

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – February 13, 2020**

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: Perry Beachum, Andrew Schrauben,
Jeff Dickerman, and Daniel Crawford

Tardy: Tina Cadwallader – Arrived at 8:05 p.m.

Also Present: General Manager Steve Donkersloot, Generation
Superintendent Casey Mier, Distribution Manager Ryan
Teachworth, Utility Services Coordinator Sharon Morris,
and Plant Accountant Megan Mora

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN, to excuse
Cadwallader's absence as she will be arriving late after another
commitment.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

II. APPROVAL OF AGENDA:

Donkersloot added the May Board Meeting date change as Action
Item A.

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

Yea: 4 Nay: 0 Absent: 1 Motion Carried

III. APPROVAL OF MINUTES:

It was MOVED BY CRAWFORD, SUPPORTED BY DICKERMAN, to approve the January Regular Board Meeting Minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

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

There were no members of the public in attendance.

V. ACTION ITEMS:

A. May Board Meeting Date Change:

The MPPA Stakeholder Meeting is schedule for Thursday, May 14th.

There was Board discussion to have the meeting earlier that week or move to the following week.

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD, to change the May Board Meeting to Wednesday, May 13th.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

B. Retire Health Care Adoption and Implementation Agreements with MERS and Mercer for Market-Based Health Care Plans:

Former LL&P employees (and their spouses) who (1) Retired directly from LL&P and (2) Are receiving retirement benefits from MERS receive retiree health care coverage from LL&P (per the Employee Handbook, these are two criteria one must meet to receive retiree health care coverage).

Medicare eligible retirees are enrolled in a Medicare supplemental plan through LL&P's Hartford group plan while pre-65 retirees are enrolled in LLP's Priority Healthy group plan.

The 2020 cost for our Hartford plan is \$420.33 per month per retiree; 90% (\$378.30) of which is paid by LL&P and (\$42.03) paid by retiree. This plan provides supplemental health and prescription coverage. We have recently

learned that there are other options/ways to provide retirees Medicare supplemental health and prescription coverage through market-based plans/providers, at potentially a lower cost, with better coverage. MERS has partnered with Mercer Marketplace 365 so that members can offer market-based health care coverage to retirees.

Based on discussions with MERS and Mercer, it would be a good option for the Board to consider a switch for several reasons.

1. LL&P retirees can obtain better coverage through market-based plans than they are currently receiving from Hartford group plan.
2. Each retiree can choose the coverage that is best for them; there will no longer be a “one size fits all” approach like we offer today.
3. Both the retiree and LL&P will benefit from a financial perspective:

LL&P can provide each retiree with a tax-free monthly stipend to MERS Health Care Savings Program – estimated to be in the neighborhood of \$175 - \$300 per month. This was discussed in detail by the Board members.

The retiree will use this stipend to pay for the elected coverage and will no longer pay anything out of their own pocket \$42.03/month (\$504.36/year).

The retiree can use the remainder of their stipend (after paying for their coverage) to cover the cost of prescriptions, co-pays, or even to purchase a dental or vision plan.

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN, to approve the MERS/Mercer new retiree health care market-based structure with a \$300/month stipend per person and an annual increase to the stipend not to exceed 3%.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

C. Establishing Authorized Signatories for MERS:

To speed up the approval process once the Board approves a MERS related item, MERS has created an Authorized Signatory resolution that can be adopted/approved. Once something is approved, instead of waiting 4-5 weeks for the Board to approve the meeting minutes (currently required), the General Manager can be authorized to sign off on anything that is approved at the Board Meeting the following day.

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD, to authorized the General Manager as an authorized signatory for MERS. This will have to go to City Council for final approval.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

D. Construct Lowell Area Youth, Inc Benevolence Assistance Request:

The Board had discussion regarding this. There was a consensus by the Board members that they were not interested in donating for a feasibility study at this time.

E. Contractor Work Bid Approval for Phase 2 of Project #105 (Doc Addition O/H to UGD Project:

In September 2018, the Board approved GRP's Engineering Service Proposal to upgrade voltage on circuit #205 from 4,160V to 12,470V on the north side of W. Main Street in the Doc Addition area (Project #105 in our System Improvement Plan). This project was split into two phases – each expected to take approximately a year to complete. Severance Electric completed their scope of Phase 1.

