

MINUTES
BOARD OF LOWELL LIGHT AND POWER
REGULAR MEETING MAY 14, 2015

I. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order at 6:09 p.m. by Vice Chairman Beachum and General Manager Greg Pierce called the roll.

Present: Board Members, Perry Beachum, Tina Cadwallader, Andrew Schrauben & Tamela Spicer

Absent: Greg Canfield (It was MOVED by SPICER, supported by SCHRAUBEN, to excuse Canfield's absence)

Yea: 4 Nay: Absent: 1 Motion Carried

Also Present: General Manager Greg Pierce, Chief Financial Officer Steve Donkersloot, Utility Services Coordinator Morris and Human Resource Specialist Lindhurst

II. **APPROVAL OF AGENDA:**

There was one item added to the agenda, under Action Items E. Lowell Baptist Church, 12470 expansion. 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 SCHRAUBEN, SUPPORTED BY SPICER to approve the meeting minutes of the April 16, 2015 regular meeting.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

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

There was no public comment.

V. ACTION ITEMS:

A. 2015-2016 Annual Operating Budget

The Board approved the Draft 2015-2016 Annual Operating Budget at the March Board meeting. The draft was a working document to meet the needs of the City and to provide a baseline for our final Operating Budget. The ten months of actual operating data for the current fiscal year was used to fine tune the proposed 2015-2016 Operating Budget.

Donkersloot reviewed line items of the Operating Budget. Board discussion occurred.

It was **MOVED BY SPICER, SUPPORTED BY SCHRAUBEN** to accept the 2015-2016 Annual Operating Budget to pass it on to the City for inclusion in the final City budget.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

B. 2015-2016 Annual Capital Plan

The 2015-2016 Annual Capital Expense Plan was presented for the first time. Many of the Capital Expense items are similar to the previous year since we have ongoing projects.

Pierce discussed in detail items that have been allocated to specific projects. He stated at this point the numbers are used as placeholders and the total Capital Plan dollars are what they are approving. Final numbers will be inserted as projects costs are approved.

Beachum would like to allocate funds for the Line Shack Building painting and clean up. Several Board discussions occurred.

It was **MOVED BY SPICER, SUPPORTED BY SCHRAUBEN** to accept the 2016 Capital Budget.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

C. Rolls Royce CT Expense Approval

Quotes for materials associated with the continued installation of the Rolls Royce Combustion Turbine were presented. Because these are specialized units, there are only specific suppliers who carry the necessary items. Items were presented from OnPower and Alpine Power Systems.

It was **MOVED BY SPICER, SUPPORTED BY CADWALLADER** to approve the highlighted items on both quotes from OnPower and Alpine Power Systems for \$34,633.61.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

D. Annual Insurance Benefits Renewal

Insurance Renewal coincides with our fiscal year with the exception of Dental which renews June 1st. The renewal rate for our dental plan increase is 4.75% this year. The 4.75% increase equates to \$0.55 per month increase to employees with a family plan, and \$44.00 per month increase to Lowell Light and Power for all employees.

Renewal rates for Life Insurance, Long Term Disability and Short Term Disability all remain the same as the current year.

It was **MOVED BY SPICER, SUPPORTED BY CADWALLADER** to approve renewal of Dental, Life Insurance, Long Term Disability, and Short Term Disability Plans.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

E. Lowell Baptist Church 12470 Expansion

Pierce detailed the new extension of distribution extending from the West side of the Baptist Church to the Movie Theater.

It was **MOVED BY SPICER, SUPPORTED BY CADWALLADER** to approve up to \$55,000 for 12470 Expansion.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

VI. INFORMATIONAL ITEMS:

A. Performance Data: Pierce reported on April data

B. Income Statement (April 2015): Pierce reported on April's Income Statement. Board discussion occurred.

Pierce reviewed the Capital Expense Summary and detailed Capital Expense Report.

C. Manager's Report: Pierce gave updates to the Board on the following items:

- **MPPA/MMEA:** MPPA will begin the interview process for the new General Manager. Pierce was re-elected for another term as Board Chairman of MPPA.
- **APPA Update:** The APPA Annual Conference will be held June 5-10 in Minneapolis.
- **System/Generation Upgrade Progress:** The bio-digester continues to move closer to full operation. May 1 became the Commercial Operation start-up date. LEAD is to plan a ribbon cutting ceremony in the near future. There was Board discussion.

There were no outages in the month of April (outage report).

1. **LLP Policy Review:** Anna Lindhurst reviewed details of the LLP Personnel Handbook changes, applicable to both bargaining and non-bargaining employees. Board discussion occurred.

Wording and changes will be tweaked to the LLP Personnel Handbook and be reviewed for approval at next month's meeting.

2. **LLP Annual Health Care Renewal:** Pierce and Donkersloot reviewed details of several Health Plan Options and incremental cost increases associated with each plan.

Employee Volunteer Policy: This was presented in the Employee Handbook discussion.

3. **FROM Food Fight**: LLP has volunteered again to facilitate the drop off and pick up process for the annual FROM food fight.
4. **LLP Recycling Event**: The Annual Recycling event is Saturday, May 30, 9:00-noon.
5. **Payables**: Pierce presented April payables.
6. **Schedule of Meetings**: May/June was presented.
7. **COMPLAINT REGISTER**: There were no new complaints.

VII. NEXT REGULAR LLP BOARD MEETING: The next Board meeting will be held, Thursday, June 11, 2015.

VIII. BOARD COMMENT:

Schrauben congratulated Dan Desjarden on his retirement.

Beachum occasionally stops by LEAD to check for outside odor that may be coming from the bio-digester and has not witnessed any. Perry looks forward to the Lineworkers Rodeo and hearing Pierce and Russo's presentation on the Bio-Digester at the Technical Conference in Sacramento.

IX. ADJOURNMENT: It was MOVED BY SPICER, supported by CADWALLADER, to adjourn the regular meeting at 10:21 p.m.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

Chairman Canfield

Date