

OFFICIAL PROCEEDINGS
CITY COUNCIL
ELECTRICAL ADVISORY COMMITTEE
CITY OF ESCANABA, MICHIGAN
Special Joint Meeting
Thursday, May 31, 2018

Pursuit to a meeting notice posted May 24, 2018, Mayor Marc D. Tall called the meeting to order at 4:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Ronald J. Beauchamp, Ralph B. Blasier, Michael R. Sattem, and Peggy O. Schumann.

Present: Electrical Advisory Committee (EAC) Members: Chairperson Tim Wilson, John Anthony, Glendon Brown, John Mellinger, and Ann Bissell.

Also Present: City Manager Patrick S. Jordan, City Clerk Lisa M. Glish, Electric Superintendent Mike Furmanski, and members of the public and media.

ADJUSTMENTS TO THE AGENDA

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

CONFLICT OF INTEREST – None

NEW BUSINESS

1. Update – Electric Department – General Operations.

Electric Superintendent Mike Furmanski provided an update on departmental operations which included pole change outs and various projects on North Lincoln Road. He then stated that a link for Citizens to obtain information on the voluntary green pricing program through Michigan Public Power Agency has been posted on the City of Escanaba website.

2. Approval – Solar Project Lease Agreement.

Electric Superintendent Mike Furmanski sought Council approval to enter into a 30-year lease agreement of 12.55 acres of property owned by Delta County, which would be the site of the Escanaba Solar Project.

NB-2 After consulting with the Electrical Advisory Committee Members, Blasier moved, Beauchamp seconded, to accept the terms set in the lease agreement with Delta County for the 12.55 acres property located on Airport Road for the purpose of housing the solar generation facility.

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

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

MOTION CARRIED.

3. Approval – Solar Project Security Fence.

Electric Superintendent Mike Furmanski sought Council approval to retain Delta Fence and Construction of Escanaba, MI for a not-to-exceed total of \$32,000 of a 7' tall security fence to be installed around the solar generating facility. The funds for this professional services agreement were included in the Solar Project budget.

** NOTE: Council Member Peggy Schumann arrived late for the meeting at 4:15 PM, during the discussion for New Business #3.

NB-3 After consulting with the Electrical Advisory Committee Members, Sattem moved, Blaiser seconded, to approve to retain Delta Fence and Construction of Escanaba, MI for a 7' tall security fence to be installed around the solar generating facility at a price not-to-exceed \$32,000.

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

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

MOTION CARRIED.

4. Discussion – Statewide Rate Comparisons.

Electrical Superintendent Mike Furmanski provided an update on statewide rates for Municipal, Co-Operative and Investor Owned Utilities.

5. Discussion – Energy and Capacity.

Electrical Superintendent Mike Furmanski provided an overview of the wholesale rates for Escanaba using a proposed 3 or 4 year extension.

NB-5 After consulting with the Electrical Advisory Committee Members, Blaiser moved, Schumann seconded, to approve the four (4) year extension plan for the full service energy contract at a rate of \$43.00/MWh for years 2024-25 / 2025-26 / 2026-27 / 2027-28.

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

Ayes: Blasier, Schumann
Nays: Sattem, Beauchamp, Tall

MOTION FAILED.

After further discussion, Beauchamp moved, Schumann seconded, to approve the three (3) year extension plan for the full service energy contract at a rate not-to-exceed \$42.50/MWh for years 2024-25 / 2025-26 / 2026-27.

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

Ayes: Beauchamp, Schumann, Blaiser, Sattem, Tall

Nays: None

MOTION CARRIED.

6. Approval – Rate Study.

Electrical Superintendent Mike Furmanski sought Council approval to enter into a contract agreement with Utility Financial Solutions, LLC of Leland, MI to have an Electric Cost of Service and Rate Design Study conducted at a cost not-to-exceed \$25,000.

NB-6 After consulting with the Electrical Advisory Committee Members, Beauchamp moved, Schumann seconded, to allow Utility Financial Solutions, LLC to conduct an Electrical Cost of Service and Rate Design Study at a cost not-to-exceed \$25,000.

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

Ayes: Beauchamp, Schumann, Blaiser, Sattem, Tall

Nays: None

MOTION CARRIED.

GENERAL PUBLIC COMMENT

Electrical Advisory Committee Member Mellinger asked that there be better communication concerning meeting schedules in the future.

COUNCIL/COMMITTEE, STAFF REPORTS – None

ADJOURNMENT

Hearing no further public comment, or further reports from the Electrical Advisory Committee or Council, the meeting adjourned at 4:57 p.m.

Respectfully submitted,

Lisa M. Glish
City Clerk

Approved: _____
Marc D. Tall, Mayor