

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – May 13, 2021**

I. CALL TO ORDER AND ROLL CALL:

The meeting was called to order by Chairman Beachum at 6:01 p.m., and Charlie West called the roll.

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD to excuse Tina Cadwallader from attending 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 6:03 p.m. prior to the approval of the agenda.

Also Present: General Manager Charlie West and Distribution
Manager Ryan Teachworth

Present by Phone: Generation Superintendent Casey Mier and Plant
Accountant Megan Mora

II. APPROVAL OF AGENDA:

Beachum added Retirement Benefits to the Action Items.

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

Yea: 5 Nay: 0 Absent: 0 Motion Carried

III. APPROVAL OF MINUTES:

It was MOVED BY CRAWFORD, SUPPORTED BY CADWALLADER, to approve the April 15, 2021 Board Meeting Minutes.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

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

There was public comment.

V. ACTION ITEMS:

- A.** Board Training Session was moved up on the agenda – Ropes, Rigging & Line Tools.

Ryan Teachworth gave the Board details on this.

B. Showboat Benevolence Request

A benevolence request from the Showboat/Chamber of Commerce was presented. The request is for donating time and materials to assist with installation of infrastructure to provide internet connectivity to the Showboat.

Ryan stated this would be one day of a three-man crew to get the fiber run for hook up.

It was MOVED BY BEACHUM, SUPPORTED BY DICKERMAN, to donate a three-man crew for one day and a small amount in materials to fulfill the benevolence request.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

C. Consideration of Engineering Services from GRP for the Substation Relay and Metering Upgrade Project

West presented an Engineering Services Agreement with GRP Engineering for the substation and metering upgrade project included in the FY 2022 capital budget. The proposal included a not-to-exceed amount of \$45,000.

There was Board discussion.

It was MOVED BY CRAWFORD, SUPPORTED BY CADWALLADER, to accept the Interchange Substation Relay & Metering Upgrade Engineering Service Proposal from GRP in the amount of \$45,000.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

D. Cash Reserve Policy Update

West presented a proposed change to the LL&P Cash Reserve Policy (Policy 5-16). The board continued conversation after the topic was tabled during the April board meeting. At the request of the board, West reviewed the proposed change with legal counsel to understand any potential impacts the change would have on LL&P's compliance with the City Charter. West presented the feedback from legal counsel, which supported the proposed changes.

There was Board comment and discussion.

It was MOVED BY CRAWFORD, SUPPORTED BY CADWALLADER, to approve the updates, as presented, to the Cash Reserve Policy (Policy 5-16).

Yea: 5 Nay: 0 Absent: 0 Motion Carried

E. FY 2022 Benefit Renewal

West presented the renewal information for Health, Dental, Long-Term Disability, Short-Term Disability, and Life/ AD&D Insurance.

No action is needed for current Union Working Agreement establishes the terms of bargaining unit members' health coverage.

Priority Health is LL&P's current health insurance carrier. Small benefit changes were presented to the non-union employee healthcare plan as part of the renewal.

The increase to renew Priority Health is 7.05%. This increase equates to a total premium increase of \$8,733. As a result, the most affected employee will see a \$15.78/month increase, and the least affected employee would see a \$2.88/month increase.

This results in a \$654.98/month increase for LL&P, or a \$7,859.48 fiscal year increase.

Delta Dental is LL&P's current dental insurance carrier. Delta Dental issued a renewal quote that included a 10.25% increase. The 10.25% increase results in a total annual premium increase of \$949.44. LL&P's increase would be \$854.50. The average employee would see less than a \$1/month increase.

Life/AD&D, STD, LTD insurance is currently with Mutual of Omaha. After evaluating other options, it was recommended to move LL&P's Life/ AD&D, STD, and LTD insurance to UNUM.

West also presented a voluntary life insurance option, which would be a new offering. The voluntary life insurance would be made available to the employee and their spouse. West explained that if the board wanted to offer voluntary life insurance to LL&P employees, LL&P would need to meet minimum participation limits in order to proceed.

The Board had discussion.

It was MOVED BY SCHRAUBEN, SUPPORTED BY DICKERMAN, to renew our current Priority Health Plan with a 7.05% increase, to renew our current Delta Dental Plan with a 10.25% increase, to move Life/AD&D, STD, LTD from Mutual of Omaha to UNUM, and also offer voluntary life insurance paid fully by the employee, contingent on LL&P's ability to reach minimum participation requirements.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

F. FY 2022 Revised Operating and Capital Budget

Staff spent considerable time fine-tuning budget items, reviewing calculations and projections and incorporating new information into the revised budget.

West provided information on a list of notable changes between the draft budget and the revised budget. Most notable to revise the equipment replacement plan, the replacement of the bucket truck and skid steer was pushed out one year. This will reduce our contribution this year from \$300,000 down to \$150,000. This change frees up funds in the capital budget to make progress on important projects, while only delaying two pieces of equipment one year.

It was MOVED BY CRAWFORD, SUPPORTED BY SCHRAUBEN, to approve the revised FY 2022 Operating and Capital budgets as presented and send to City Council for final adoption.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

G. Chamber of Commercial FY 2022 Benevolence Request

West included a letter from the Chamber of Commerce requesting assistance throughout FY 2022 with banners, summer concert stage setup and Christmas lights.

It was MOVED BY DICKERMAN, SUPPORTED BY SCHRAUBEN, to approve the Benevolence request to assist the Chamber for FY 2022.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

H. Retirement Benefits

There was Board discussion on the intention of this policy. Charlie stated that various interpretations of LL&P's Retiree Health Care Policy have created a need to evaluate and potentially provide additional clarity to the policy.

The Board members wanted to do their homework regarding this matter and indicated that there would be further discussion at a future meeting or meetings.

INFORMATIONAL ITEMS:

- A. **Performance Data:** West reported on April's data.
- B. **Monthly Outage Report:** There were three outages in the month of April.
- C. **2020 eReliability Annual Benchmarking Report**
- West gave an overview on this Report.
- D. **Income Statement:** West reported on the April 2021 Income Statement.
- E. **Capital Projects Report:** West reported on the April 2021 Capital Projects Report.
- F. **Manager's Report:** West provided written updates to the Board on the following:
- MPPA/MMEA/APPA Update/Hedge Plan

- Distribution & Generation Projects
- Safety Update
- Energy Center Projects
- Line Shack
- Conduit Lease Agreement
- GIS Update
- Paperless Solutions
- Online Portal & Processor Update
- Open Position
- Meter Read Costs
- Business Continuity/Disaster Response Plan
- Lobby Open to the Public
- Adopt-A-Road Day
- New Service Truck
- Scam Prevention
- Work Anniversaries
- April Payables

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

VI. NEXT REGULAR LL&P BOARD MEETING: Scheduled for Wednesday, June 9, 2021.

VII. BOARD COMMENT:

Tina is pleased West put together all the insurance information. She enjoyed Ryan's Board Training session.

Andrew, Jeff and Daniel said congratulation Sharon on her retirement, she will be missed and thanked Ryan for his Board training session.

Dickerman also mentioned next month is his last month of his term on the Board, he is honored to be a part of the LL&P Board but will be moving out of the service district.

Perry mentioned that he is pleased with the tree trimming and removal, and LL&P is working with the Arbor Board. Perry discussed road issues the City is working on, should conduit be included during this time.

VIII. ADJOURNMENT

It was MOVED BY DICKERMAN, SUPPORTED BY CRAWFORD, to adjourn the Regular Board Meeting at 10:08 p.m.

Yea: 5 Nay: 0 Absent: 0 Motion Carried

Vice Chairman Schrauben

Date