

Mr. Ashenhurst added that it would be a good idea to reaffirm the rules at the beginning of each year like the County Commissioners did. He went on to thank fellow Councilor, Sharon Soucy for her efforts in helping to draft the Council Rules back in 2004. Ms. Soucy thanked Mr. Ashenhurst for the acknowledgement and added that Mr. Rimbart and former Councilman Everett Tyree were also instrumental in coming up with the procedural rules.

Mr. Baumann reviewed *Article IV: Robert's Rules of Order of the Council Rules*, which stated that in regard to matters that are not covered by these rules, or where these rules do not appear to give clear guidance, the latest edition of Robert's Rules of Order shall govern.

(E). Appointment of an Oberlin City Council Representative to the Lorain County Community Action Agency.

It was moved by Mr. Baumann and seconded by Mr. Rimbart that Scott Broadwell be appointed to the Lorain County Community Action Agency.

Roll Call: 7 Ayes 0 Nays Motion Carried

It was moved by Mr. Baumann and seconded by Ms. Soucy that David Ashenhurst be appointed as an alternate to the LCCAA.

Roll Call: 7 Ayes 0 Nays Motion Carried

(F.) Appointment to Boards, Commissions and Committees.

It was moved by Mr. Rimbart and seconded by Ms. Soucy that Roberta Garcia be appointed to the Minority Business Enterprise Advisory Committee.

Roll Call: 6 Ayes 1 Nays Motion Carried
(Ashenhurst)

(G) Motion to Appoint Sub-committee on Community Organization Funding.

It was moved by Mr. Peterson and seconded by Mr. Broadwell that David Ashenhurst and Sharon Soucy be appointed to the abovementioned subcommittee.

Roll Call: 7 Ayes 0 Nays Motion Carried

With councils consent item G.1 was added to the agenda.

(G.1) Motion to Schedule a Work Session with Concentric Energy Advisors.

It was moved by Mr. Ashenhurst and seconded by Mr. Rimbart to schedule a work session with Concentric Energy Advisors on February 19th, 2008 at 6:00 p.m.

Roll Call: 7 Ayes

0 Nays

Motion Carried

(H.) Presentation by Ohio Environmental Council.

Mr. Sonner advised the assembly that the National Resources Defense Council would not be able to make the meeting due to poor weather in Chicago therefore they would need to reschedule that presentation for the next Regularly scheduled City Council meetings. He advised that Nolan Moser with the Ohio Environmental Council was however, prepared to present at this time.

(See attached presentation)

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To the Members of the Oberlin City Council,

Good Evening. My name is Nolan Moser, and I am a lawyer with the Ohio Environmental Council, a statewide environmental organization of over 3,000 individual and group members, including many Oberlin residents and power purchasers.

Before I begin, I would like to thank all of you for this opportunity to present our views. No matter how you finally vote on this issue, you have shown balance in your consideration of the AMPGS proposal, which is the most important aspect of a well reasoned decision.

Tonight I will discuss aspects of the AMPGS proposal upon which our group has real and valuable expertise; as an organization that has always focused on power plant emissions, their harmful effects, and solutions for reducing those effects we understand coal power technology options in an emissions context. As a group with the only full time environmental lobbyist in Ohio, we very much understand our state's political landscape. And, as the only environmental group in Ohio with a Law Clinic, we understand the state and national regulatory landscape.

Our perspective is an important one. At no time since period just prior to the passage of the Clean Air Act, has the sphere of our expertise: emission control technology and environmental impact, political reality and projection, and regulatory issues been more important to power plant construction and technology choice decisions.

This is true for several reasons: there is important state legislation pending now, important federal legislation anticipated in 2009, global economic and environmental factors affecting any power construction, and massive and disruptive federal administrative and regulatory changes are anticipated for 2009.

The areas of our expertise concern the economic, environmental, and political factors that determine whether or not the AMPGS proposal will be costly long term failure or a viable project; that is why our perspective is an important one.

This project, like any other, is built upon an assumption.

The assumption is as simple as it is questionable; AMP-OH has assumed that:

Because the AMPGS plant will utilize coal, and the technology adopted is conventional, the project will be the lowest cost long-term option. Built into this assumption are a couple of implicit assumptions; 1) that any carbon restricting legislation will have a negligible price affect on the project for 50 years, 2) that market prices for electricity will be substantially higher than the cost to construct, run, and deal with the regulations affecting a new plant, and 3) that legislation pending in the Ohio legislature will not have a fundamental affect on the Ohio electricity market that could make market costs much more attractive than new construction.

These assumptions lead to several reasonable questions we suggest you ask yourself before you offer your support for the AMPGS proposal. Two are larger questions; three are a bit more focused.

The Larger Questions:

- A) Is building a plant right now a better cost and risk option than waiting to construct?
- B) Is the technology offered the cheapest, long term, 50 year option for you?

