

TONTOGANY VILLAGE COUNCIL

MEETING MINUTES FROM: November 5, 2018

Council called to order in regular session at 7:02 p.m. with Mayor Todd Buehrer presiding. Roll call of members: Brenda Mackey, here; John Heckerman, here; Connie Mehring, here; Jamin Roe, absent (working); Jason Benedict, here; Matthew Shanahan, here. Also present were Village Administrator/Utilities Superintendent/Zoning Inspector/Meter Reader Chad Johnson, Fiscal Officer/Utilities Clerk Ryan Harnishfeger, and Village Solicitor Paul Skaff. Visitors present: Otsego School Superintendent Adam Koch and Treasurer Steve Carroll; Greg Akers and Brent Boyd of Solar Power & Light; Wood County Sheriff's Deputy Jody Swoap. Minutes from the October 15 meeting were approved as submitted.

FINANCE and CLAIMS: A spreadsheet of the current invoices was reviewed and approved by members. Councilman Shanahan made a motion that these bills be allowed and orders drawn for same. Councilwoman Mehring seconded this motion. All were in favor; motion carried. Copies of the October Bank Reconciliation, Fund Status, Revenue Status, and Appropriation Status reports were given to Mayor Buehrer and the Finance Committee to review.

Copies of the October incident report were provided for members to review. Mayor Buehrer invited members to direct any questions or concerns they may have to Deputy Swoap. Members had no questions or concerns for Deputy Swoap, so Mayor Buehrer thanked him and he left the meeting.

Mayor Buehrer gave a second reading, by title only, of Resolution #893-18, a RESOLUTION TO APPROVE PUBLIC DEFENDER SERVICES.

Fiscal Officer Harnishfeger provided copies of Section 717.31 of the Ohio Revised Code (ORC) to village officials (which has an effective date of 11/2/2018). He reported that he was informed at the recent Fiscal Officers Training that House Bill 312 was passed, which requires Ohio municipal corporations to adopt a written policy for the use of credit card accounts, as specified in Section 717.31, not later than three months after the effective date, which would mean by a deadline of 2/2/2019. Mr. Harnishfeger explained that this law was enacted in an effort to remedy credit card abuses that have taken place due to lack of internal controls in things like the quantity of cards issued, spending limits, who has access to cards, and usage reports. The policy is to include regular usage reports to the legislative authority, signed by the presiding officer to attest that the credit card account details were reviewed. Mr. Harnishfeger suggested that we would probably want Solicitor Skaff to draft a resolution that would contain all of the required controls, as enumerated in Section 717.31. Mr. Harnishfeger reported that the village has one credit card account that falls under these requirements—our Staples Credit Plan card, with which we purchase office supplies at Staples. Mayor Buehrer commented that Solicitor Skaff will probably need to do the same for other entities he serves. Mr. Skaff responded that he will put something together for the village.

ZONING: Nothing to report.

UTILITIES: Councilman Heckerman asked what street lights need fixed. Mayor Buehrer replied that the locations are Broad and Lincoln Street, Broad and Wall Street, Broad and Main Street in front of the old Carryout, and at Washington Street and Tontogany Road. Mr. Heckerman said he would talk to someone tomorrow about the Christmas tree.

Utilities Clerk Harnishfeger reported that we have been having problems with our handheld meter reader. He worked with a Sensus technician by phone on a couple of days last week and had to buy an adapter to get the utility computer to communicate with the meter reader. Then, over the weekend, when Chad Johnson tried to read the meters, the meter reading equipment would not work properly for him. So, we will still have to get more technical help from Sensus to get the equipment working to be able to read the meters. This will make our utility billing for November a little later than normal.