Three bids were received for Phase 2. As part of GRP's scope of work, they issued RFP's for the contractor work needed for the project. The results were as follows: Dig-It: \$327,211.30; Gustafson HDD: \$434,245.00; Severance Electric: \$455,994.75.

Michael McGeehan, President of GRP, reviewed the bids in detail and recommended we accept Dig-It's bid of \$327,211.30.

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN, to approve Dig-It's bid of \$327,211.30.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

F. Material Bid Approval for Phase 2 of Project #105:

Four bids were received for the electrical material for Phase 2. The results were as follows: Irby: \$41,248.80; Power Line Supply: \$38,966.01; RESCO: \$43,334.05; Border States Electric: \$48,088.72.

Michael McGeehan, President of GRP, reviewed the bids in detail and recommended we accept Power Line Supply's bid of \$38,966.01, as it was the lowest complete bid received.

Five bids were received for conduit material for Phase 2. The results were as follows: Irby: \$22,758.70; Power Line Supply: \$28,098.15; RESCO: \$20,071.26; Border States Electric: \$27,331.96; All-Phase Electric: \$30,47.00.

Michael McGeehan, President of GRP, reviewed the bids and recommended we accept Border States Electric's bid of \$27,331.96 because it is the lowest complete bid.

It was MOVED BY SCHRAUBEN, SUPPORTED BY CRAWFORD, to accept Power Line Supply's electrical material bid for \$38,966.01 and Border States Electric's bid for conduit material for \$27,331.96.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

G. LL&P Strategic Plan & Associated Action Item Review, Discussion, and Potential Amendments:

The Board discussed last year that they wanted to review the Strategic Plan in February prior to the development of the Fiscal Year 2021 budget.

Donkersloot led the majority of the discussion, which included a review of the Strategic Plan, organization chart, and Strategic Plan Action Items.

Board Member Tina Cadwallader arrived during the Strategic Planning discussion at 8:05 p.m.

There was significant discussion and a number of proposed changes. Staff will make the discussed changes and bring the Strategic Plan back to March's Board Meeting for review and approval.

VI. INFORMATIONAL ITEMS:

- A. Performance Data:** Donkersloot reported on January's data.
- B. Monthly Outage Report:** There was one outage in the month of January.
- C. Income Statement:** Donkersloot reported on the January 2020 Income Statement.
- D. Capital Projects Report:** Donkersloot reported on the January 2020 Capital Projects Report.
- E. Manager's Report:** Donkersloot provided written updates to the Board on the following:
 - MPPA/MMEA/APPA Update
 - Distribution & Generation Projects
 - IBEW Negotiations
 - New Pickup Truck
 - New Housing Development
 - 238 High Street
 - New Electric Rates
 - Deposit Update

- Transmission Update
- Potential Industrial Park in Lowell Township
- Energy Center Space
- GIS Update
- Business Continuity/Disaster Response Plan
- Pole Attachment Agreements
- Line Shack RFP
- Work Anniversaries
- January Payables

Schedule of Meetings: February/March was presented.

VII. NEXT REGULAR LL&P BOARD MEETING: Scheduled for Thursday, March 12, 2020.

VIII. BOARD COMMENT:

Crawford appreciates the staff for their time spent on the Strategic Plan.

Dickerman and Cadwallader both agreed with Crawford's comment.

Schrauben is impressed staff attends the Board meetings so they can answer questions the Board members ask.

Beachum has been phone scammed twice; he received calls regarding his good standing on his electric bill and the recording says he is eligible for an energy credit. Perry has been hanging up but wanted to make sure other customers do not fall into the same scam. Perry also inquired whether individuals touring the energy center should wear hard hats & safety glasses. Perry also wanted us to look into lighting and whether or not we should be using occupancy sensors.

IX. ADJOURNMENT

It was MOVED BY SCHRAUBEN, SUPPORTED BY CRAWFORD, to adjourn the Regular Board Meeting at 10:20 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Chairman Beachum

Date