

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of the Regular Board Meeting
Held at 5:15 p.m., Virtual Meeting
Tuesday, August 11, 2020

Board Members Present: Patrick McGuire, Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Board Members Absent:

Ex Officio Member Present: Marty Colburn, City Manager

Others: Tim Arends, Daren Dixon, Karla Myers Beman, Scott Menhart, Kelli Schroeder, Tony Chartrand, Jacob Hardy, and Tom Smith

1. **Roll Call**

2. **Disclosure of Recusal**

None.

3. **General Public Comment**

None.

4. **Consent Calendar**

- a. Approved the Agenda
- b. Approved minutes of the Regular meeting of July 14, 2020.
- c. Consideration of appointing Kelli Schroeder as Officer Delegate and Karla Myers-Beman as Officer Alternate Delegate to cast official votes on behalf of TCL&P at the Annual Meeting of the Municipal Employees Retirement System. (Approval recommended) (Schroeder)

That Kelli Schroeder, Manager of HR & Communications and Karla Myers-Beman, Controller be appointed Officer Delegate and Officer Alternate Delegate respectively, for the 2020 Annual Meeting of the Municipal Employees Retirement System; and further that the Executive Director be authorized to execute the certification of delegates.

- d. *Removed.*

Amy Shamroe moved that the following actions, recommended on the Consent Calendar portion of the Agenda, be approved as amended. Patrick McGuire seconded the motion.

Yes: Patrick McGuire, Amy Shamroe, Elysha Davila, Ross Hammersley, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

Ross Hammersley joined the meeting at 5:19 p.m.

5. Items Removed from the Consent Calendar

- a. Consideration of approving a service order for a Cost Benefit Analysis on a Phase 2 FTTP/Smart Grid deployment with Fujitsu. (Arends/Menhart)

The following individuals addressed the Board:

Tim Arends, Executive Director

Scott Menhart, Chief Information Officer

Anthony Bednarczyk, Network Design & Integration, Fujitsu

Ross Hammersley moved that the Light and Power Board authorizes the Executive Director to issue a service order to Fujitsu for a Phase 2 cost benefit analysis in the amount of \$24,611. Amy Shamroe seconded the motion.

Yes: Ross Hammersley, Amy Shamroe, Patrick McGuire, Elysha Davila,
Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

6. Unfinished Business

- a. Consideration of approving the renewal of the Executive Director employment contract. (Taylor/Davila)

The following individuals addressed the Board:

Chairman John Taylor

Tim Arends, Executive Director

Vice-Chairperson, Elysha Davila

Jeff Jocks, General Counsel

Amy Shamroe moved that the Board approve a salary increase of 3% for the Executive Director with a salary compensation review in one year and to authorize the Chairperson to sign an agreement with the Executive Director to reflect these changes as approved as to form by General Counsel. Paul Heiberger seconded the motion.

Yes: Patrick McGuire, Elysha Davila, Ross Hammersley, Amy Shamroe,
Paul Heiberger, and John Taylor

No: Tim Werner

Absent: None

Carried 6 to 1.

- b. Consideration of approving an amended Termination of Electric Service Policy and Electric

Service Utility Customer Service Practices, Policies and Procedures. (Arends)

The following individuals addressed the Board:

Tim Arends, Executive Director
Karla Myers-Beman, Controller

Amy Shamroe moved that the Light & Power Board approves the amended termination of Electric Service Policy and the amended Utility Customer Service Practices, Policies, and Procedures effective September 1, 2020. Paul Heiberger seconded the motion.

Yes: Patrick McGuire, Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

- c. Consideration of authorizing the Executive Director to execute the USDA Commitment Letter dated July 31, 2020 for the On-Bill Finance Program. (Arends)

The following individuals addressed the Board:

Tim Arends, Executive Director

Ross Hammersley moved that the Light and Power Board authorizes the Executive Director to execute the USDA commitment letter dated July 31, 2020 to acknowledge and accept the approval of \$1,800,000 loan commitment along with the City Mayor and City Clerk for the On-Bill Financing Program authorized by the Rural Utilities Service and to execute the supplementary forms. Amy Shamroe seconded the motion.

