPORTED BY SCHRAUBEN, to approve the meeting minutes of the July 13, 2016 regular meeting.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

IV. PUBLIC COMMENTS (for items not on the agenda):

There was no public comment (for items not on the agenda).

BIO-DIGESTER ODOR UPDATE & DISCUSSION:

Greg Northrup from LEAD gave an update on additional steps they are taking to eliminate odor. Greg stated the German manufacturer is coming from Germany on Saturday to do inspections of the reflow tank where odors were detected. Several concerned residents voiced their disappointment with the odor issue.

V. ACTION ITEMS:

A. MERS COLA Percent for 2017:

Donkersloot presented data from the prior six years on cost of living increases for retirees as well as SS COLA. 2017 SS is predicting a .20% increase. In 2016 the Board decided to give retirees a 1% increase even though SS estimated a 0% increase. That cost equated to \$23,000. This amount varies based on the mix of retirees. Ultimately, it is the Board's decision how they would like to proceed. If they decided not to award an increase to retirees in 2017, Donkersloot stated they may want to direct those dollars toward the underfunding of the pension plan MERS. There was Board discussion. The general consensus of the Board are to take the additional money budgeted for the retirees COLA and use it towards being fully funded in the overall MERS pension.

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN, to approve a .20% increase to Retires Cost of Living (COLA) for 2017.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

B. Consulting Agreement with Greg Pierce:

Donkersloot presented a consulting agreement that Dick Wendt drafted. The consulting agreement allows Greg to received \$120/hour to assist or

perform work as requested by the General Manager with any work/projects during the first six months of the official transition.

It was MOVED BY BEACHUM, SUPPORTED BY SALZWEDEL, to approve the Consulting Agreement with Greg Pierce.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

C. Material Purchase – Five Year Plan:

This is for the first project of our five year plan. Steve shared the quotes and stated Thomson was the lowest bid on the poles and Resco for all the materials. Ryan gave an update on the details of the project.

It was MOVED BY BEACHUM, SUPPORTED BY CADWALLADER, to approve Resco's low bid of \$31,360.94 for all the materials and Thomason for the 23 poles for \$11,046.40.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

VI. INFORMATIONAL ITEMS:

- A. **Performance Data:** Donkersloot reported on July's data.
- B. **Monthly Outage Report:** Donkersloot gave a detailed overview of this report.
- C. **Income Statement:** Donkersloot reported on the July 2016 Income Statement.
- D. **Capital Projects Report:** Donkersloot reported on the Capital Project Report.
- E. **Manager's Report:** Donkersloot gave updates to the Board on the following items:

A. MPPA/MMEA: The MMEA Fall Conference is in Holland on October 5th, 6th, and 7th. LL&P Staff, Board Members and Council Members are encouraged to attend. Please get with Sharon if you are interested in attending.

B. System/Generation Upgrade Progress:

- a. **Bio-digester:** This was discussed as a separate item.
- b. **Siemens (Rolls-Royce):** The control panel is partially wired. The switchgear is here and ready to install. OnPower and Square D will be onsite next week.
- c. **Five Year Plan:** Discussed as an added Action Item.
- d. **Other System Projects:** The underground vaults have arrived.

SCADA system will be complete by September.

Significant progress has been made with wrecking out the overhead lines and poles have been removed on Riverside.

Two capacitor bank sets were installed on Circuit 201 on Foreman Street.

C. LL&P Long Term Natural Gas Supply: Noting new at this time.

D. Standby Generator & Gas Compressor Options: Did not seem to be much interest with other municipals.

E. Lowell Schools Solar Project: Nothing new at this time.

F. Advance Meter Infrastructure (AMI) Project: A presentation was made at the City Council Meeting on August 1st. We will begin installing these September 6th; there will be four teams of two. Details will be included in a letter sent to all customers.

- G. **Gridliance Transmission Meeting**: Donkersloot gave an update.
- H. **Fiber to the Home**: Nothing new at this time.
- I. **Fiber Extension to City Facilities and City-Wide Phone Project**: Steve gave an update.
- J. **RP3 Representation**: Tom Russo will keep his position as the RP3 award selector for the APPA.
- K. **Job Posting**: A Lowell resident, Nicole Schulte was selected as the Communication Specialist/Office Assistant position. She will begin August 15th.
- L. **Diesel Generator Removal at Broadway Building**: We have received an offer from Lanco, LLC.
- M. **Line Shack**: A party is interested in the building. There was Board discussion regarding thoughts of selling or leasing the building.
- N. **Alden Ridge Housing Development**: Nothing new at this time.
- O. **Payables**: July was available.

F. **Schedule of Meetings**: August/September was presented.

VII. **NEXT REGULAR LLP BOARD MEETING**:

The next Board meeting will be held on Thursday, September 8, 2016.

VIII. **BOARD COMMENT**:

Schrauben: Thanked citizens for their input on the biodigester.

Beachum: Pink Arrow Day is August 18 on the Riverwalk from 10-7. Perry thanked the line crew for their help in hanging the pink arrow banners.

Perry stated his frustration in the biodigester project. That was not what he experienced in Germany, nor what he voted on having in Lowell.

Cadwallader: Was empathetic with the neighbors and understands their disappointment.

Canfield: Concerned about biodigester odor and the neighbors.

IX. ADJOURNAMENT:

It was MOVED BY SALZWEDEL, supported by BEACHUM, to adjourn the regular meeting at 8:26 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Canfield

Date