



City of Grand Island

Tuesday, September 13, 2005

Council Session

Item G15

#2005-248 - Approving Appointment of Tim Luchsinger as Board Member from the City of Grand Island Utilities Department to the Public Power Generation Agency

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Gary R. Mader, Utilities Director

Meeting: September 13, 2005

Subject: Approving Appointment of Timothy Luchsinger as Board Member to the Public Power Generating Agency

Item #'s: G-15

Presenter(s): Gary R. Mader, Utilities Director

Background

The City of Grand Island is a participant in a new power plant project being built by a number of public power entities in Nebraska, with one participant from Wisconsin. The Municipal Energy Agency of Nebraska (MEAN) and Hastings Utilities are the lead agencies in this project, which will be constructed on the site of an existing unit at Hastings Whelan Energy Center. This new plant is generally referred to as WEC #2. This project has completed all environmental permitting requirements and been approved by the State Power Review Board.

The WEC #2 project is structured such that the project is to be governed by a newly created entity named the Public Power Generating Agency (PPGA). The PPGA was created under the Interlocal Cooperation Act statutes of the state by the public power entities participating in the power plant project. The PPGA functions under a Board of Directors, with each of the participating electric utilities appointing a member to that board.

Discussion

The WEC #2 project has progressed to the point that the Board of Directors needs to be seated to continue progress. Up to this point, each of the participating utilities has provided staff and funding to complete the early phases of project development.

The first order of business for the Board will involve the details of preparing for plant construction including; selecting the design engineering firm, developing shared facilities agreements with the site owner (Hastings Utilities), evaluating design options and setting design parameters, developing construction management agreements, and other

construction related requirements. An in-depth knowledge of power plant operations, electric utilities functions, power plant engineering, construction management, environmental regulation of power plants, along with experience in the administration and management requirements of power plants are important considerations in selecting the City's representative on the Board of Directors at this time.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that Assistant Utilities Director Timothy Luchsinger be designated as the City of Grand Island Board Member. Mr. Luchsinger has been employed by the Utilities Department since 1986. His academic achievements include a Bachelor of Science Degree in Mechanical Engineering from UNL, a Master of Science Degree in Engineering Management from UNL and he is currently working toward a Masters Degree in Business Administration. Prior to Employment with the Utilities Department, he worked for Black and Veatch, Consulting Engineers, in that firm's power plant design group.

During his nearly 20 years of service to the Grand Island Utilities Department, Mr. Luchsinger has had overall administrative, operational and maintenance responsibility for the Department's Production Division which includes both of the City's power plants and all City water production facilities, reservoirs, and pumping stations, with a staffing level of over 60 full time employees. Additionally, he served as the Department's Project Manager for the Combustion Turbine project that was completed in 2001. He is a Registered Professional Engineer in the State of Nebraska.

Sample Motion

Motion to appoint Timothy G. Luchsinger as the City of Grand Island, Utilities Department, representative on the Public Power Generating Agency Board of Directors.

R E S O L U T I O N 2005-248

WHEREAS, the City of Grand Island is participating in the development of a new base load, coal fired electric generating plant to be built in Hastings at the same site as an existing Hastings power plant; and

WHEREAS, the new power plant is named Whelan Energy Center Unit No. 2; and

WHEREAS, Grand Island is one of multiple public power utilities participating in this power plant project; and

WHEREAS, the legal governing agency of the project is the Public Power Generating Agency, which was created by the project participants in accordance with the State of Nebraska Interlocal Agreement statutes; and

WHEREAS, one Board Member is to be appointed to the Board of Directors of the Public Power Generating Agency by each of the project participants; and

WHEREAS, it is recommended that Assistant Utilities Director Timothy Luchsinger be designated as the City of Grand Island Board Member.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Assistant Utilities Director Timothy Luchsinger is hereby designated as the City of Grand Island representative on the Public Power Generating Agency Board of Directors of the Whelan Energy Center Unit No. 2 power plant project.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, September 13, 2005.

RaNae Edwards, City Clerk