

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – April 12, 2018**

I. CALL TO ORDER AND ROLL CALL:

The meeting was called to order at 6:01 p.m. by Chairman Beachum. General Manager Steve Donkersloot called the roll.

Present: Board Members: Tina Cadwallader, Perry Beachum, Jeff Dickerman, Dave Vankeulen, and Andrew Schrauben

Absent: None

Also Present: General Manager Steve Donkersloot, Distribution Manager Ryan Teachworth, Utility Services Coordinator Sharon Morris, Plant Accountant Megan Keyser, and Lowell City Council Liaison Marty Chambers

II. APPROVAL OF AGENDA:

Donkersloot added: Action Item F, VGP Program, to the agenda.

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

Yea: 5 Nay: 0 Absent: 0 Motion Carried

III. APPROVAL OF MINUTES:

It was MOVED BY DICKERMAN, SUPPORTED BY CADWALLADER, to approve the March 8, 2018 Regular Board Meeting Minutes.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

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

There was no public comment

V. ACTION ITEMS:

A. “Food Fight” Assistance Approval

The past four years, LL&P staff has assisted FROM in their annual Food Fight event. Our participation involved dropping off/picking up barrels and containers and coordinating/picking up food from participating businesses and delivering it to FROM. These activities have taken place during the course of normal business hours utilizing LL&P staff and vehicles.

While in the past, there has always been Board consensuses and/or awareness in the past that LL&P staff would be assisting FROM with this event, it was not formally approved by the Board per our Benevolence Policy, 5-9. The policy states that any be value more than \$1,000 limit should be brought to the Board for approval.

Donkersloot estimated approximately six man-hours per week for this event.

It was MOVED BY DICKERMAN, SUPPORTED BY VANKEULEN, to approve the LL&P staff to assist in Food Fight, understanding the cost may exceed the \$1,000 benevolence policy limit.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

B. Adoption of Tree Trimming on Private Property Policy

Occasionally, it is necessary, or even critical, for LL&P staff to trim or cut down trees on private property for the purpose of being able to provide reliable electric service and/or protect our electric infrastructure.

Donkersloot presented a draft of a formal policy that spells out when and if we should be trimming trees on private property. This policy provides clarity to both staff and property owners during these circumstances.

The Board tabled this to allow Donkersloot to work on a customer waiver, with our city attorney, Dick Wendt. The Board will revisit this during May's Board Meeting.

C. Updates to Policy 5-5, Customer Charges

Donkersloot discussed an updated to Policy 5-5, Customer Charges. It has been more than three years since the Board has reviewed and/or modified this Policy.

It was MOVED BY DICKERMAN, SUPPORTED BY CADWALLADER, to approve the suggested updates to Policy 5-5, Customer Charges.

Yea: 4 Nay: 1 Absent: 0 Motion Carried

D. Potential Update to Policy 5-15, Procurement

The Procurement, Policy 5-15, spells out the maximum spending authority the LL&P staff has before an item must go to the LL&P Board for approval. The current limit is \$10,000. This plan has been in place for at least 15-16 years. Revenue, expenses, and the cost of materials have significantly increased during that time; in effect partially eroding the \$10K limit. Many items that are essential to running the utility; the cost is always over staff's spending authority.

There was Board discussion.

It was MOVED BY DICKERMAN, SUPPORTED BY VANKUELEN, to move forward with a spending limit of .20% of budgeted revenue.

It was MOVED BY SCHRAUBEN, SUPPORTED BY DICKERMAN, to table the motion until the next meeting to allow Donkersloot sufficient time to put together additional expenses for the past couple years.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

E. Carpet Bid Approval

On Wednesday, March 7th, we, along with the City of Lowell, issued a Request of Proposal (RFP) for carpet projects at City Hall and LL&P. There were two vendors that responded and participated in the mandatory building walk thru – Beachum Flooring and Forever Flooring.

Included in these bids were installation and materials of three styles of carpet.

The least expensive was the Mainnington, Liquorice, from Beachum Flooring, which is what LL&P staff selected.

Roll Call Vote: Schrauben, VanKuelen, Cadwallader, Dickerman
Abstained: Beachum

It was MOVED BY DICKERMAN, SUPPORTED BY CADWALLADER, to approve the Anchor, Liquorice carpet from Beachum Flooring for \$13,560.

