

**Minutes for the  
Board of Lowell Light & Power's  
Regular Meeting – January 12, 2017**

**I. CALL TO ORDER AND ROLL CALL:**

The meeting was called to order at 6:00 p.m. by Chairman Beachum. General Manager Steve Donkersloot called the roll.

It was MOVED by SCHRAUBEN, SUPPORTED BY CADWALLADER, to excuse Salzwedel's absence.

**Present:** Board Members: Perry Beachum, Tina Cadwallader, Marty Chambers and Andrew Schrauben

**Absent:** Jim Salzwedel

Yea: 4      Nay: 0      Absent: 1      Motion Carried

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

**II. APPROVAL OF AGENDA:**

Donkersloot requested adding Action Item C., Amcomm Telecommunications Fiber Approval, to the agenda.

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

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**III. APPROVAL OF MINUTES:**

It was MOVED BY CADWALLADER, SUPPORTED BY SCHRAUBEN, to approve the December 1, 2016 Joint Meeting Minutes with the City Council.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

It was MOVED BY CADWALLADER, SUPPORTED BY SCHRAUBEN, to approve the December 8, 2016 Regular Board Meeting Minutes.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

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

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

**V. ACTION ITEMS:**

**A. Authorization of signatures for LL&P Bank Accounts**

There have been some Board Member changes in the last few months. Thus, new bank signatures for Huntington Bank and Fifth Third Bank accounts are required. All checks require two signatures on LL&P checks.

Keyser recommended adding Board Member Marty Chambers and Andrew Schrauben and adding LL&P employee Julie Stewart to these accounts. She also recommended removing Greg Canfield, and reaffirming LL&P employee Steve Donkersloot, Ryan Teachworth, and Board Chairman Perry Beachum

It was MOVED BY CADWALLADER, SUPPORTED BY SCHRAUBEN, to approve the recommended signers on Huntington Bank and Fifth Third Bank accounts.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**B. OnPower Labor/Engineering Approval**

An invoice for \$22,753.19 from OnPower for labor and engineering work they have performed to assist in the commissioning of the Siemen's CT was presented. As has already been discussed in previous Board Meetings, capital dollars were not allocated to the Siemen's CT project for this additional work. However, capital dollars are available from other projects/areas in the capital budget to cover this expense. It was a wise financial decision to incur this cost as doing so will pay for itself many times over with the capacity credit we will be receiving starting in June 2017 (instead of waiting another year until June 2018). According to the MPPA we will receive capacity credit of 2.9-3.2MW. This will save us a couple hundred thousand dollars beginning in 2017 rather than waiting until 2018.

It was MOVED BY SCHRAUBEN, SUPPORTED BY CADWALLADER, to approve the \$22,753.19 invoice from OnPower for labor and engineering work.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**C. Amcomm Telecommunication, Inc.**

Chief Bukula and Donkersloot made a presentation to the City Council for the fiber extension and VOIP phone project in November. Steve sent the presentation to the LL&P Board in early December. The fiber portion went to three bidders; Amcomm Telecommunications was the low bidder at \$48,790.00. This work is to extend the fiber loop that LL&P already owns to seven other City facilities, including the: Water Treatment Plant, Waste Water Treatment Plant, , DPW, Fire Department, City Hall, Police Station and the Library. Lowell Light and Power staff and Vergennes Broadband will be working directly with Amcomm Telecommunications on this project. Steve talked with City Manager Mike Burns because there are so many departments paying a share of this cost. It was determined that LL&P would pay for Amcomm's entire bill and invoice each department for their portion of the total.

The project is expected to range in price \$141,000 not to exceed \$155,000. We are thinking the project will be closer to \$150,000 since we are hiring Ryan Peel from Vergennes Broadband. This will allow us to get fiber in sooner. The return on investment (ROI) is just under 23.6 months and the

annual savings to the City departments is just under \$77,000, not including the 20% increase everyone just incurred in January 2017.

Overhead slides were shown to describe the fiber loop. There was Board discussion.

