

**MINUTES  
BOARD OF LOWELL LIGHT AND POWER  
REGULAR MEETING FEBRUARY 11, 2016**

I. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order at 6:04 p.m. by Chairman Canfield and General Manager Greg Pierce called the roll.

Present: Board Members, Greg Canfield, Perry Beachum, Tina Cadwallader, & Andrew Schrauben. It was MOVED by BEACHUM, SUPPORTED BY SCHRAUBEN to excuse the absence of Tamela Spicer.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

Tardy: Spicer arrived at 6:09 p.m.

Also Present: General Manager Greg Pierce, Financial Manager Steve Donkersloot, Utility Services Coordinator Sharon Morris, Lead lineman Mark Droog and Generation Supervisor Doug Barnes.

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 SCHRAUBEN, SUPPORTED BY BEACHUM to approve the meeting minutes of the January 14 regular meeting.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN to approve the meeting minutes of the January 25 special meeting.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

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

There was no public.

**V. ACTION ITEMS:**

- RR Combustion Turbine Materials and Labor Approval. Donkersloot and Barnes reviewed details of four items needed for the Rolls Royce CT. Barnes explained details of the bid process. All four items are at a lower cost than originally quoted by Theka/Newkirk.

Schneider Electric – Graybar was the best price and warranty for the switchgear from square D, and related engineering/parts \$110,450.

It was MOVED BY BEACHUM, SUPPORTED BY SPICER to purchase from Schneider Electric-Graybar the Square D Switchgear & related engineering/parts for \$110,450.

Yea: 5      Nay: 0      Absent: 0      Motion Carried

The Board had discussion and Doug Barnes clarified the operations of the switchgear.

The next two items are transformers. Solomon was the lowest bid. These are remanufactured transformers that

offer a 36 month warranty. Doug Barnes explained why this would be the better option, lower price, two year longer warranty, and there is minimum maintenance required on rebuilt transformers.

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN to purchase the remanufactured transformers from Solomon, one 500 KVA transformer for \$10,595 and one 5000 KVA transformer for \$58,795.

Yea: 5      Nay: 0      Absent: 0      Motion Carried

The fourth item is the recloser control. Doug Barnes explained the purpose of this item to the Board. The lowest bid came from Eaton at \$17,790.

It was MOVED BY BEACHUM, SUPPORTED BY CADWALLADER to purchase the recloser control from Eaton for \$17,790.

Yea: 5      Nay: 0      Absent: 0      Motion Carried

Pierce gave an overview and purpose of the CT purchase. Pierce explained the three old diesel generators that were housed at the Broadway location had capacity of 3.6 MW total. We were going to need to put significant money into these units due to EPA and safety upgrades. Therefore we began looking for other options. Our system has grown dramatically since those diesel units were installed. Our peak is now 15 MW which is nearly 8 MW over our normal base rate load. The Solar and Rolls Royce CT (7+MW total) will provide the necessary excess peaking capacity needed on our system.

## VI. INFORMATIONAL ITEMS:

A. Performance Data: Pierce reported on January's data.

**B. Income Statement (January 2016):** Pierce reported on the January Income Statement.

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

- **MPPA/MMEA:** Pierce gave a legislative update.
- **APPA Update:** Steve and Greg are attending the Washington DC Legislative Rally March 7-9. Anyone interested should contact Greg or Sharon for details.
- **System/Generation Upgrade Progress:** Work continues on the Rolls Royce turbine. There were four outages in the month of January.
- **LLP Lineshack Mural Painting:** A theme needs to be decided before moving forward.
- **Lowell Expo:** Lowell Light and Power will be participating in the Expo with a booth focusing on energy efficiency, and we will be giving bucket rides.
- **2016-2017 Budgeting/Long Range Planning Model:** A big picture plan of the upcoming fiscal year was discussed.
- **General Manager:** Pierce presented a General Manager advertisement for the GM search, at the Board's request.
- **Strategic Planning:** Further discussion and updates were discussed.
- **Advanced Metering Infrastructure (AMI):** Dick Wendt reviewed Eaton Cooper's contract and approved it for form.

- **Payables:** Pierce presented January payables.

**Schedule of Meetings:** February/March was presented.

**VII. NEXT REGULAR LLP BOARD MEETING:** The next Board meeting will be held, Thursday, March 10, 2016.

**VIII. BOARD COMMENT:**

Schrauben stated we have had a major turnover in highly experience in high level positions in the City, DWP and Lowell Light and Power. Andrew congratulated Tom and Greg on their retirement.

Beachum encouraged everyone to attend the City council meeting. Lowell Community Expo is March 26<sup>th</sup>; during the expo, the Pink Arrow groups along with Michigan Blood are trying to put together the largest blood drive ever. Perry asked questions on behalf of the Trails. Perry asked about our deposit requirements. Perry thanked Steve and Greg for a wonderful presentation during the City Council meeting. Perry thanked the Ledger and the Dickermans for attending our Board meeting.

Spicer encouraged the City Council to attend our meetings.

Cadwallader is excited about the AMI metering and the mobile application. Tina encouraged citizens to attend City Council meetings.

Canfield echoed the great presentation from Steve and Greg. He congratulated Tom Russo on 27 years of dedication to Lowell Light and Power, he will be missed.

**IX. ADJOURNAMENT:**

It was **MOVED BY SPICER**, supported by **BEACHUM** to adjourn the regular meeting at 8:21 p.m.

Yea: 5      Nay: 0      Absent: 0      Motion Carried

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Chairman Canfield

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Date