

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – April 15, 2021**

I. CALL TO ORDER AND ROLL CALL:

The meeting was called to order by Chairman Beachum at 6:00p.m., and Charlie West called the roll.

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN to excuse Tina Cadwallader from the meeting.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

Present: Perry Beachum, Jeff Dickerman, Andrew Schrauben & Daniel Crawford

*Tina Cadwallader joined the meeting remotely from Lowell, MI at 6:05 p.m. during Action Item A discussion.

Also Present: General Manager Charlie West

Present by Phone: Lowell City Council Member Jim Salzwedel, Generation Superintendent Casey Mier, Distribution Manager Ryan Teachworth, and Staff Accountant Julie Stewart

II. APPROVAL OF AGENDA:

It was MOVED BY SCHRAUBEN, SUPPORTED BY CRAWFORD, 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 CRAWFORD, to approve the March 11, 2021 Board Meeting Minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

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

There was public comment.

V. ACTION ITEMS:

A. Lineshack Appraisal and Recommendation to City Council:

The appraisal concluded that the Lineshack has an estimated Market Value of \$100,000. The Board had discussion.

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD, to recommend to the City Council to issue an RFP for the sale and development of the property located at 115 Riverside Dr. SE, commonly referred to as the “Lineshack”, with a minimum bid of \$100,000.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

B. Energy Center Exterior Renovation Bid Recommendation:

West presented the sealed bids that LL&P received for the exterior renovation project at the Energy Center. LL&P has been working with Prein & Newhof for the design and bidding of the exterior renovation project. Two sealed bids were received:

- Kamminga & Roodvoets – \$591,430
- C.L. Trucking and Excavating - \$587,715

Prein & Newhof has reviewed both bids and based on their review and a conversation with C.L. Trucking and Excavating, they have no objections to Lowell Light and Power awarding the low bid to C.L. Trucking and Excavating.

There was Board discussion

It was MOVED BY SCHRAUBEN, SUPPORTED BY DICKERMAN, to accept the C.L. Trucking and Excavating bid of \$587,715.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

C. Consideration of Construction Service Agreement:

West presented a Construction Services proposal from Prein & Newhof. The construction services would be performed in accordance with our Professional Service Agreement with Prein & Newhof. The scope of services was outlined.

There was Board comment and discussion.

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN, to accept the Prein & Newhof proposal for construction services for an amount not to exceed \$31,000.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

D. Utility Financial Solutions – Time-Of-Use Analysis Proposal:

West reviewed a proposal from Utility Financial Solutions (UFS) for a Time-of-Use Rate Analysis. Lowell Light and Power has utilized UFS in the past to conduct cost of service and rate design studies.

There was Board discussion.

Based on a recommendation from UFS, LL&P has prioritized Time-of-Use Analysis ahead of updating our cost-of-service study and financial projections.

It was MOVED BY CADWALLADER, SUPPORTED BY DICKERMAN, to approve the Time of Use Analysis Proposal from Utility Financial Solutions in the amount of \$9,500.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

E. Engine Room Floor Repair Discussion:

If the Board would like to include the floor repair in our FY 2022 capital budget, it would be approximately \$35,000. Over the next month, staff will finalize the FY 2022 budget, which will be presented during the May Board Meeting.

It was the consensus of the Board to move forward with repairing the floor this winter if the budget allows.

No action was taken.

F. Cash Reserve Policy Discussion:

West presented to modify the language in the LL&P cash reserve policy (Policy 5-16). Our current policy bases our minimum cash reserve requirement on electric sales revenues. After evaluating this policy and soliciting feedback from Utility Financial Solutions, West recommended to modify Policy 5-16 to base the calculation for our minimum case reserve requirements on our operating and maintenance expenses.

The Board asked staff to evaluate any additional potential impacts the proposed change would create. West will bring back additional information to further discuss.

No action was taken.

G. Customer Billing Error Discussion/Update

West recapped and provided an update on a billing issue that was discovered in November 2020. The Board discussed the process moving forward should the customer choose not to pay the back-billed balance created by correcting the billing error. It was the Board's consensus to bill out the remaining balance in monthly installments included on the customer's regular monthly electric bill. In the event the customer defaults on their monthly electric bill, the Board's consensus is to follow standard LL&P policies that would apply to the situation. This could result in disconnection of electric service for non-payment.

No action was taken.

INFORMATIONAL ITEMS:

- A. Performance Data:** West reported on March's data.
- B. Monthly Outage Report:** There were four outages in the month of March.
- C. Income Statement:** West reported on the March 2021 Income Statement.
- D. Capital Projects Report:** West reported on the March 2021 Capital Projects Report.
- E. Online Portal and Mobile App Update:**
West gave an update to the Board on this evaluation.
- F. Manager's Report:** West provided written updates to the Board on the following:
- MPPA/MMEA/APPA Update/Hedge Plan
 - Distribution & Generation Projects
 - Transmission Update
 - Safety Update
 - Energy Center Projects

- Line Shack
- Conduit Lease Agreement
- GIS Update
- Paperless Solutions
- MERS Pension Update
- RP3
- Online Portal & Processor Update
- Open Position
- Meter Read Costs
- Adopt-A-Road
- Work Anniversaries
- March Payables

G. Schedule of Meetings: April/May was presented.

VI. NEXT REGULAR LL&P BOARD MEETING: Scheduled for Thursday May 13, 2021.

VII. BOARD COMMENT:

Daniel is thankful for staff's progress as they are moving in the right direction.

Andrew encouraged everyone to get vaccinated.

Jim asked if LL&P would be moving their July and August meeting to Wednesdays for the summer concert series.

Perry asked to have the LL&P website updated. December 2020 are the last meeting minutes that are on the website. He would like to see COVID information on our website saying the office is closed to customers, but payments can be made online or by the drop box.

VIII. ADJOURNMENT

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD, to adjourn the Regular Board Meeting at 10:04 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Beachum

Date