It was MOVED BY SCHRAUBEN, SUPPORTED BY CADWALLADER, to approve the \$48,790.00 invoice from Amcomm Telecommunications, Inc.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**VI. INFORMATIONAL ITEMS:**

- A. Performance Data:** Donkersloot reported on December data.
- B. Monthly Outage Report:** There was one outage in the month of December that affected two customers. Donkersloot gave a detailed overview of this report.
- C. Income Statement:** Donkersloot reported on the December 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/APPA Update:**
    - a. MPPA:** There was consensus amongst the members to extend Franklin Energy's services agreement for another year.
    - b. MMEA:** Senate Bills 437 and 438 passed the House on Thursday, December 15<sup>th</sup>. These bills raise the renewable energy requirements from 10 to 15 percent and extends energy waste reduction (formally known as energy optimization) .There is a

goal of 35% of the state's electric needs being met through a combination of renewal energy and energy waste reduction by 2025.

- c. **APPA:** Steve will be attending the APPA Legislative Rally in Washington DC, February 26-March 1<sup>st</sup>.

**B. System/Generation Upgrade Progress:**

- a. **Bio-digester:** Clean-up work continues. Donkersloot discussed the inaccuracy of the recent Lowell Ledger article that listed revenues and expenses LL&P incurred as a result of the bio-digester project.
- b. **Five Year Plan:** Teachworth reported on the details of the five year plan.
- c. **Other System Projects:** King Milling was provided the information they requested. It will be at least 45 days until their engineers finish their scope of work to move their electric service from overhead to underground.

Siemens completed load tap changer (LTC) maintenance at our substation in mid December.

- C. **LL&P Long Term Natural Gas Supply:** Donkersloot reported on the details of the Consumer's Energy natural gas supply.
- D. **Standby Generator & Gas Compressor Options:** Nothing new at this time.
- E. **Lowell Schools Solar Project:** Nothing new at this time.
- F. **Advance Meter Infrastructure (AMI) Project:** Megan gave a detailed update on the SUS Platform.

**G. Transmission Investment Service Committee:** Nothing new at this time.

**H. Fiber to the Home:** Steve detailed the progress on this project.

**I. Fiber Extension to City Facilities and City-Wide Phone Project:** Donkersloot assisted Chief Bukula in applying for the LCTV grant of \$40,000, due February 10<sup>th</sup>. Donkersloot will supply a draft letter of support from the Board for their review.

**J. Line Shack:** A joint meeting will be held with the City Council and the LL&P Board on Tuesday, January 24, 2017 to discuss this further.

**K. Alden Ridge Housing Development:** Things are progressing on the development.

**L. Harvest Meadows Condominium Development:** This development will have 125 Units.

**M. IT Update:** Tablets have been order and received. March's Board packets will be delivered electronically. Get with Sharon or Betsy to schedule a time to meet with Betsy to review your tablet.

**N. Security Update:** We will be upgrading our physical security at the office building the week of January 23<sup>rd</sup>. Midstate Security will be installing a key-card system.

**O. Payables:** December's payables were presented.

**F. Schedule of Meetings:** January/February was presented.

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

The next Board Meeting will be held on Thursday, February 9, 2017.

**VIII. BOARD COMMENT:**

**Chambers:** Took a tour of the biodigester area and was happy to see the clean-up taking place and there was no odor.

**Schrauben:** Is pleased to hear LL&P staff is excited about the projects/stuff they work on.

**Cadwallader:** Was happy to have power with the recent wind storm. The expo is March 25<sup>th</sup>; she appreciates LL&P having a booth and bucket rides. Tina would like to see the City Manager Mike Burns attend our Board Meetings. Tina would like to see the Lowell Ledger put all corrections of articles on the front page of the paper.

**Teelander:** Believes the staff's positive attitude is from LL&P's leadership.

**Beachum:** Asked what the budget process is. Perry feels strong about all the employees who would like to attend the Lineworker's Rodeo are able to attend.

**IX. ADJOURNAMENT:**

It was MOVED BY CADWALLADER, supported by SCHRAUBEN, to adjourn the Regular Meeting at 7:46 p.m.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

\_\_\_\_\_  
Chairman Beachum

\_\_\_\_\_  
Date