

**ELECTRIC ADVISORY COMMITTEE**  
**MAY 22, 2006**

The regular meeting of the Electric Advisory Committee was called to order at 5:30pm by Chairman, Ann Bissell, in Room 101 of City Hall.

**Present:** Larry Arkens, W.A. Baker, Ann Bissell, Glendon Brown, John Mellinger, and Tony Westerberg

**Absent:** Sonja Skerbeck, Robert Headden

**Also Present:** City Manager Doug Terry, Mayor Judi Schwalbach, Council Members: Leo Evans, Wayne Heikkila, Jim Berthiaume, WPPI Representatives: Peter Steitz & Tim Noeldner, Mike Furmanski-Electric Dept Engineer, Mike Dewar-City Controller, Wendy Bruno-Community Preservation Rep, Jenny Lancour-Daily Press, Vickie Micheau-Chamber of Commerce, Steve Masters-Convention & Visitors Bureau, Melissa Norman-DDA, Ron Beauchamp, Loren Woerpel, Jeff McCall

**Approval of Minutes:**

Bissell called for a motion to approve the minutes of the April 24, 2006 meeting. A motion was made by Baker to approve the minutes, seconded by Mellinger, and carried unanimously.

**Amendments to the Agenda:**

City Manager, Doug Terry, requested that the WPPI Discussion take place first on the agenda before the status update on the Electrical Superintendent, as the Representatives from WPPI had a 4 1/2 hour road trip back to their office.

**Conflict of Interest Declarations:**

None

**OLD BUSINESS:**

**WPPI Discussion-City Manager Doug Terry and Peter Steitz and Tim Noeldner from WPPI**

The City Manager reported to the group that at this time, he has been the key person involved in talks with WPPI during the absence of Robert Headden. City Manager told committee members that at this time the City is working on a cost-sharing agreement with WPPI. The manager pointed out that he and Mike Dewar, the Controller, had just finished up a 2 1/2 hour meeting with WPPI. Mr. Steitz and Mr. Noeldner were in the audience and would answer any questions that the committee may want to present to

them before they left. Member Baker questioned whether or not the agreement had been signed. Mr. Terry advised the committee that that has not happened as of yet. Mr. Dewar advised that the City has a number of questions that need to be answered. The WPPI representatives will be taking the information back with them and get answers back to the City. Member Baker expressed interest in seeing the issues that the City had with the agreement. City Manager Terry reported that when the agreement had been finalized, the agreement would then be presented to the Electric Advisory Committee for endorsement and then to the City Council for approval.

The agreement requires the hiring of a project consultant for a proposed plant. Member Brown questioned the time-line proposed in the agreement. WPPI representative Tim Noeldner went through the time line with members from the RFP being sent out by the end of this month, to the picking of the consultant in August. The confirmation of the consultant would have to be approved by the WPPI Executive Committee as well as have the City Council approval. Noeldner went on with further explanation of the time-line by pointing out the Feasibility Study work should be completed by September; the final design work should be completed by the consultant by January 2007. From there, we would move on to licensing and permitting. WPPI will be responsible for the Project consultant, time-line, and seeing that the work gets done. Brown also offered that the project cost sharing is at 50/50 at this time; however the City's portion may go down as we assume less ownership. Brown also went on record as saying that he was glad that WPPI was involved and taking on a leadership role. Member Baker commented on the study costs being \$500,000-\$1,000,000 and wondered if they were rolled in. He was advised that that was the case, and that the study was an important factor. When questioned by member Mellinger on the number of plants that they have been involved in before this project, Mr. Steitz advised that they have been a part of 2 other coal fired plants and are partial owner in another. Committee members having no other questions for the gentlemen, they left for their return to Sun Prairie.

#### **STATUS UPDATE ON ELECTRICAL SUPERINTENDENT-TERRY**

City Manager Terry reported to the committee that Robert Headden is still off on medical leave until the end of the month or the first week in June. He reported that Mike Furmanski has been appointed the interim superintendent during this time, with his job being limited to the distribution end of the operation. Pat Fulsher has been appointed the task of interim superintendent and will keep the generating plant running.

The Manager pointed out that he and the mayor are on board with what has to be done to keep the City's interests in line in the power plant project. A draft copy for the hiring of a "project consultant" was drawn up by the Manager and copies were handed out to Committee members. He asked members to review and see if there were some things that should be taken into consideration. Member Brown thought the project might more likely call for a mechanical engineer with some electrical engineering background. He also pointed out that the draft should include it is a temporary position, for the duration of the project, and at times will be part-time.

Manager, Terry, stressed that the project consultant would be somebody with the expertise to look out after the City's interests in dealing with WPPI and in building the plant. The project consultant could be an individual or a firm, and Terry hoped to have the position posted within a week.