Yea: 4 Nay: 0 Absent: 0 Abstain: 1 Motion Carried

F. VGP Program

PA 342 – Section 61 requires electric providers to offer its customers the opportunity to participate in a voluntary green pricing program.

All municipal utilities must make VGP program available for their customers no later than April 20, 2018.

MPPA developed a webpage which will provide a description of the VGP Program and will provide the ability for our customers to register. This will be linked to our webpage. The VGP cost is \$0.01 per kWh.

It was MOVED BY DICKERMAN, SUPPORTED BY CADWALLADER, to offer VGP program to customers at a \$0.01 per kWh rate.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

VI. INFORMATIONAL ITEMS:

- A. **Performance Data**: Donkersloot reported on March's data.
- B. **Monthly Outage Report**: Two outages occurred in the month of March.
- C. **Income Statement**: Donkersloot reported on the March 2018 Income Statement.
- D. **Capital Projects Report**: Donkersloot reported on the March 2018 Capital Project Report.
- E. **Manager's Report**: Donkersloot gave updates to the Board on the following:
 - A. **MPPA/MMEA/APPA Update**:
 - a. **MPPA**: The MPPA 2018 Stakeholders Meeting is set for Wednesday, May 23rd in Grand Rapids.
 - b. **APPA**: The Lineworkers Rodeo will take place in Raleigh, NC on Saturday, April 28th. We will have lineman team of three and one apprentice competing.
 - B. **System/Generation Upgrade Progress**:
 - a. **Bio-digester**: Nothing new at this time.
 - b. **Five Year Plan**: Staff made progress on the capacitor bank project (#104) this past month.
 - c. **Other System Projects**: The distribution staff spend the majority of their time on tree trimming south of town along circuit #207.
 - C. **LL&P Long Term Natural Gas Supply**: The pipeline project has been designed and crews have started to lay pipe. The project is

being completed from South to the North, and Consumers is about 10 miles South of Lowell currently.

- D. **Solar**: We are nearing the point where a decision needs to be made regarding purchasing solar through MPPA or continuing to pursue a project with Performance Services. Performance Services has a clear understanding that if they do not have formal answers to questions and a firm, acceptable price to us by April 25th, then our Letter of Intent will be terminated.

- E. **Standby Policy**: There was Board discussion. The consensus of the Board was to keep the standby policy as it is written; on call staff must report to Chatham within 30 minutes.

- F. **Hours of Operation**: Donkersloot gave the Board heads up that he will be discussing a potential change in LL&P hours of operation at the May Board meeting. This will likely only affect the outside staff by moving from a five-day to a four-day work-week.

- G. **Cyber Audit**: Nothing new at this time.

- H. **Active Shooter Seminar**: Our Property and Liability Insurance firm, BHS, held an active shooters seminar, which was attended by several City staff.

- I. **City Department Head Training Session**: City Manager Mike Burns organized a City Department Head training session/workshop with Dr. Lew Bender. It was a great time and good team building experience.

- J. **Lowell Community Expo**: This year's Expo was a great success. Many customers talked with us about various LL&P programs.

- K. **"Bring Your Child to Work Day"**: Staff consensus is that the APPA Lineworkers Rodeo would be a good replacement this year as a number of our staff will be bringing their children and family.

L. **Electric Service Workers Appreciation Week:** Governor Rick Snyder has issued a Certificate of Proclamation announcing that the week of April 9-15 will be Natural Gas and Electric Workers Appreciation Week in Michigan.

M. **Payables:** March payables were included.

F. **Schedule of Meetings:** April/May was presented.

VII. **NEXT REGULAR LL&P BOARD MEETING:**

The next Board Meeting will be held on Thursday, May 10, 2018.

VIII. **BOARD COMMENT:**

Dickerman appreciates the work the LL&P staff does.

Cadwallader was thrilled with the energy bike that was at the Expo. Tina expressed her appreciation for LL&P.

Beachum is looking forward to spending time with LL&P staff at the Lineworkers Rodeo in Raleigh, NC. Perry was pleased LL&P received the RP3 Diamond award.

ADJOURNMENT:

It was MOVED BY DICKERMAN, SUPPORTED BY CADWALLADER, to adjourn the Regular Board Meeting at 9:02 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Beachum

Date