Yes: Patrick McGuire, Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

7. **New Business**

- a. Consideration of creating an ad hoc customer survey committee. (Schroeder)

The following individuals addressed the Board:

Tim Arends, Executive Director
Kelli Schroeder, Manager of Hr & Communications

Amy Shamroe moved that the Light & Power Board approve creating a customer survey ad hoc committee including Elysha Davila as Chairperson, Paul Heiberger and Tim Werner. Ross Hammersley seconded the motion.

Yes: Amy Shamroe, Patrick McGuire, Elysha Davila, Ross Hammersley, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

- b. Consideration of a written attorney/client privileged legal opinion from special labor counsel dated August 11, 2020 as permitted by MCL 15.268(h). (Nordfjord/Arends) (Possible closed session) (4 votes required)

ITEM MOVED FOLLOWING PUBLIC COMMENT.

- c. Consideration of approving the Fiber to the Premise Project Phase 1.1. (Arends/Menhart)

The following individuals addressed the Board:

Tim Arends, Executive Director

Scott Menhart, Chief Information Officer

Anthony Bednarczyk, Network Design & Integration, Fujitsu

Ross Hammersley moved that the Light and Power Board authorizes the Executive Director to execute a change order with Fujitsu to deploy Phase 1.1 in the amount of \$797,000, subject to review as to substance by the Executive Director and as to form by General Counsel; further, the Board authorizes the Executive Director to request of the City Commission to enter into an inter-fund loan agreement from the Industrial Development fund to finance Phase 1.1 with such terms to be approved by the Board and the City Commission. Paul Heiberger seconded the motion.

Yes: Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

No: Patrick McGuire

Absent: None

Carried 6 to 1.

8. Reports and Communications

a. **From Legal.**

b. **From Staff.**

1. FTTP Update. (Menhart - verbal)

The following individuals addressed the Board:

Scott Menhart, Chief Information Officer

Rob Worden, Network Design & Integration, Fujitsu

2. Capital Plan Improvement Update. (Myers-Beman)

The following individuals addressed the Board:

Karla Myers-Beman, Controller

3. Written communication to Senator Schmidt. (Arends)

The following individuals addressed the Board:

Tim Arends, Executive Director

c. From Board.

1. Chairman's Report.

- a. Discussion of net zero emissions as a strategic goal. (Taylor/Davila)

Chairman Taylor brought forth discussions he, Elysha and Tim have had in regards to what other utilities in the State, country and other parts of the world have done with respect to their clean energy goals. This is pre-text to a possible future conversation about strategic planning and could be a possible goal.

Ross Hammersley moved that the Board enter into closed session to discuss a written attorney/client privileged legal opinion from special labor counsel as permitted by MCL 15.268 (h). Patrick McGuire seconded the motion.

Yes: Patrick McGuire, Ross Hammersley, Elysha Davila, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

9. Public Comment

- a. General Public Comment

The following individuals from the Public addressed the Board:

Corey Grueber, non-ratepayer

There being no objection, Chairman Taylor declared the meeting adjourned to a closed session at 7:27 p.m.

7:27 p.m. the Board entered in to closed session.

The Board returned from closed session at 8:11 p.m.

Paul Heiberger moved that the Board return to open session. Ross Hammersley seconded the motion.

Yes: Patrick McGuire, Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.

Ross Hammersley moved that the Board accept labor counsel's recommendation and authorize the Executive Director to sign an agreement consistent with this recommendation if reached with the Utility Workers Union of America, AFL-CIO, Local 295. Paul Heiberger seconded the motion.

Yes: Elysha Davila, Ross Hammersley, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

No: Patrick McGuire

Absent: None

Carried 6 to 1.

10. Public Comment

a. The following individuals from the Public addressed the Board:

Corey Grueber, non-ratepayer

11. Adjournment

There being no objection, Chairman Taylor moved to adjourn the meeting at 8:14 p.m.

Yes: Patrick McGuire, Ross Hammersley, Elysha Davila, Amy Shamroe, Tim Werner, Paul Heiberger, and John Taylor

Absent: None

Carried 7 to 0.



Tim Arends, Secretary
LIGHT AND POWER BOARD