

## Special

February 16

2010

Ontario City Council met in special session on February 16, 2010, in the City Offices, with Council President Daniel Zeiter presiding. The meeting opened at 4:14 p.m. with the Pledge of Allegiance.

The following persons were in attendance when roll was called: Council members Paul Williams, Larry Arnold, Charlotte Hellinger, Mark Weidemyre, Barry Lewis and Joseph W. Cinadr; Mr. Zeiter, Mayor Larry Collins, Law Director Allan Sowash, Service-Safety Director Roger Heston and Clerk of Council Cathy VanAuker. Auditor Jane Hammond, Treasurer Linda Stoodt and interested citizens were present in the audience.

Mr. Williams made a motion to excuse Mr. Blackwell from this evening's meeting. Mr. Cinadr seconded the motion. At roll call, six members voted Aye, zero Nay, and the motion passed.

Mr. Zeiter stated the purpose of the special meeting was to address the one item listed on the Agenda.

## ORDINANCE NO. 10-11

AN ORDINANCE AUTHORIZING ALL ACTIONS NECESSARY TO EFFECT A GOVERNMENTAL ELECTRICITY AGGREGATION PROGRAM WITH OPT-OUT PROVISIONS PURSUANT TO SECTION 4928.20 OHIO REVISED CODE, DIRECTING THE RICHLAND COUNTY BOARD OF ELECTIONS TO SUBMIT A BALLOT QUESTION TO THE ELECTORS; AND DECLARING AN EMERGENCY.

Mr. Weidemyre made a motion to suspend the rules of reading Ordinance No. 10-11 on three separate days. Mr. Cinadr seconded the motion. At roll call, six members voted Aye, zero Nay, and the motion to suspend the rules passed. Mr. Weidemyre read Ordinance No. 10-11 for the first time, by title only.

Mr. Weidemyre made a motion to adopt Ordinance No. 10-11 and Mr. Williams seconded the motion.

Mr. Lewis asked for clarification of Ordinance No. 10-11. Mr. Heston explained:

- FirstEnergy Solution is a supplier of electricity, not the manufacturer. They are part of the FirstEnergy Company that both supplies and manufactures electricity.
- Although there are different suppliers for gas, FirstEnergy Solution is the only company offering this service in our area and will probably be the only one for quite some time due to the large implementation expense.
- This program is being offered to Richland County; it appears all of the townships are participating, as well as Mansfield.
- FirstEnergy Solution is offering the City a grant, estimated at \$100,000, based on \$30 per household for electric customers. Ontario has 2,186 households which would equate to \$65,580. This money would be given up-front and does not have to be paid back.
- The offering to the customers is a 6% reduction in rate per household and 4% reduction in rate per small business, based on FirstEnergy's regular price for electricity.
- This is a no lose situation. The County Commissioners have scrutinized this program along with many others and there doesn't appear to be any negative impact.
- Citizens will have the option to opt-out of the program initially and every third year at no charge; during the off-years citizens can opt-out for \$25.
- All households would automatically be included in the program.
- The City would not lose money if there was a reduction in the number of participants because the payment is made up front.

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Mr. Weidemyre said this is going on the May ballot. If the voters do not approve this issue, Ontario will not receive any grant money. If they wait until the November ballot, the grant money could be gone.

Mr. Williams asked how this would affect any of the existing plans with reduced rates. He currently has a FirstEnergy plan with a 10% reduction.

- Mr. Arnold said his understanding was that many of the previous special plans would be replaced with this aggregation program. FirstEnergy is the only company supplying electricity to this area.

FirstEnergy has long range plans for construction and development and they need to know they will have income in the future years to support their plans.

- Council's vote tonight determines if this issue will be placed on the May ballot.
- FirstEnergy representatives are willing to conduct informational sessions to educate the public prior to voting.
- Although FirstEnergy is dominating this area, they do have competition in other areas which is the reason for offering the grant.
- Passage of this issue will enact a nine year contract.

Hearing no further discussion, six members cast their votes Aye, zero Nay, and Ordinance No. 10-11 was adopted.

At 4:30 p.m., there being no further business to come before the meeting, the same was adjourned upon a motion by Mr. Williams and a second by Mr. Cinadr. At roll call, six members voted Aye, zero Nay, and the motion to adjourn passed.

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President of Council

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Clerk of Council