TONTOGANY VILLAGE COUNCIL

Mayor Buehrer invited Superintendent Adam Koch and the gentlemen with him to speak to Council about the school solar project. Mr. Koch explained that they came to address any questions village officials may have about the solar project, and to discuss the net metering aspect of it. He turned it over to Brent Boyd to give an overview of the project. He reported that they approached the school about six months ago about building a solar field. They have a history of working with schools. The primary goal of installing solar is to save the school district money on energy costs. At some point the school may own the solar installation. They intend to build about a one-megawatt system, to produce 40 to 50 percent of the school's energy needs. They will provide all of the money for the system and the school will pay them back by purchasing the energy. They have an investor who is putting up the capital for the Otsego project. Anything unused by the school goes back onto the grid. The net is then figured on what the school buys from Tontogany. Mr. Boyd gave a simplified example: if the school were to buy 200,000 units of energy in a month, 50,000 from the solar company and 150,000 from Tontogany, but they only used 40,000 of the 50,000 produced by solar, the extra 10,000 would go back on the grid and they would pay the village for a net 140,000 units. Mr. Koch reminded everyone that the other side of the project, included in the agreement, is that they will be installing LED lights in the interior of the junior high, high school, and elementary, as well as all of the parking lot lights. Mr. Boyd pointed out that LED lights are a clean source of light, and he stated that they expect to save the school about 2.5 to 3 million dollars over the life of the contract with the solar and LED combination. Mr. Koch commented that there is a lot of excitement among the students about all of the aspects of this project, things they can learn from it, and how it is a fast-growing career field. Mayor Buehrer asked Solicitor Skaff what questions he may have. Mr. Skaff answered that he had met for a couple of hours with Brian and Deryl from Bowling Green Utilities and received a quick tutorial on this topic. Mr. Skaff said he had a concern about unused power being put back onto the system and what Tontogany would do with it. He also said he had been assured that Tontogany is not required by law to buy any power back. Mr. Boyd answered that Tontogany would not be buying power from the school, essentially, but crediting them for the extra power, and it would flow to other customers on the grid. Adam Koch pointed out that whatever extra power from the school went on the grid would be less power Tontogany needed to purchase from Bowling Green. Mayor Buehrer asked how the metering system works and how we would know when energy goes back on the grid. Mr. Boyd answered that bidirectional meters would be installed that measure the amount of energy going each way. There would be two separate readings generated. Mayor Buehrer asked at what level the energy comes back onto our system. Mr. Boyd guessed about 600 to 800 amps. He also said that an agreement is typically entered into with the utility company that specifies what amounts of power are produced and that it cannot do harm to the utility company's electric infrastructure. Mr. Boyd asked if the village owns the electrical system. Mayor Buehrer answered that we own everything in the village; there is a metering point out on Tontogany and Kellogg Road where the power comes into town and where Bowling Green reads to know what we have used. Mr. Boyd suggested that the village could work with Bowling Green on the paperwork, since they have been accustomed to doing this type of thing and they have this kind of paperwork on their website. He also said the state has standard forms for this kind of thing, and he asked if the village is a member of AMP (American Municipal Power). Mayor Buehrer replied that Bowling Green is a member and Tontogany is also a member. Mr. Boyd said that AMP has standard interconnect agreements for this type of thing, so the village might want to work directly with AMP on the agreement, instead of with Bowling Green. Mr. Boyd said the solar company will use information gathered from previous school projects to help determine the optimal size of the solar system to produce just the energy they want and not put too much energy back on the grid. Adam Koch remarked that there are about ten times a year when the school might not need all of the solar energy. Councilman Heckerman asked about solar energy produced in the summer. Mr. Boyd answered that schools actually use more energy in the summer than in the winter. Mayor Buehrer asked Utilities Superintendent Johnson if he had any questions. Mr. Johnson asked what affect this will have on costs for the village. Mr. Boyd answered that

TONTOGANY VILLAGE COUNCIL

the village will be getting less electric revenue from the school, but will be paying for less energy from Bowling Green at the same time. The school saving money saves the taxpayers money. Less energy coming from Bowling Green will put less load stress on the village's electrical system. Mr. Johnson asked if the loss in electric revenue wouldn't affect the village negatively, since the same infrastructure that brings power to the town and the school would have to be maintained with less revenue. Mr. Boyd answered that it would amount to a loss of margin of profit, rather than revenue, since the village won't need to buy as much from Bowling Green. Adam Koch added that the school is trying to get added benefits from the solar company, such as expensive lighted school signs, which will save the village those kinds of costs. Mr. Boyd said that one other thing they wanted to talk about was what the rate would be for net metering. Mr. Koch stated that they were wanting the net metering to be based on what the village is paying Bowling Green for energy. So, the village would charge the normal rate to the school, but buy back extra energy at the price the village pays Bowling Green for energy. Solicitor Skaff asked whether energy waits at the town meter until it is needed and then comes through, or if it flows through constantly. Mr. Boyd answered that it flows when needed, kind of like a flashlight that only uses battery power when turned on. Mr. Koch asked where we go from here. We need to get an agreement in place. Mr. Boyd said his people could start working with AMP on the paperwork. Mayor Buehrer added that they need to turn the paperwork over to Solicitor Skaff then, so he can go through everything for the village. Mayor Buehrer also asked if the village would need to pass a resolution on the matter as well as an agreement. Solicitor Skaff answered that, yes, we would need a resolution to accept the agreement. Utilities Clerk Harnishfeger asked what the rate would be for net metering. Mayor Buehrer answered that we would make an agreement to charge whatever the current rate is, so we do not have to keep making new agreements every time the rates change. Mr. Boyd asked if we send a person out to get meter readings. Mayor Buehrer answered that we do. Mr. Boyd said he didn't think the meters calculate the net, but that would have to be done at the office with the meter information gathered. Solicitor Skaff asked if the school will be paying the solar company the same rate as the village charges. Mr. Boyd answered that the solar company will be charging the school less than the village charges for energy. Mayor Buehrer commented that he thinks this is a great opportunity for the village and school to be cooperating in this project. He asked again for the paperwork to be given to Solicitor Skaff when they get it put together. With nothing more to discuss on the topic, the gentlemen from the school and the solar company left the meeting at 7:58 p.m.

