

**MINUTES OF A COMMITTEE OF THE WHOLE MEETING
OSWEGO VILLAGE PRESIDENT AND BOARD OF TRUSTEES
OSWEGO VILLAGE HALL
100 PARKERS MILL, OSWEGO, ILLINOIS
July 17, 2018**

CALL TO ORDER

President Gail E. Johnson called the meeting to order at 6:01 p.m.

ROLL CALL

Physically Present: President Gail Johnson and Trustees Ryan Kauffman (attended at 6:02 p.m.), Karin McCarthy-Lange, Pam Parr, Luis Perez, Judy Sollinger and Joe West.

Staff Present: Dan Di Santo, Village Administrator; Tina Touchette, Village Clerk; Jeff Burgner, Police Chief; Jennifer Hughes, Public Works Director; Mark Horton, Finance Director; Rod Zenner, Community Development Director; Jay Hoover, B&Z Manager; Corinna Cole, Economic Development Director; Joe Renzetti, IT/GIS Manager; Jenette Sturges, Community Engagement Coordinator- Marketing; Julie Hoffman; Community Engagement- Special Events; and David Silverman, Village Attorney.

CONSIDERATION OF AND POSSIBLE ACTIONS ON-ANY REQUESTS FOR ELECTRONIC PARTICIPATION IN MEETING

There was no one who participated electronically.

PUBLIC FORUM

Public Forum was opened at 6:01 p.m. There was no one who requested to speak; the Public Forum was closed at 6:01 p.m.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

F.1. Discussion of "Shared Drinking Water Service: A Summary Report on Available Governance Structures"

Director Hughes addressed the Board regarding available governance structures. The Villages of Oswego and Montgomery along with the United City of Yorkville are considering the construction of a water plant to serve all three communities. There are many forms of governance for the operation of the plant. The municipalities applied and were awarded a Local Technical Assistance grant from the Chicago Metropolitan Agency for Planning (CMAP) to conduct a study of governance options. CMAP is receiving funding from IEPA to use the group as a case study for other communities who face similar issues. CMAP subcontracted with the Metropolitan Planning Council (MPC) to prepare the report.

MPC identified five governance models within the State of Illinois:

1. Water Commissions- commissions are countywide governmental bodies established under the Illinois Water Commission Act of 1985 ([70 ILCS 3720](#)). This form of governance is not viable for operation of our own plant without a change in state law due to population requirements. However, we are not precluded from joining the [DuPage Water Commission](#) to obtain Lake Michigan water. A Commission form of governance requires that the County Board be represented in the government structure.

2. Municipal Joint Action Water Agency (JAWA)- two or more communities may operate a joint waterworks under the Illinois Municipal Code's provisions for Joint Acquisition and Operation of Water Supply and Waterworks ([65 ILCS 5/11 135](#)). This option allows Oswego, Yorkville, and Montgomery to form a new agency to construct, maintain, and operate a new water plant. It spreads the financial risk across the communities.
3. Wholesale Water Service- under this model, one community would own the system and the other communities would become wholesale customers under a long-term contract. The host community is fiscally responsible for ensuring the water meeting all regulatory requirements and thus would be responsible for setting rates subject to the terms of the contract(s). There are risks with this option.
4. Public-Private Partnerships- municipalities may contract with private entities to construct, maintain, or operate the waterworks systems. The municipalities continue to own the system in whole or in part. This model can be applied to a JAWA, or a Wholesale Water Service model. Municipalities would outsource the running of the plant.
5. Privatization- communities could choose to get out of the water business altogether and allow a private entity to own, maintain, and operate the waterworks system. Everything is outsourced. Municipalities would lose control of the system. This option is not recommended.

The above options would be revisited as part of the selection of a new water source.

Board and staff discussion focused on JAWA is a municipal partnership with seated Board members; it is its own entity; whether JAWA members are elected; whether JAWA members are paid; staff to check into; whether staff has checked with Aurora to find out the costs of running a plant; staff has had preliminary discussions with Aurora; factoring in the numbers with the analysis. There was no further discussion.

