

Marquette Board of Light and Power 12-13-17 MINUTES

2200 Wright St., Marquette, MI 49855 (906) 228-0311

A regular meeting of the Board of Light and Power was called and held on December 13, 2017 beginning at 4:30 p.m. The meeting was called to order followed by the Pledge of Allegiance and Roll Call.

Present: Tom Tourville, Chair
David Puskala, Vice Chair/Secretary
Jerry Irby
Edward Angeli
Robert Niemi

Absent: None

Executive Director Tom Carpenter requested an additional item be included, item 7a Environmental Compliance Audit. J. Irby made a motion to accept the revised agenda with support being given by D. Puskala. Board unanimously approved the revised agenda.

1. **Approval of the November 28, 2017 Regular Meeting Minutes:**

A motion was made by E. Angeli to accept November 28, 2017 regular meeting minutes, as presented. The motion was supported by R. Niemi and the minutes were unanimously approved by Board.

2. **Approval of Bills Payable:**

E. Angeli made a motion to approve the Bills Payable, as presented, totaling \$678,577.11, with R. Niemi giving support. After questions were answered, Bills Payable were unanimously approved by the Board.

3. **Public Comments:**

Bob Anderson 810 West Magnetic Ave. stated that he is involved with the local St. Vincent De Paul's and with him tonight are three more members of the St. Michael's Council. They are here tonight to answer questions about the MI Assistance Programs in this area. T. Carpenter recommended that he be involved with the conversation when we are on item 5.

Lynn Laakso 100 Bridgewood Lane asked when the Board will be working on the net metering issue for solar customers.

4. **Financial Discussion – Helen LaFayette, Controller:**

Controller Helen LaFayette presented the Interim Operating Statement for the one month ending October 31, 2017, Projected Cash Flow Statement, Electric Revenues – Budgeted versus Actual and the FY Comparative KWH Analysis. She informed the Board that the audit field work is finished and requested that the Audit Report be presented to the Board in February.

5. **Discussion on Utility Assistance Programs:**

T. Carpenter gave a short background of the agencies that can help with assisting our customers with their utility bills. He then asked Billing Clerk, Rachael Mager and Manager

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of Accounting and Customer Service Toby Smith to explain the problem the MBLP customers are having with the changes in qualification rules for Michigan Assistance Programs. Because the MBLP opted out of the PA 295, we cannot shut off during the winter, which makes our customers unable to get assistance until April (when we can shut off the power for non-payment according to the Public Act). What we are finding is because of the state guidelines, by the time our customers qualify to receive help, some or all of the funding has been used up. Mr. Anderson explained that there are two separate funding sources, one from the state and one is a Federal block grant. His understanding is the state has changed the federal block grant rules in mid-stream and they are restricting payments during the winter for utilities that opted out of the PA 295. Legal Counsel, Ken Seavoy stated that he has read conflicting documents on how the state is administering the programs and is trying to get some clarification on this. Representing St. Vincent's De Paul, where local parishes donate monies to help customers locally, Mr. Anderson also works with MEAP Program for the entire UP. His council is here tonight to find out how they can help and when they should use parish funds to pay for delinquent bills. If the MBLP opts into the PA 295 next year, we will have to charge all of our customers \$.93 a month in which all that money goes to the State and they distribute it (with no guarantee that it would come back to the UP residents.) Board members commented that we would be better off just funding our own program with a round up fund. T. Carpenter stated that Lansing Board of Water and Light has a self-funded program called "Pennies for Power." He has reached out to Jim Weeks to get information on self-funding our own program. After much discussion, the Board stated that they are very concerned about our customers and will keep in touch with Mr. Anderson as to any new developments. Toby Smith stated that he is working on a letter to be sent to all our customers in regards to this.

6. **Discussion on Joint City Charter Review:**

Discussion followed on a request from the City to have a legal firm, Miller, Canfield, Paddock and Stone, P.L.C. conduct a review of the provisions of the City Charter as it relates to the Board of Light and Power in order to provide a better understanding of the relationship and responsibilities between the parties. This law firm will be representing the city and the MBLP and the fees will be in the range of \$10,000 - \$15,000. J. Irby made a motion to move forward with the proposed legal services with the understanding that the legal fees will be divided between City and the MBLP. R. Niemi gave support and the Board unanimously approved.

7. **Discussion on the 2018 DCS Support Agreement:**

Tom Carpenter informed the Board what the DCS Support Agreement contains and what the Digital Control Support System is used for. Manager of Electrical Engineering Services, Brett Kyllonen gave background on the equipment, stating that it was installed in 1999 and has run none stop for almost 20 years. He said that he did look at other companies for these services but no one could compete with Trident Automations for the services we require. This company originally did the install, knows our equipment inside and out, has a good working relationship with the MBLP and are located close enough for on-site support.

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7a. **Environmental Compliance Audit –**

T. Carpenter stated that once Erik Booth put in his notice to resign, Tom Skewis was trained and has taken over a large part of the compliance work. However, the MBLP would like to hire a consultant to do some of the high level oversight work on new compliance rules in which E. Booth performed very well in his position. T. Carpenter stated that he reached out to three companies and received some quotes of what it would cost to do this consultant work.

8. **Public Comments:**

None at this time.

9. **Any Additional Business the Acting Executive Director Wishes to Present:**

T. Carpenter informed the Board that Wärtsilä representatives are on site and taking sound tests. Soon, they should have some information for us on this issue.

10. **Any Additional Business the Board Members Wish to Present:**


T. Tourville stated that in the near future, the Board will be revisiting the issue on net metering for our solar customers.

E. Angeli stated that the Board needs to come up with something to help our customers who are in need of assistance. This should be a top priority issue.

R. Niemi stated that the MBLP should contact Lansing Board of Water and Light to see what kind of program they are doing and see if our existing software program is capable to perform the function of rounding up bills.

11. **Adjournment:**

The meeting adjourned at 5:40 p.m.



David Puskala
Vice Chair/Secretary