

**MINUTES
BOARD OF LOWELL LIGHT AND POWER
REGULAR MEETING NOVEMBER 13, 2014**

I. CALL TO ORDER AND ROLL CALL: The meeting was called to order at 6:05 p.m. by Chairman Canfield and General Manager Greg Pierce called the roll.

Present: Board Members Perry Beachum, Greg Canfield, Tina Cadwallader & Andrew Schrauben,
*Tamela Spicer arrived at 6:07 before the action items

Absent: None

Also Present: General Manager Greg Pierce, Electric Distribution Manager Russo, Chief Accountant Donkersloot, Utility Services Coordinator Morris & Lowell City Mayor Hodges

II. APPROVAL OF AGENDA:

It was moved by BEACHUM, supported by SCHRAUBEN to approve the agenda as presented.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

III. APPROVAL OF MINUTES:

It was moved by BEACHUM, supported by SCHRAUBEN to approve the minutes of the October 9, 2014 regular meeting minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

It was moved by BEACHUM, supported by SCHRAUBEN to approve the October closed session meeting minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

It was moved by BEACHUM, supported by SCHRAUBEN to approve the September 19, 2014 closed session meeting minutes.

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. **Biodigester Hookup to LLP Distribution System:**

Pierce stated the Bio-digester project is coming to the end of the construction phase and in the next few weeks LEAD will begin loading the digester with feed stock and start the process of creating biogas to burn in the CHP engine. One of the final steps for us to receive the energy from the bio-digester and integrate it into our distribution system is to provide the necessary connections and hookup to the LLP system. This process and connection requires a series of cabling and switches. Since Feyen Zylstra is already the electric contractor on the site, has completed a portion of the work, and is the low bidder at \$33,150, Pierce recommended the Board approve the contract with Feyen Zylstra to complete the work.

It was MOVED BY BEACHUM, supported by SPICER to approve the Feyen Zylstra contract for \$33,150.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

B. **D&D Repair Invoice:**

D & D originally estimated \$7,000-\$10,000 of repairs would be needed for us to bring the transport truck into service. Additional axle work and tires increased this estimate and the invoice from D & D is \$13,256.86. This brings the total cost of the vehicle to \$58,500, which is still below our budgeted amount of \$65,000-\$80,000 for this vehicle.

It was MOVED BY SCHRAUBEN, supported by BEACHUM to approve the invoice from D & D for \$13,256.86.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

C. LEAD Transportation Agreement:

Pierce reviewed the Transportation Agreement. The agreement includes total number trips, total volume of waste to haul, and a cost per trip to perform the service. The cost per trip includes the amortization of the vehicle, the cost of labor, fuel, insurance, maintenance, and any bonding or other special requirements, based on the expected number of annual trips (5x52).

It was MOVED BY BEACHUM, supported by SCHRAUBEN to approve the agreement subject to final review by Counsel.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

D. LLP Underground Policy

During the last several meetings, the Board and staff at LLP have been reviewing, discussing and reporting on our underground cabling policy. At the last Board meeting, the Board approved a change to section B3 of our current Policy 6-6: Underground Primary and Secondary Distribution Lines. The revision to section B3 incorporated language that stated underground lines in the Lowell Light and Power system would be in conduit and meet or exceed the national standards.

It was noted in our discussions that LLP's current policies also include procedures that could change from time to time based on the needs of the site, changes in the industry and/or national standards.

LLP actually has 3 overlapping underground policies, developed at different times. The Policy 6-6, was a general policy that most closely represented our intent and tried to cover the majority of situations. Policy 6-4 and 6-5 attempted to address individual isolated components of residential and commercial underground circumstances.

Pierce presented a draft of a new Policy 6-6, which was formulated to incorporate a clear intent and be a prototype as we move forward on reviewing all our current operating policies. This new Policy replaces 6-4, 6-5 and 6-6.

Pierce presented a schedule of additional Policies and Procedures needing review.

It was MOVED BY BEACHUM, supported by CADWALLADER to approve the new version of Engineering and Operating Policy 6-6 and LLP staff to begin developing procedures that reflect what will be practiced to meet the intent of the policy (to include reference to the actual national standards being used), this replaces Policy 6-4, 6-5 & 6-6 of our current Engineering and Operating Policy.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

VI. INFORMATIONAL ITEMS:

A. Performance Data: Pierce reported on October data.

B. Income Statement (October 2014): Pierce reported on October's Income Statement.

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:** Dave Walters the General Manager at MPPA will be leaving in January. Pierce briefed the Board on an issue going on regarding Electric "Choice" in Michigan.
- **APPA Update:** Sharon gave an update from the Customer Connections Conference she attended. Tom will be attending the RP3 committee in December.
- **System/Generation Upgrade Progress:** There were seven outages in the month of October.

The pipeline is almost complete. We received liquid manure and FOG and are beginning to load the biodigester system.

- **City After Holiday Party:** The City Holiday Party is scheduled
- **Payables:** Pierce presented September payables.

D. Schedule of Meetings: November/December was presented.

VII. COMPLAINT REGISTER: There we no new complaints.

VIII NEXT REGULAR LLP BOARD MEETING: The next Board meeting will be held, Thursday, December 11, 2014.

IX. BOARD COMMENT:

Beachum mentioned to anyone who has an inefficient refrigerator or freezer LLP's recycling program will pick it up and you will receive a check for \$60.

Cadwallader encouraged everyone to participate in Christmas Through Lowell.

Spicer is pleased the Board is reviewing and updating their Policies. Tamela mentioned she would not be available to attend the December meeting.

Canfield congratulated the LLP staff on providing local generation.

Mayor Hodges announced Laughfest kicked off this week.

X. CLOSED SESSION:

It was MOVED BY BEACHUM, supported by SPICER to go into closed session at 7:36 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

A roll call vote was taken: Canfield, Beachum, Spicer, Schrauben and Cadwallader were in attendance.

It was MOVED BY BEACHUM, supported by SPICER to come out of closed session at 8:05 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

XII. ADJOURNMENT: It was MOVED BY SPICER and a supported by BEACHUM to adjourn the regular meeting at 8:07 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Canfield

Date