

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – July 13, 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, Tamela Spicer, Jim Salzwedel and Andrew Schrauben.

It was MOVED by BEACHUM, SUPPORTED BY SCHRAUBEN, to excuse the absence of Tina Cadwallader.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

Tardy: Tina Cadwallader arrived at 6:06 p.m. (prior to public comment).

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

II. APPROVAL OF AGENDA:

It was MOVED by BEACHUM, SUPPORTED BY SALZWEDEL, to approve the agenda as presented.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

III. ELECTION OF BOARD CHAIR AND VICE CHAIR

IV. APPROVAL OF MINUTES:

There was one minor change on the June 9, 2016 Minutes. It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN, to approve the meeting minutes of the June 9, 2016 regular meeting as amended.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN to approve the June 9, 2016 closed session meeting minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN to approve the June 21, 2016 special meeting minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN to approve the June 23, 2016 special meeting minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

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

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

VI. BIO-DIGESTER ODOR UPDATE & DISCUSSION:

Greg Northrup from LEAD gave an update on steps they were taking to eliminate odor. Several concerned residents attended and addressed their disappointment with the odor issue. They feel they have given LEAD ample amount of time to alleviate the odor.

VII. ACTION ITEMS:

A. FY 2016 Write-Offs from FY 2015 Bad Debts:

Donkersloot stated each year LL&P writes off the balances from accounts that have been closed, collection attempts and/or lien process occurred, and there has been no activity since June of the previous year. The current write-offs for 2016 are \$4,019.22, which is .0475% of Fiscal Year 2015's total electric sales and late fees. This amount decreased from the previous fiscal year by 32.21%.

It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN, to approve the Fiscal Year 2016 write-offs of \$4,019.22.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

B. MPPA Board Commissioner & Alternate Commissioner Appointments:

It is customary for a member utility of MPPA to appoint a Commissioner and Alternate Commissioner to represent LL&P at MPPA Board Meetings (the Alternate Commissioner would represent LL&P if the Commissioner were unable to attend a meeting). Currently there is not an officially designated Commissioner due to Greg Pierce's recent retirement. Donkersloot is the Alternate Commissioner.

It was MOVED BY BEACHUM, SUPPORTED BY CADWALLADER, to appoint Steve Donkersloot as the Commissioner and Ryan Teachworth as the Alternate Commissioner to represent LL&P at MPPA.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

C. General Manager Contract Approval:

The General Manager's contract was negotiated and agreed upon by the committee appointed by the LL&P Board and June 23rd's LL&P Special Meeting (Greg Canfield, Perry Beachum, and Greg Pierce) and Steve Donkersloot. The contract was reviewed and modified accordingly by Dick Wendt, the City Attorney.

There was Board discussion. It was MOVED BY BEACHUM, SUPPORTED BY SCHRAUBEN, to approve the General Manager's contract as presented.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

VIII. INFORMATIONAL ITEMS:

- A. Performance Data:** Donkersloot reported on June's data.
- B. Monthly Outage Report:** Donkersloot gave a detailed overview of this report.
- C. Income Statement:** Donkersloot reported on the June 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:** Steve reported Sebewaing was added as the 18th member of MPPA.
 - B. System/Generation Upgrade Progress:**
 - a. Bio-digester:** This was discussed as a separate item.
 - b. Siemens (Rolls-Royce):** The control panel arrived and installation had begun. We are on schedule to be up and running by the end of summer.
 - c. Five Year Plan:** Ryan had a kickoff meeting with GRP to discuss the first of four projects.
 - d. Other System Projects:** Work on the SCADA project is progressing. Work on S. Monroe parking lot is complete. The underground project by the office building is progressing.

- C. **Fiscal Year 2016 End:** Thursday, June 30th was the end of Fiscal Year 2016. Our auditors, Vredevelde Haefner, will be on site July 11th to conduct their Pre-Audit.
- D. **LL&P Long Term Natural Gas Supply:** Donkersloot discussed options in detail.
- E. **Standby Generator & Gas Compressor Options:** Donkersloot discussed details of options/costs and pros and cons of each. There was Board discussion.
- F. **Lowell Schools Solar Project:** Nothing new at this time.
- G. **Advance Meter Infrastructure (AMI) Project:** Meters are on schedule to arrive by early August. There will be a presentation at the City Council Meeting on August 1st.
- H. **Gridliance Transmission Meeting:** Donkersloot gave an update.
- I. **Fiber to the Home:** Two proposed routes by Ryan Peel.
- J. **City-Wide Phone Project:** Steve gave an update on meetings to move the project forward.
- K. **Arbor Board:** The Arbor Board has one vacant position due to Tamela's resignation. Historically one of these positions has been filled by a LL&P Board member. Perry Beachum volunteered to be on the Arbor Board.
- L. **RP3 Representation:** Steve talked with APPA regarding Tom Russo and his position as an RP3 Award selector. They would prefer to keep Tom if LL&P and Tom both agree. A meeting is scheduled with Tom to discuss the possibility.
- M. **Job Posting:** A job posting for a Communications Specialist/Office Assistant was posted in the Ledger, Buyers Guide, Chamber,

Craigslist, and on our website. Applications are due Wednesday, July 20th.

N. Diesel Generator Removal at Broadway Building: Nothing new to report.

O. Alden Ridge Housing Development: Nothing new to report.

P. Payables: June was available.

F. Schedule of Meetings: July/August was presented.

IX. NEXT REGULAR LLP BOARD MEETING:

The next Board meeting will be held on Wednesday, August 17, 2016.

X. BOARD COMMENT:

Schrauben: Congratulated Steve and welcomed Jim to LL&P Board. Andrew attended the City Manager meet and greet event; he congratulated the City for getting through that process. Even with the bio-digester's issues, he believes it is a great project.

Beachum: Thanked the City Council for reappointing Tina and Andrew and for adding Jim to the Board. Perry thanked the line staff for going to Lansing to help restore power during their outage. Perry believes in the bio-digester in our community but is disappointed in the odor.

Salzwedel: Is excited to be appointed to the LL&P Board.

Cadwallader: Congratulated Steve on the General Manager position. Tina requested that with special projects she would like have a slide show on the big TV for viewers to see.

Canfield: Congratulated Steve and welcomed Jim. Bio-digester is a great project, but we have an obligation to the neighbors and Lowell community

to get the order under control. Greg thanked the line staff for helping Lansing out.

Councilman Teelander: Congratulated Steve and welcomed Jim. Alan thanked the staff for going to Lansing; he has family their and he appreciated LL&P's contribution to help in restoring power.

XI. ADJOURNAMENT:

It was MOVED BY BEACHUM, supported by SALZWEDEL, to adjourn the regular meeting at 9:31 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Canfield

Date