STREETS and ALLEYS: Nothing to report.

SIDEWALKS and TREES: Mayor Buehrer commented that, if winds bring down a lot of branches, we may do a special brush pickup. The first November leaf pickup was done today, which went well. They picked up two loads.

DRAINS and SEWERS: Mayor Buehrer reported that the new catch basin put in near the church at the corner of Washington and Broad Street looks good.

CITY HALL and PARKS: Councilwoman Mackey reported that the portable restrooms were removed from the parks this morning.

Councilman Shanahan reported that the new website is ready to go. He was hoping for Haley to come today to give a preview for everyone, but she didn't make it. She did come to his home and go over everything with him. We just need to give her the okay to make it go live. He said it looks like the total cost will be at the lower end of her estimate. We already paid her \$800.00 up front. She started showing him how to post updates. She will work with him until he learns how to do it on his own. He won't be putting things on the website that members don't discuss and agree upon. Mr. Shanahan offered to take head-shot pictures of members to send to Haley to put with their bios.

TONTOGANY VILLAGE COUNCIL

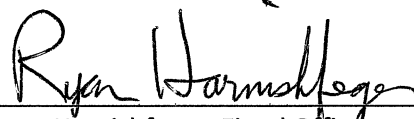
Councilman Shanahan asked if the village asks trains to slow down on trick or treat night. Mayor Buehrer answered that we do not. Councilwoman Mackey commented that she noticed some southbound trains creeping through town the night before trick or treat and early on trick or treat night, but right at trick or treat time one northbound train went barreling through town. Councilman Shanahan asked if we could ask the trains to slow down during future trick or treat nights. Mayor Buehrer responded that we can submit a request at any time. However, it doesn't necessarily mean you will get what you request. Someone usually calls you or sends you a reply. The mayor and members also discussed changing the time of trick or treat, due to some requests received. The mayor explained that if it ends too late, the firemen lose interest in hosting the costume contest. Everyone agreed that the starting time could be pushed back from 5:00 p.m. to 5:30 p.m. without a problem. This would still give the kids an hour of trick or treating, which should be enough time.

Mayor Buehrer asked Solicitor Skaff if he had any comment or questions before closing the meeting. Mr. Skaff said he was still somewhat confused about the solar power and how the pricing is to work. The solar panels will produce more power than the school uses at times. The school pays the solar company for all of the power produced, but if they can't use it all, it goes back on Tontogany's grid. Mr. Skaff said he thought they were saying they were going to put it back on the grid for free. Mayor Buehrer corrected Mr. Skaff, explaining that they will receive credit from Tontogany for what goes back on the grid, in accordance with the current rates we are charging them. Mr. Harnishfeger commented that that is why he asked at what rate we were going to credit them for the power going back on the grid. Mayor Buehrer explained that, if we sold the school 100,000 units and they put 10,000 units back on the grid, we would only end up charging them for 90,000 units. The energy going back on the grid would flow to the next customer, so we wouldn't lose money on it. Mr. Skaff asked how the school benefits. Mayor Buehrer responded that someone else is paying for all of this. Mr. Skaff commented that the only benefit he sees is the switch to LED lights. Mayor Buehrer agreed that the LED lights and the lower cost of solar energy is supposed to save the school about \$100,000 per year. But they are sizing the solar field to try to produce only about 40 percent of what they normally use, so as little as possible goes back on the grid. Mr. Skaff pointed out that the village would have fixed expenses with less money coming in to pay for them. Mayor Buehrer stated that some things that might be called fixed expenses are not necessarily fixed. For instance, we only replace an electric pole when we need to. Mr. Skaff asked if the village has a maintenance charge to electric customers. Mayor Buehrer replied that we do not. Mr. Skaff asked if customers are just paying for kilowatts or if they also pay a demand charge. Mr. Harnishfeger answered that we have eight large-usage customers paying demand, each with a demand meter. For the rest of the towns demand, it is simply a part of the electric rate for each customer. Mr. Skaff said he is trying to be careful not to jump on a good sales pitch, but then five, ten, or twenty years in the future find out that everyone's rates have to go up and up because of the school solar field. Councilman Shanahan asked what Mr. Skaff meant by jumping on a good sales pitch, since we really can't say no to the school putting in a solar field. Mr. Skaff replied that, if the village doesn't allow them to put their extra power back on the grid, they would have to abandon the project. Mayor Buehrer commented that the school would just build a smaller solar field, but they would still do it. Mr. Skaff said he wasn't saying we should disallow it, but we need to go into this with both eyes open. He does not want to advise the village to do something he doesn't understand and end up paying for the consequences later.

With nothing further to discuss, Mayor Buehrer declared the meeting adjourned at 8:28 p.m.



Todd Buehrer, Mayor



Ryan Harnishfeger, Fiscal Officer