Member Baker stressed several times that part of the problem that this committee had was that in the past, information had been kept from them. He reiterated that the committee serves the City Council and they, the committee, should be kept informed by the Consultant and Administration on all aspects of the power plant. Baker felt that some members of the committee should be part of a "sounding board" by those persons who are working with the new selected person. Chairman Bissell asked if it was a problem with anyone on the committee that possibly 2-3 members be involved should an impromptu meeting be called. Members agreed that was fine, as long as the involved members then return to the rest of the committee with the information received and further discussion could take place.

Member Brown reported to the Manager that he felt the committee was endorsing the qualifications put out for the project consultant. Pat Fulsher agreed it is important for the City to hire a consultant to look after the City's best interests and also help in deciding the role the city will have in the plant.

A motion was made to officially endorse the project consultant concept as modified to the Comments of the board. Arkens seconded the motion, roll call was taken and motion passed.

### **Power Plant Report-Fulsher**

Pat Fulsher apologized to the committee for all the missed meeting but reported that he has had a very busy schedule. Power Plant statistics handouts were presented to the group for the year to date and gone over with them and their questions answered. Fulsher filled the group in on the scheduled outage for maintenance at the plant. Due to the new system for the outage that was practiced this time, another outage for maintenance should not have to be done until next spring. Past practice had been one outage in the spring and one in the fall. Pat told members that during the outage energy was bought on the MISO market and they also went to the day ahead market and were able to get energy for \$62mwh as compared to \$72mwh. Fulsher reported that the 2007 coal talks are started and he asked the committee if it was alright for Pete Baker to once again be involved. He reported that the last of 2005 coal would be burned by August, and then we would be into the 2006 coal.

Fulsher advised committee members that Mike Furmanski and the line crew at the Electric Dept. did a great job of switching circuits over the weekend. The switching has

been the most done in this City in over 13 years. He said they did a great job and residents were unaware of it and faced no interruptions to power.

### **Peaking Generator Write-up: Fulsher**

Fulsher reported to members that the write-up is not complete at this time. He advised he should have it done within 2 weeks time. The write-up will include some history and let the people know that it has been successful. Fulsher advised that he will include some human interest stories about the CT in his write-up.

### **Time of Use Meter Program**

Mike Furmanski advised member that at this time, we still only have 4 people interested in the program. These 4 customers are residential, we have no commercial interest as of yet.

### **Expiring Terms**

Glendon Brown was advised his term has expired. He has served 2 terms on the Committee, and would be eligible again after 1 year off. He was advised that he is eligible to serve on any other Committee should they have a vacancy. John Mellinger advised that he had been contacted by the Clerk's Office. He was told that his term was done, but he is eligible for another term on the Committee. He advised he would be contacting the Clerk's Office to let them know he wished to continue service. Glendon was thanked by Committee members, and the Manager for his dedicated service to the Committee and the City.

### **Letters of Confidentiality**

City Manager Terry requested that this matter stay on the agenda for the next meeting as there were some issues that he wished to discuss with the City Attorney about first.

### **Sun Prairie Trip**

City Manager Terry reported that he will get with Carol DeShambo from the Electric Department and set up the trip with WPPI. All members had given Carol the dates that they would be available. At this time, it looks as if the May 30<sup>th</sup> date would be best. Members will be called with the information when plans were finalized.

### **Review of Spread Sheet and Response from LD&B-Terry**

City Manager Terry reported getting back the spread sheet review from LD&B. He advised members that LD&B could expand on the spreadsheets and look at a few further scenarios that were not presented. Brown expressed concern that there should be no more authorization for LD&B for further study until the project consultant is on board.

## **NEW BUSINESS:**

### **Tool Box Discussion**

Chairman Bissell reported this discussion would include such items as:

- Project Consultant-action already taken on this
- Hiring of an Attorney for special contracts
- PR consultant

It was decided that once the Project Consultant was on board, this discussion would continue forward.

### **PUBLIC COMMENT:**

Mayor Schwalbach thanked Glendon Brown for his service and advised everyone that the next couple of months are critical to the City, and we all need to continue to pull together.

Vickie Micheau from the Chamber had questions on the bid process on the RFP (Request for Proposal). City Manager Terry advised her that the Project Consultant that the City hires will be publicly advertised. This is a different process than the RFP that will be spearheaded by WPPI to find a project manager. The City is not looking for the lowest bid. We are looking for technical expertise to look after our interests in dealing with WPPI during the power plant project.

Steve Masters from the Convention and Visitors Bureau commented on how important PR is at this time. The people want to be informed. He said he is hearing a lot of comments on misconceptions that are coming out in regards to the power plant project, City Administration, and the Electric Committee. He said PR makes everyone's life better, keep everyone informed

### **Committee Member/Staff Comments:**

Chairman Bissell requested City Administration call together the Electric Advisory Committee when they have a completed RFP.

Member Baker requested Council act quickly on appointing a new member to the Committee to fill the vacancy of Glendon Brown.

Meeting adjourned at 7:35pm