

Regular/Public

MAY 21, 2018

Council President Baker called the meeting to order and Pastor Roberto Rodriguez led the prayer. The pledge was recited.

Roll call: Shupp, Aspiras Jr., Hamsher, Corfman and Lorson were present.

Excused: Wilson and Aspiras Sr.

Corfman moved to approve the minutes as posted of the last regular meeting on May 7, 2018. Lorson seconded. Roll call vote; all yeas; motion carried.

Standing Committee Reports - None

Administrative Reports

Mayor Handwerk: Excused

Safety Service Department – Mrs. Endsley here in place of Mr. Wheeler: Concrete street work continues on West Church Street and starting May 23, Maple Street will be one way northbound. The Service Department is prepping the cemetery for Memorial Day services, the park, and the pool for opening day Saturday, June 2. Mosquito spraying will begin shortly, weather dependent. June 14 is the first summer concert Hastily Assembled Bluegrass Band at 7 p.m. The City is hosting a Building Dr. Clinic by the Ohio Historic Preservation office on June 14 at 7 p.m. & 15th they will do site visits. Contact the Safety Service office for more details.

Utility Director Brediger: At the last Public Utility Board meeting they approved to freeze the Power Cost Adjustment Factor (PCAF). Rates for the upcoming quarter will be frozen at the 2017 rates and hope to have them stabilized for the balance of 2018 if our projections come near what they are expected to be.

Finance Director Strimlan: Fund Balance reports for period ending March 2018 and April 2018 were distributed. Corfman moved to approve the reports subject to audit; Lorson seconded. Roll call vote. All yeas; motion carried.

President Baker: Our weather is improving and we look forward to turning on our air conditioners soon.

Lorson moved to amend the agenda to remove the liquor license request as that was from last meeting. Corfman seconded. Roll call vote; all yeas; motion carried.

New Business

Lorson moved that Resolution 15-18 be placed on first reading. Corfman seconded. Roll call vote; all yeas; motion carried. **Resolution 15-18**, A Resolution authorizing the Director of Utilities to execute the 2019-2026 Fixed Volume Energy Supply Schedule with American Municipal Power, Inc. ("AMP") pertaining to Master Service Agreement 1-2006-4739.

Discussion: This allows the electric utility to purchase two blocks of energy for the time period 2019-2026. Prior to the changes in 2017 that the EPA made, the power plant provided a lot of the energy we use 24-hours a day/7 days a week/365 days a year called Base Load power, power that our customers use regardless of time of day, season, etc. In 2017, base load needs averaged around 22 MW. Our load varies anywhere from 40-60 MW depending on the time of year but the 22 MW is energy that is used all the time. When the power plant no longer operated on a 24-hour basis, we were short some of that energy. Our hydro project, Prairie State, solar, and such contribute about 13 MW leaving us about 9 MW short. We buy that power. We looked for a

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more economical way to purchase that power. We also purchase gas energy from Fremont gas project. Then we buy these other incremental parts in blocks. We look to save about \$100,000-\$150,000 a year by buying these blocks of energy. These blocks represent about 8-9% of the total energy we use and each costs around \$1 M. Our purchased power cost for this year will be somewhere around \$17 M. By diversifying these purchases we can alleviate some risk and save us money. This legislation allows us to purchase two of these blocks with energy amounts up to 4 MW. Corfman mentioned the volatility of the market price where last week electricity went from a high of \$56 MWH down to \$32. These blocks are commodities that we can resell if we don't need them. Brediger mentioned the saving in this is tying it down for a long period of time (8 years) in the low to mid \$30's MW range.

Adjournment

Hamsher moved to adjourn the council meeting; Shupp seconded. Roll call vote; all yeas; motion carried. Council adjourned at 7:53 p.m.

Jeanne Gault, Clerk of Council

Date

Lyle Baker, President of Council