

OFFICIAL PROCEEDINGS
CITY COUNCIL
ELECTRICAL ADVISORY COMMITTEE
CITY OF ESCANABA, MICHIGAN
Special Joint Meeting
Wednesday, May 13, 2015

Pursuit to a meeting notice posted May 7, 2015, the meeting was called to order by the Mayor Marc D. Tall at 6:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None.

Present: Electrical Advisory Committee (EAC) Members: Chairperson Tim Wilson, and Glendon Brown.

Absent: Two vacancies and Power Plant Liaison, Electrical Advisory Committee (EAC) Members John Anthony, Larry Arkens, and Ann Bissell,.

Also Present: City Manager James V. O'Toole, Electric Superintendent Mike Furmanski, Mike Dewar, Pro Energy Services, Inc. Representative Jack Scott, Power System Engineering Representative Tom Butz, members of the public and media.

ADJUSTMENTS TO THE AGENDA

City Manager O'Toole asked to reinstate the Electric Department regular purchasing practices.

Beauchamp moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve the Joint City Council & Electrical Advisory Committee Agenda as amended.

CONFLICT OF INTEREST – None

PUBLIC HEARING – None

NEW BUSINESS

Update - Electric Department –General Operations.

Electrical Superintendent Mike Furmanski updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the current departmental activities.

- Discussed repair of Underground fault at the Delta County Airport;
- Summer time work activities had begun with the crews;
- Reviewed summary of billed expenses since February 2, 2015;
- Discussed waiver of the purchasing policy;

- Briefly reviewed a protest that was filed with FERC regarding the SSR Agreement with White Pine Power Station.

Baribeau moved, Blasier seconded, to reinstate the City purchasing policy for the Electric Department.

Ayes: Baribeau, Blasier, Sattem, Beauchamp, Tall

Nays: None

MOTION CARRIED.

Update – Shutdown of Power Plant – Pro Energy Services, Inc.

Pro Energy Services, Inc. Representative Jack Scott, Inc. updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the status of the shutdown of the power plant.

Mr. Scott introduced Rob Piper, who would be helping him to provide a project schedule to shut down the Escanaba Power Plant. Later in the week, the first draft was expected. A Software application was being used as a management tool, and would define when parts of the project should be done and would also provide as a communication tool for everyone.

- Due to February Event, Power Plant and combustion turbine was shut down and out of service;
- Personnel began preparing for permanent June 14th shutdown;
- Coal would be removed from the coal bunkers to prevent spontaneous combustion;
- There were no NPDES Violations in April;
- There were no groundwater deviations in April;
- Reviewed portions of the Power Plant that were being dismantled, and discussed the need for security guards for the Power Plant once shut down.

Approval – Professional Services – Spill Prevention, Control, and Countermeasures Plan.

Administration sought Council approval to accept a proposal from TriMedia Environmental and Engineering of Marquette, MI to update/design a Spill Prevention, Control, and Countermeasures plan for the West Side Substation, the Cold Storage facility, and the new substation in an amount not to exceed not-to-exceed \$4,000.00.

NB-3 After a brief description of the scope for the Spill Prevention, Control, and Countermeasures plan, Blasier moved, Beauchamp seconded, to accept a proposal from TriMedia Environmental and Engineering of Marquette, MI to update/design a Spill Prevention, Control, and Countermeasures plan for the West Side Substation, the Cold Storage facility, and the new substation in an amount not to exceed not-to-

exceed \$4,000.00

Upon a call of the roll, the vote was as follows:

Ayes: Blasier, Beauchamp, Sattem, Baribeau, Tall

Nays: None

MOTION CARRIED.

Approval – Distribution Pole Purchase.

Administration sought Council approval to purchase wooden distribution poles from Thomasson Company of Philadelphia, MS, in the amount of \$37,781.48.

NB-4 Sattem moved, Blasier seconded, to approve to purchase wooden distribution poles from Thomasson Company of Philadelphia, MS, in the amount of \$37,781.48.

Upon a call of the roll, the vote was as follows:

Ayes: Sattem, Blasier, Baribeau, Beauchamp, Tall

Nays: None

MOTION CARRIED.

Approval – Distribution System Cable Purchase

Administration sought Council approval to purchase 15kV cable from Border States Electric of Green Bay, WI in an amount not to exceed \$12,000.00.

NB-5 Beauchamp moved, Sattem seconded, to approve to purchase 15kV cable from Border States Electric of Green Bay, WI in an amount not to exceed \$12,000.00.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Sattem, Blasier, Baribeau, Tall

Nays: None

MOTION CARRIED.

Approval – West Side Substation Equipment Replacement and Upgrade.

Administration sought Council approval to retain Energis High Voltage Resources of Green Bay, WI to replace the voltage regulators and associated equipment at the West Side Substation in an amount not to exceed \$22,000.00.

NB-6 Baribeau moved, Blasier seconded, to approve to retain Energis High Voltage Resources of Green Bay, WI to replace the voltage regulators and associated equipment at the West Side Substation in an amount not to exceed \$25,000.00.

Upon a call of the roll, the vote was as follows:

Ayes: Baribeau, Blasier, Sattem, Beauchamp, Tall
Nays: None

MOTION CARRIED.

Update – Power Plant Sale.

The administration updated the City Council, Electrical Advisory Committee and the Citizens of Escanaba regarding the sale of the plant.

- Talks continue with Sterling Energy. Both sides were working of the Term Sheet;
- RFP's was sent out;
- Briefly reviewed SB 282 meeting with Senator Casperson.

GENERAL PUBLIC COMMENT

Don Raciot commented on Spill Prevention Control Measures and suggested adding the Power Plant Oil. Also commented on Term Sheet and questioned on what items would be taken out and also suggested the hiring of security measures.

Glendon Brown commented on SB 282. He advised the cost allocation was still not defined. A Study of Michigan transmission system was to be done in only 120 days, seems like a huge sum of money and duplicates MISO's study. Mr. Brown related City Consultant Tom Butz concern of revenue requirements were lower than cost of congestion.

SB 282 would help the Northern areas of the Upper Peninsula, but the City of Escanaba was connected to Wisconsin and had plenty of Electrical power. The City of Escanaba should be looked at differently since our electrical power was from Wisconsin. Council continued to urge Administration to schedule another Energy Summit. Political realities were not in order, and suggested Cities of the Lower Peninsula would not want to help pay for electrical power in Upper Michigan.

COUNCIL/COMMITTEE, STAFF REPORTS – None

ADJOURNMENT

Joint City Council & Electrical Advisory Minutes
May 13, 2015 – cont.

Hearing no further public comment, or further reports from the Electrical Advisory Committee or Council, the meeting adjourned at 6:44 p.m.

Respectfully submitted,

Robert S. Richards
City Clerk

Approved: _____
Marc D. Tall, Mayor