

VILLAGE OF ST. JOSEPH
VILLAGE BOARD MEETING
January 23, 2024

Mayor Fruhling-Voges called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said by all present.

Roll call was taken.	Fruhling-Voges	Present
	Page	Present
	Vallee	Absent
	Painter	Present
	Wolfersberger	Present
	Cummings	Present
	Rapp	Present*

Others in attendance: Joe Hackney, Village Administrator; Tiffany McElroy-Smetzer; Mike Sennert, Village AV; Lauralyn Farwell* and Anthony Fotopoulos*, Keystone Power Holdings, LLC; and Nora Maberry, The St. Joseph Record.

* Attended by Zoom. Rapp is not allowed to vote.

PUBLIC PARTICIPATION: None

CONSENT AGENDA (* indicates action item, omnibus motion):

1. Regular Village Board Meeting Minutes – January 9, 2024 - Exhibit #1
2. Approval of bills in the amount of the \$30,802.06*- Exhibit #2

Wolfersberger motioned and Cummings seconded to approve the Consent Agenda items as presented. Roll call vote was taken: Page – Aye, Painter – Aye, Wolfersberger – Aye, and Cummings – Aye. Motion passed 4–0.

NEW BUSINESS:

- 1) **Discussion/Presentation of PPA (Power Purchase Agreement) Solar Option at WWTP* Exhibit #3:**

Keystone referred the Board to Exhibit #3 in the Board packet. Keystone is a US based solar development and finance holding company whose subsidiaries have been in business since before 2012. Keystone’s principals have over 25 years of combined solar industry experience and its financing partners have completed over \$100 million of solar financing across the Americas with major commercial and industrial clients. Some of their recent clients include colleges, manufacturing, school districts, and treatment plants. Some of their municipal clients include Canton, Georgetown, and Knoxville.

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Per Keystone, they are a single source provider for solar. They provide development and engineering, construction, and financing. They are the provider from the initial conception all the way through asset management over the life of the agreement.

Keystone stated that PPA (Power Purchase Agreement) allows the host to purchase power at a reduced cost, does not involve any up-front cost from the host, they would build and manage the system over its lifetime so the host does not have any operational responsibilities, and they offer a contract with buyout options after 10,15,20,25, or 30 years.

Keystone stated that the benefits to the Village by using them would be: reducing bills and operating costs, no investment or management required, locking into electricity prices below utility rates, environmental responsibility, and education by being an environmental leader and educating citizens and neighbors.

Keystone's Summary Terms of the PPA are as follows: The Village has no investment or operational responsibility. Any property taxes charged are the responsibility of the Village or are abated. It is a 30 year agreement to generate and purchase electricity at fixed rates, KPH has a 5 year option to extend at the end of the term. The cumulative savings estimated over the term of the PPA are estimated to be greater than \$1.2 - \$1.4 million depending on the options. It includes the PPA/buyout options at years 10,15,20,25, and 30 with 5 year options.

Painter questioned if Ameren could say that they would no longer honor net metering, would our contract with Keystone be changed or null and void. Keystone representatives noted that this is not likely to happen. In Nevada, a company has tried to break the net metering but the courts upheld the contracts that were in place. They may change what is available for future contracts but it is unlikely to change contracts in the past. Painter asked if Ameren prices would go below our contracted rate, and would Keystone lower our rate. Keystone stated that they would not. The rate is the rate for 30 years. They also noted that it is unlikely that rates will decline over the next 30 years.

Painter questioned if it was a better deal for the Village to own the system themselves. Keystone noted that if the Village wanted to be in the solar business of building, running, and maintaining the system then yes, the Village would be better to own the system. Keystone is a business and is in the business of making a profit. They will provide services from engineering

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and development, to financing, to construction, and maintenance for the lifetime of the solar system.

Keystone noted that two sections of the Ameren bill would not significantly change based on the solar. The top section is for delivery charges and the bottom section is State and Local Taxes and Other Mandated Charges. The middle section is where the solar would lower our bill.

Wolfersberger asked if the solar output decreased over time. Keystone noted that it is estimated that output decreases ½% per year.

Painter questioned if the Village's bills in the summer would be higher than they are paying now. Keystone noted that they did not think so. Overall the annual bill should be 40% lower for the first year.

Painter questioned if there would be a bond with the Village for decommissioning after 30 years. Keystone noted that usually it is not done at a municipal level but that is something that could be worked on.

Hackney asked Keystone to discuss their approach and layout. Keystone noted that they will sign an agreement with the Village then they will do the higher level design, do soil analysis, get all the permits for State, County and Village. The preconstruction phase can take around a year. The actual construction will only take about 3 months.

Rapp questioned if the solar panels would ruin the agricultural usefulness of the soil. Keystone reported that they have not heard of this in their experience. They plant vegetation/plants that are shade plants.

Rapp questioned what would happen if the solar plant was destroyed. Keystone noted that the wastewater plant will always have the power grid as backup. Keystone noted that this is the same whether the Village owned the solar system or Keystone owned the system.

Hackney noted that he will have a side by side comparison of the PPA and the purchase for the Board at the next meeting. The Board can decide at that time how they want to proceed.

Page requested that Hackney try to get an insurance quote if we own the system. Hackney noted that IML cannot give us a firm quote since the system is not in place. Page noted that an estimate would work.

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Painter questioned if the solar system could be rolled into the sewer plant loan. He noted that he had spoken to people at the IML convention that said this was a possibility. Hackney stated that this could be done but it could be a 6 – 9 month process. The financing for the sewer plant is past this point currently.

