

01- 93
September 17, 2013

A Working Session of the Municipal Service Commission of the City of Wyandotte, Michigan, was held at the office of the Commission On Tuesday, September 17, 2013 at 4:00 P.M.

ROLL CALL: Present: Commissioner - James S. Figurski
Michael Sadowski
Gerald P. Cole
Frederick C. DeLisle
Leslie G. Lupo

General Manager
& Secretary - Rod Lesko

Also Present — Paul LaManes
Charlene Hudson
Kerry McLenon
Chris Brohl
Pam Tierney
Chris Rempel
Mike Pente
Pam Tierney
Cable TV Volunteer

September 17, 2013

Paul LaManes, Assistant General Manager giving overview of highlights of Electric Department Budget for 2013/2014.

Staffing and compensation

Notable changes in staffing:

I/T Department - Budget increase for one new full time staff position. WMS or City position TBD. Same position split with Cable and Water

Three positions budgeted for but still open, TD Supervisor, Power Plant Operations Supervisor, TD Draftsman Position (Carol Pruett's Position)

Rate Adjustments

No adjustments are proposed for electric rates at the present time. Projected electric sales are based on the Sawvel Business Plan. A review is in process on certain power supply costs and operating processes and a determination will be made based on that review if a power supply adjustment will be necessary.

Capital

Included in the Power Plant Capital Budget is a request for roof Replacement at the Power Plant, bid at an estimated cost of \$850,000. Also proposed is financing the roof over a period of 7 Years through an installment purchase agreement with a TBD financing Group. Based on existing financing proposals, the annual debt Service on the \$850,000 roof project would be approximately \$131,000 per year through 2020. The interest is 2%.

Requests are being made to carryover the remaining prior budgeted Amounts for the Bailey Controls Project and the Fort Street Lighting Upgrade project.

Bond Ordinance Compliance

Based on the prospective budget the bond coverage requirement of 110% of adjusted budgeted net income has been met. The calculated coverage based on the FY14 budget is 143%.

01 - 95
September 17, 2013

Rate Adjustments

Charlene Hudson, giving overview on potential PSA cost and adjustments.

Grant Expenditures

Pam Tierney, giving overview on grant expenditures and Geothermal Capital.

Renewable Energy Plan

Pam Tierney, giving overview on Renewable Energy Plan and EO rates.

Coal

Overview from Charlene Hudson on Coal costs and projections.

Paul LaManes giving overview on project revenue for FY14.

Jim Skarzynski, giving overview on Power Plant Roof Repair.

Rod Lesko, General Manager, explaining moratorium on Geothermal rules and regulations.

Fort Street Project

Chris Rempel, giving update on Fort Street Project.

Vehicle Replacement Electric Department

Chris Rempel giving update on replacement of 2 man Bucket Truck.

Charlene Hudson, overview on replacement of substation equipment.

Purchase Power

Charlene Hudson giving overview on Purchase Power.

Paul LaManes, we will not have any coal inventory at the end of FY/13.

MOTION by Commissioner Sadowski and seconded by Commissioner Cole to now adjourn, 5:16 p.m.



Rod Lesko, Secretary