

**MINUTES OF THE MICHIGAN SOUTH CENTRAL POWER AGENCY
BOARD OF COMMISSIONERS REGULAR MEETING**

**May 7, 2020
10:00 a.m.**

via ZOOM webinar

NOTICE OF MEETING

A public notice had been posted in accordance with Open Meetings Act No. 267, Public Acts of Michigan, 1976.

COMMISSIONERS PRESENT

Jeff Budd, Coldwater; Kevin Cornish, Clinton; David Mackie, Hillsdale; Chris Mathis, Union City; and Thomas Tarkiewicz, Marshall.

ALTERNATE COMMISSIONERS PRESENT

Chris McArthur, Hillsdale; Ed Rice, Marshall.

OTHERS PRESENT

Don Reid, Coldwater Daily Reporter; Pam Sullivan, Scott Kiesewetter, and Tom Sillasen of AMP; Sam Hogg of Wolverine Power Cooperative; Jim Odneal, Coldwater; Steven Mann, Miller Canfield.

1. CALL TO ORDER:

Chairman Tarkiewicz called the meeting to order at 10:00 a.m.

2. APPROVAL OF AGENDA WITH ANY ADDITIONS:

Moved Commissioner Mackie, supported Commissioner Budd, to approve the agenda as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

3. PUBLIC COMMENTS ON AGENDA ITEMS:

No public comment.

4. APPROVAL OF MINUTES:

Moved Commissioner Cornish, supported Commissioner Mackie, to approve the minutes of the March 5, 2020 Regular Board Meeting and the April 24, 2020 Special Board Meeting. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

5. FINANCIAL:

Moved Commissioner Cornish, supported Commissioner Mathis, to extend services with Baker Tilly for one additional year to perform the annual audit report. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

A. Approval of February 2020 and March 2020 Financial Statements and Investment Reports

Moved Commissioner Cornish, supported Commissioner Mackie, to receive and place on file the February 2020 and March 2020 Financial Statements and Investment Reports as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

B. Approval of February 2020 and March 2020 Invoices

Moved Commissioner Cornish, supported Commissioner Mathis, to receive and file the February 2020 and March 2020 invoices as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

C. Director of Finance Report

Financial information received in the Board packet. Nothing significant to report.

6. GENERAL MANAGER REPORT:

Pam Sullivan and Scott Kiesewetter provided updates on the Fremont Project and Project IV.

7. ACTION ITEMS:

A. Coldwater Peaking Project Update

Regular conference calls have been taking place. The next decision point related to the MISO interconnection study for the Members will be in November..

B. Marshall Energy Center Update

Willard Ladd is ready to go with the project but waiting for more participation for financing. Conversations are continuing with MPPA.

C. By-Law Amendment (Open Meetings)

Moved Commissioner Cornish, supported Commissioner Mackie, to adopt the By-law amendment referencing the Open Meetings Act as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

D. Update on MISO Collateral Posting

Discussion took place with no action. Pam Sullivan requested item be tabled for further review of the cash reserve policy.

E. Marshall Cash Withdraw Request

Moved Commissioner Mathis, supported Commissioner Budd, to approve the resolution authorizing the Member Equity Refund for the City of Marshall in the amount of \$1,500,000. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

Moved Commissioner Mackie, supported Commissioner Cornish, to authorize \$5,145,000 of the Fifth Third Securities Money Market Account be reallocated to cover the \$1,500,000 cash withdrawal request from the City of Marshall and \$3,645,000 be transferred to the agency's Michigan Class Act Account to earn a higher interest return. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

F. Transmission Allocation (Courtney Recommendation)

Moved Commissioner Budd, supported Commissioner Mackie, to approve the billing of the Transmission Allocation as used with the excess entitlement to be allocated on a prorate basis with all members being compensated 75% of the avoided applicable MISO transmission charges for their excess transmission entitlement beginning July 1, 2020. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

G. Behind the Meter Generation Revenue Allocation

Moved Commissioner Mackie, supported Commissioner Cornish, to approve beginning July 1, 2020 member generation revenue and expenditures will be allocated directly to each member. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

H. Administrative Cost Allocation

The Finance Committee will further discuss administrative cost allocations and the issue will be brought back to the June Board Meeting.

I. REC Analysis

Information was provided regarding REC Analysis and where it stands. No action taken.

J. MISO Capacity Auction Results

The board was provided with the results of the MISO Auction. No action taken.

K. 2020/2021 Draft Budget

Tom Sillasen provided an overview of the 2020-2021 Draft Budget. The Budget will be discussed further at a future Work Session.

L. Moore Road Transmission Assets

No action taken. A recommendation will be brought back to the June Board Meeting.

M. ITC FIRTSTNet Project

No action taken. Approval will be come before the board at a future meeting when an agreement is reached.

N. AMP Agency Services Agreement

No action taken. The current agreement expires July 1, 2020. Board members will review the agreement and discuss at the Work Session.

8. OTHER BUSINESS:

Board members discussed possible dates for a Work Session. Consensus is for May 28, 2020 at 10:00 a.m. via ZOOM.

Commissioner Budd reminded the board the records storage area needs to be dealt with in the near future.

Commissioner Tarkiewicz would like to hold the June Board Meeting in person adhering to social distancing standards. Commissioner Budd suggested Coldwater City Hall Council Chambers.

9. PUBLIC COMMENT ON NON-AGENDA ITEMS:

Sam Hogg of Wolverine Power thanked the board for the accommodation of the meeting. He is hopeful for a long-term energy partnership in Zone 7.

10. COMMISSIONER COMMENTS AND MEMBER'S MUNICIPALITY UPDATE:

Hillsdale: They are continuing to navigate through the governor's orders and is very hopeful the order to be lifted soon.

Union City: Staff is rotating shifts and continues to be hopeful for the stay at home order to be lifted. They are contending with a water main break under the river.

Marshall: Line crew is rotating shifts. The Pearl Street Substation upgrade is going well and working with ITC on the south substation project. Marshall is continuing to monitor revenue sources and all staff is back to work May 18, 2020.

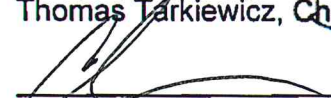
Coldwater: Fiber project kick-off is in July for signing up customers. Voluntary furloughs have been offered and they are continuing social distancing.

Clinton: All staff is working and they are adhering to social distancing.

The meeting was adjourned at 12:55 p.m.



Thomas Tarkiewicz, Chairman



Chris Mathis, Secretary