2) **FY2024/2025 Budget Discussion: Additions/Improvements to Parks & Receptions Amenities – Exhibit #4:**

Cummings discussed that she felt that it was very important that the Village follow through with the items on Strategic Plan. The Board and Community took the time to identify what they wanted to see for the Parks and Recreation. She feels that it is important that they follow through with those items first. Cummings also noted that there is not an identified revenue stream for the Parks and Recreation facilities.

Fruhling-Voges gave a history of funding of the Parks and Recreation. When the Sports Complex idea was started there was a fundraising group that helped to raise funds to build the complex and develop it. Fruhling-Voges noted that at the time, the Village designated the Telecommunications Tax to pay for the bond for the park. At the time, the Telecommunications Tax was significant. Currently, the Tax has decreased significantly. It no longer covers the annual cost of the bond. It is supplemented by the General Fund.

Fruhling-Voges also discussed identifying or creating a revenue stream for the Parks and Recreation. In the past, the Village passed a sales tax referendum for stormwater fund. This has been a successful tool for the Village in updating the stormwater system.

Hackney presented the Board with Exhibit #4. In the exhibit he reported that he has received three community requests for improvements to the Village's Parks and Recreation Facilities. They include: 1) Upgrading ball diamond lights to LED (estimated cost is \$30,000), 2) Adding a pitcher's mound to a baseball field (estimated cost is \$15000-\$20,000), and 3) resurfacing the tennis court (estimated cost is \$35000-\$40,000).

In the handout, he presented some background on the community requests. The baseball diamond currently has light ballasts that are no longer produced. This means with every repair, the Public Works staff is looking for parts from fixtures that they have taken down for some reason. At this time, one of the baseball teams has provided their own temporary mound due to the Village not historically supplying one for adult boys' baseball. Hackney reported that the tennis court has suffered from a lack of maintenance since its installation.

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In the report it was also noted that in this fiscal year the Park & Recreation Fund shows a \$119,952 deficit. This year has not had any significant capital expenditures. Based on this information, he projects future years and future years with capital improvements to be a much larger deficit. The deficits are subsidized by the General Fund.

Hackney reported that the Village is facing a debt servicing requirement of \$21-25 million (Wastewater Treatment Plant and Elm/Douglas Street Stormwater Project Combined). Additionally current expenditures on streets, sidewalks, and sewer repairs are underfunding and will require an increase to keep up with the useful lifespan of those assets.

Hackney's recommendation to the Board is that the Board evaluate the scale to which they will continue to subsidize Parks & Recreation activities. He suggests focusing on maintenance as a priority for the Parks & Recreation and initiating a political process of identifying a revenue source appropriate for the desired scale of community recreational amenities.

Hackney noted that he does recommend that the Board start replacing lights for one field of a time. The lights are obsolete and the parts are not replaceable as mentioned above.

Hackney requested that the Board think about the Parks and Recreation process and bring their ideas to him.

Page questioned if a Parks & Recreation Director could help the financial situation for the parks. They could host tournaments and organize events. Fruhling-Voges agreed that this could be beneficial but feels that there needs to be a better stream of income than just tournaments. Currently, the Public Works staff is doing the Parks and Recreation work. It takes up a lot of their time. Fruhling-Voges mentioned that some prior Board members had visited with the Charleston Village Board. They have a Parks and Recreation Foundation. That might be something to investigate. She stated that Mahomet has one also. She stated that the Parks and Recreation Director could also be in charge of grants and fundraising.

3) **Discussion of providing 2024 Community Wide Clean-Up*:**

Fruhling-Voges reported that in the past the Village has held an annual Spring Cleanup. In previous years, the Township has contributed \$4,000 to the cost of the cleanup. Wolfersberger motioned and Page seconded to approve the Community Clean-up. Roll call vote was taken: Painter – Aye, Wolfersberger – Aye, Cummings – Aye, and Page – Aye, Motion passed 4-0. Hackney noted that staff will set the date based on staff availability.

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4) **Discussion of Request to Subdivide with Extra Jurisdictional Boundary:**

Hackney told the Board that a property owner south of the Village wanted to know if the Board would have a problem with a subdivision of his property. He showed the Board a map of the property. The Board took a straw vote. The Board members did not have a problem with subdividing the property into two lots. If the owner wants to follow through with the subdivision, they will need to come before the Board for a formal vote.

OLD BUSINESS:

1) **Results/Discussion of RFP to develop Village Owned Property:**

Hackney will be distributing a packet from a developer to Board members for discussion at a future meeting.

VILLAGE ADMINISTRATOR:

- Updates.
- Report – Exhibit #5

STAFF UPDATES:

- **Village Attorney** – Nothing to report.
- **Village Clerk** – Nothing to report.
- **Public Works:**
 - Report - Exhibit #5

MAYOR'S DESK:

- Fruhling-Voges reported that she had received compliments from the Public Works Department regarding the snow removal.
- Fruhling-Voges reported that there will be a CIMOA meeting Thursday night in Tolono. She requested that Trustees contact Debbie Routh by noon tomorrow.

BOARD OF TRUSTEES:

OTHER: Nothing.

At 8:34, Page motioned and Wolfersberger seconded to adjourn the meeting.

These minutes are respectfully submitted.

Tiffany McElroy-Smetzer
Village Clerk

Approved: February 13, 2024