

**Minutes for the  
Board of Lowell Light & Power's  
Regular Meeting – November 14, 2023  
LL&P Energy Center (625 Chatham St)**

**I. CALL TO ORDER AND ROLL CALL:**

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

**Present:** Perry Beachum, Craig Fonger, Daniel Crawford & Andrew Schrauben

**Absent:** Tina Cadwallader

**Also Present:** General Manager Charlie West, City Council Liaison Jim Salzwedel, Generation Superintendent Casey Mier, and Financial Analyst Megan Mora

It was MOVED BY CRAWFORD, SUPPORTED BY FONGER, to excuse Tina Cadwallader's absence.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**II. APPROVAL OF AGENDA:**

It was MOVED BY CRAWFORD, SUPPORTED BY FONGER, to approve the agenda as presented.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**III. APPROVAL OF MINUTES:**

It was MOVED BY CRAWFORD, SUPPORTED BY FONGER, to approve the October 10, 2023 Regular Board Meeting Minutes.

Yea: 4      Nay: 0      Absent: 1      Motion Carried

**IV. SAFETY MOMENT:**

Generation Superintendent presented a safety moment about cooking safely, especially around the holidays.

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

There was no public comment.

VI. **ACTION ITEMS:**

A. **Long-Range Financial Plan Update/Review and Potential Adoption of 2024**

**Electric Rates:**

As part of the cost-of-service study conducted by Utility Financial Solutions (UFS) last year, a 5-year rate track was established to include a 6.5% increase in year 1 (2023), a 3% increase in years 2 and 3 (2024 & 2025), and no increase in years 4 and 5 (2026 & 2027). Staff engaged UFS this year to update the long-range projections and develop our 2024 rate designs. The updated rate track presented included a 2% overall rate increase in years 2 & 3, instead of a 3% increase. Jillian Jurczyk from UFS joined virtually to discuss the updated financial plan and review the 2024 rate design with the board.

It was MOVED BY FONGER, SUPPORTED BY SCHRAUBEN, to approve the 2024 rate design as presented.

Yea: 4              Nay: 0              Absent: 1              Motion Carried

B. **De Minimis Benefits Policy Adoption:**

During the audit process, a de minimis benefits policy was discussed. Per the Michigan Department of Treasury audit guides, de minimis benefits must be either provided for in the collective bargaining agreement or duly adopted employment policy of the governing unit. Therefore, legal counsel recommended that LL&P modify our "Prohibited Benefits Policy" to allow for de minimis benefits provided by the company. Staff recommended that the board approve the presented updated Prohibited Benefits Policy, which included language to allow for de minimis benefits.

It was MOVED BY CRAWFORD, SUPPORTED BY FONGER, to approve the updated Prohibited Benefits Policy as presented.

Yea: 4              Nay: 0              Absent: 1              Motion Carried

C. **Office Hours/Schedule Change:**

Based on previous feedback from the board and staff, management presented potential changes to office hours and employee schedules. Proposed office hours were Monday-Thursday 10am-4:30pm, and Friday 9am-12pm. Proposed office staff schedules were 9-hour workdays Monday through Thursday and 4-hour workdays on Friday.

It was MOVED BY SCHRAUBEN, SUPPORTED BY FONGER, to approve the General Manager to proceed with the presented plan to optimize office schedules/hours.

Yea: 4              Nay: 0              Absent: 1              Motion Carried

**D. Underground Conductor Order:**

Staff recommended and requested to authorize the General Manager to issue a purchase order for underground conductor that is necessary to complete the new East Side Feed. The cable would be installed under the Grand River at Jackson Street.

It was MOVED BY FONGER, SUPPORTED BY CRAWFORD, to authorize the General Manager to issue a purchase order for the 500mcm copper conductor quoted at \$156,675, subject to confirmation or adjustment at time of order shipment, by Power Line Supply.

Yea: 4

Nay: 0

Absent: 1

Motion Carried

**VII. INFORMATIONAL ITEMS:**

- A. Performance Data:** West reported on the October 2023 data.
- B. Benevolence Update:** West reported on current benevolence totals for FY 2024 so far.
- C. Monthly Outage Report:** There were three outages in the month of October.
- D. Income Statement:** West reported on the October 2023 Income Statement.
- E. Capital Projects Report:** West reported on the October 2023 Capital Projects Report.
- F. Legislative Update:** West reported on the new legislature.
- G. Manager's Report:** West provided written updates to the Board on the following items:
  - MPPA/MMEA/APPA Update
  - Distribution/Generation Department Update
  - Safety Update
  - Facility Projects
  - Lineshack
  - Transformer Fire
  - IJJA/IRA
  - RP3 Application
  - IT Update
  - Valuation Study
  - Website Refresh
  - Alternative Schedule
  - Annual Audit
  - Milsoft Value Assessment
  - Business-to-Customer Payments
  - GIS Update
  - ATT Joint Use Agreement
  - All-Employee Meeting
  - Lights through Lowell

- Cherry Creek Fieldtrip
- Think Energy Presentations
- Cyber Security Training
- Clothing Order
- Work Anniversaries
- Payables

H. **Schedule of Meetings:** November/December was presented.

I. **Supplemental Information:** West provided supplemental information to the Board on the following items:

- Sales and Cash & Investments Performance Data Charts
- Full Income Statement
- October Payables

VIII. **NEXT SPECIAL CALLED CITY COUNCIL/ LL&P BOARD MEETING:** Scheduled for Monday, November 20, 2023 6:00 p.m. at City Hall.

IX. **NEXT REGULAR LL&P BOARD MEETING:** Scheduled for Tuesday, December 12, 2023 at the Energy Center.

X. **BOARD COMMENT:**

Schrauben congratulated Mark on 24 years and highlighted the Robotics team competition results from last Saturday. Crawford congratulated Mark and Faith on their anniversaries and expressed admiration for the speed that power was restored when a circuit was taken out by a car accident. Fonger congratulated Mark on 24 years and Faith on her 1 year anniversary. Beachum expressed profound gratitude to the office staff for helping his wife and being true community members, expressed faith in the integrity of the staff, and highlighted Rally's apprenticeship progress.

XI. **ADJOURNMENT**

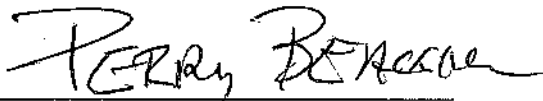
It was MOVED BY CRAWFORD, SUPPORTED BY SCHRAUBEN to adjourn the Regular Board Meeting at 8:50 p.m.


Yea: 4

Nay: 0

Absent: 1

Motion Carried

  
Chairperson Beachum

  
Date