F.2. Discuss Village of Oswego Electric Aggregation Program

Director Horton addressed the Board regarding the Village's electric aggregation program. The Village of Oswego established an electric aggregation program in 2012. The first program began in July 2012 with subsequent re-biddings of the program through today. The current contract expires in August 2018. Staff met with a representative with NIMEC regarding the program. The initial market pricing for renewing the program, options available and next steps were discussed. The market pricing was not favorable as all bidders were higher than the current ComEd monthly pricing. NIMEC has indicated that ComEd pricing will be lower for the next couple of years. This puts the Village Aggregation Program on hold until bidding out the program produces favorable electric rates.

Municipal electric aggregation has achieved success and favorability across Illinois since 2011, saving hundreds of millions of dollars for residents in communities that have implemented the programs. Many communities are undertaking steps to reduce their collective carbon footprint by enacting community-wide sustainable practices and policies. One-third of Chicago metropolitan municipalities have adopted the Greenest Region Compact. Realizing going back to ComEd would mean returning to "brown energy" and several NIMEC clients have chosen 100% renewable energy for their municipalities, NIMEC came up with the following option to remain 100% Green:

- Implement a Municipal Aggregation program with 100% Renewable Energy Credits (RECs) for residents and small businesses at no additional cost. Residents and small businesses would be billed at the ComEd residential rate.
- All residents would continue to be billed by ComEd. All residents would pay the same ComEd default rate.

- The profitable margin on the favorable (lower cost) accounts enables the supplier to purchase RECs for the entire aggregation; including all ratepayers who remain with ComEd. All residents receive notice of the program, with the explanation that 100% of their power consumption is offset by RECs. The RECs are derived from wind energy in the Midwest, thus supporting local renewable power generators.
- Ratepayers may opt out or leave with no early termination fee at any time for any reason. Ratepayers who have already chosen their own individual supplier contract are not included in the program.
- The 100% Green Aggregation program, enables the community to receive the designation of US EPA Green Power Community.
- The Village would contract with MC Squared agreeing to the terms in the contract. All residents and small businesses would receive the monthly ComEd default rate for the twelve months of the contract.

Board and staff discussion focused on bids are now higher than ComEd; residents can opt out; 100% renewable energy through the MC Squared contract; ComEd is brown energy; contract offers the same rate as ComEd and still claims 100% renewable energy and RECs; renewable versus brown energy; renewable is non-coal burning; brown energy is cheaper; price differences; suppliers mix both; 100% renewable is being generated from renewable energy; whether residents should shift to real time pricing; it would be up to the individual to regulate; whether there are surcharges for delivery; fees will stay by ComEd; bill will still come from ComEd; can opt out and go to another supplier; have a year or two before the Village can bid out again and get cheaper rates; Staff suggested staying with the program and paying the ComEd rate; Board agreed to continue with renewable energy. There was no further discussion.

CLOSED SESSION

A motion was made by Trustee Parr and seconded by Trustee Kauffman to enter into Closed Session for the purposes of discussing the following:

- a. Pending and Probable Litigation [5 ILCS 120/2(c)(11)]
- b. Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Personnel [5 ILCS 120/2(c)(1)]
- c. Collective Bargaining, Collective Negotiating Matters, Deliberations Concerning Salary Schedules [5 ILCS 120/2(c)(2)]
- d. Sale, Lease, and/or Acquisition of Property [5 ILCS 120/2(c)(5) & (6)]

Aye: Ryan Kauffman	Karin McCarthy-Lange
Pam Parr	Luis Perez
Judy Sollinger	Joe West

Nay: None

The motion was declared carried by a roll call vote with six (6) aye votes and zero (0) nay votes.

The Board adjourned to Closed Session at 6:25 p.m.

The Board returned to open session at 7:06 p.m.; all remaining members still present.

ADJOURNMENT

The Committee of the Whole meeting adjourned at 7:06 p.m.

Tina Touchette
Village Clerk