

**OFFICIAL PROCEEDINGS**  
**CITY COUNCIL**  
**ELECTRICAL ADVISORY COMMITTEE**  
**CITY OF ESCANABA, MICHIGAN**  
***Special Joint Meeting***  
***Wednesday, July 13, 2011***

Pursuit to a special meeting posted July 7, 2011, the meeting was called to order by the Mayor Gilbert X. Cheves at 6:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Gilbert X. Cheves, Council Members Leo J. Evans, Patricia A. Baribeau, Pete Baker, and Brady L. Nelson.

Absent: None.

Present: Electrical Advisory Committee Members: Chairman Ronald Beauchamp, John Anthony, Larry Arkens, Ann Bissell, and Don Racicot.

Absent: One Vacancy, and Committee Member Tim Wilson, and Glendon Brown.

Also Present: City Manager James V. O'Toole, Electric Superintendent Mike Furmanski, City Controller Mike Dewar, Power Plant Manager Jerry Pirkola, members of the public, and Media.

Minutes from June 8, 2011, were approved by Council at the July 7, 2011, regular Council Meeting. Members having any further questions were asked to contact City Clerk Richards.

Nelson moved, Evans seconded, **CARRIED UNANIMOUSLY**, to approve the agenda as presented.

**UNFINISHED BUSINESS** - None

**CONFLICT OF INTEREST** - None

**PUBLIC HEARING** - None

**NEW BUSINESS**

**Electrical Advisory Committee Election of Officers.**

Annually, the Electrical Advisory Committee elects officers for the positions of Chairperson and Vice Chairperson.

On nominations duly made and seconded, the following were elected to the positions shown:

- Committee Member Beauchamp to serve as Chair Person for the Electrical Advisory Committee;
- Committee Member Bissell to serve as Vice Chair Person for the Electrical Advisory Committee.

**Update - Electric Department – Distribution Operations.**

Electric Superintendent Mike Furmanski reviewed current departmental activities and operations.

**Update– Operation and Maintenance of Power Plant – Pro Energy Services, Inc.**

Power Plant Manager Jerry Pirkola updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the status of the operation and maintenance of the power plant.

- Plant Operation transition to Pro Energy continued to go well;
- Working on Policies and Procedures;
- Reviewed Budget;
- Status of coal left on the dock;
- Two vacancies in operations were filled;
- Reviewed tube leaks which occurred on Unit 2. A Pro Energy recommendation would be made the following next week;

**Discussion – MISO Market Agent Provider.**

Administration discussed the transition of Great Lakes Utilities providing MISO market agent services.

- Meeting which was scheduled had to be canceled at the last minute. A meeting was being rescheduled.

**Update– Sale of Generation Facilities Asset Purchase Agreement(s).**

Administration updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the status of the Asset Purchase Agreements that was sent out to the various parties interested in purchasing the power plant.

- Asset Purchase Agreements were sent to the prospective buyers. Proposals were due back August 2, 2011. A copy of the agreement was attached to the meeting agenda;
- Concern's were raised of not being able to have the sale before the December deadline.

**Update – Environmental Work Plan.**

Administration updated the City Council, Electrical Advisory Committee and Citizens

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of Escanaba on the status of the Environmental Work Plan being completed by Mountain Engineering, Inc. of Iron Mountain, Michigan.

- Information was just received prior to the meeting. The information would be analyzed and sent out to both Boards for review.

**Update – Power Purchase Agreement(s) – Short Term/ Long Term – Power Cost Options.**

Administration provided an overview and update on the various options being considered for short-term and/or long-term power including purchase power contracts and Fix to Float hedging. Additionally, a review took place on future options being investigated by the Administration in securing reliable, long-term power.

- Information was received and being analyzed. The proposed rates seemed high. A recommendation would be made at the August Joint Meeting.

**GENERAL PUBLIC COMMENT - None**

**COUNCIL/COMMITTEE, STAFF REPORTS - None**

**ADJOURNMENT**

Members were pleased that the Plant Operation transition to Pro Energy continued to go well.

Hearing no further public comment, or further reports from the Electrical Advisory Committee and Council, the meeting adjourned at 6:29 p.m.

Respectfully submitted,

Robert S. Richards, CMC  
City Clerk

Approved: \_\_\_\_\_  
Gilbert X. Cheves, Mayor