And the Focused Questions:

- 1) Are these the right partners for a coal power plant construction project?
- 2) Is this the right generation technology for the future?
- 3) Is now the right time to build?

To answer the first focused question, you must look at the partners involved in the AMPGS project, and the track record they have compiled.

Currently, AMP-OH has no partners for the AMPGS project. Unlike the Prairie State project, in which the large mining concern Peabody will help spread risk among several other municipal power organizations, the AMPGS project is limited to AMP-OH member communities.

So what has AMP-OH's experience in electricity generation construction been? First of all, it should be noted that AMP-OH has an excellent and commendable record in the renewable energy generation field. AMP-OH constructed and operates the only commercial wind energy operation in the state of Ohio. Similarly, AMP-OH has had great success with hydrological generation, constructing several very successful projects.

It is clear that in our state, AMP-OH has been a renewable energy leader. So what has the AMP-OH experience been with regard to coal generation? Unlike other project developers working in Ohio on new generation projects, AMP-OH has never built a coal plant. AMP-OH has no experience in this type of construction and planning. This is an important factor you should note. Where trying to make a massive, 1000MW project successful, experience does count; and for this type of project, AMP-OH has none.

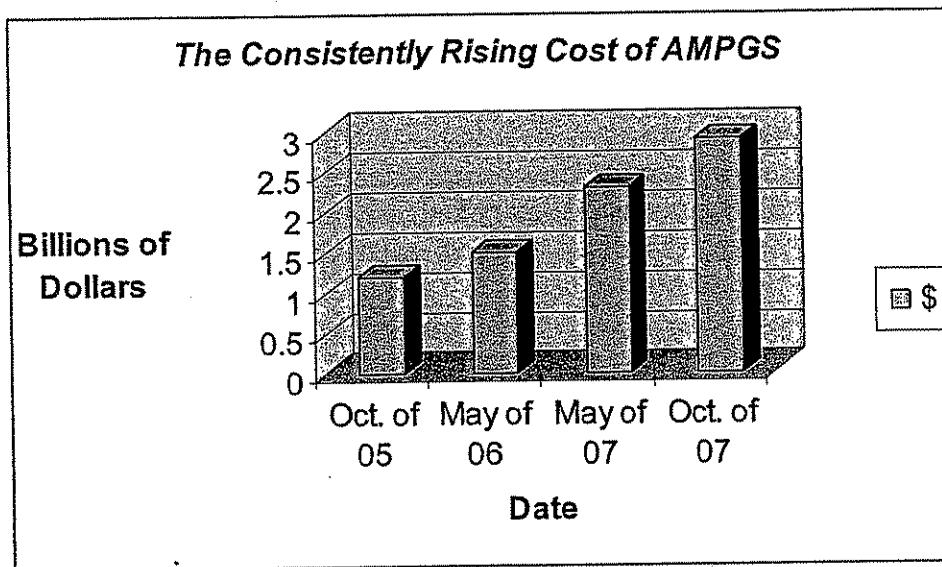
AMP-OH has never constructed a coal plant before, but the organization has purchased a coal plant. In 1989, AMP-OH purchased a portion of the Gorsuch plant, a conventional pulverized coal plant built in the 1950's. Ten years later, AMP-OH purchased the remainder of the plant. Seven short years after that and many substantial investments in pollution control technology later, AMP-OH started talking of shutting the plant down, or re-powering it with a new technology.

This is important to note. In AMP-OH's one experience with coal generation, they found that in only 17 years of operation, some technology change or shut-down was need.

Expensive pollution controls were installed to deal with new air regulations, and finally it was determined that these pollution controls weren't good enough to keep the plant operational profitably, that it needed to be shut down or be re-powered only 7 years after full ownership of the plant was acquired. The Gorsuch experience shows the danger in assuming the environmental and emissions regulations you live under today will be the same as those at a future date. Making that assumption is dangerous, and can prove very costly.

In considering AMP-OH's experience with coal generation construction, it is also instructive to look at what AMP-OH has projected as the final cost of the AMPGS project.

Consider this graph:



- 1) On October 28th, 2005 AMP-OH announced the creation of the project; a 1,000 MW power plant for Meigs County Ohio. The project was to cost *\$1.2 billion dollars*.
- 2) On May 22nd, 2006 AMP-OH filed its Air Permit, now, according to AMP-OH, the project was to cost *\$1.5 billion dollars*. This represents *25% increase in cost*, in the space of 7 months.
- 3) On May 4th, 2007, AMP-OH filed a number of permits. Now, according to AMP-OH, the project was to cost *\$2.3 billion dollars*. The new figure represented a *91% increase in cost*, in the space 19 months.
- 4) In the late **summer and fall of 2007**, AMP-OH approached member municipalities with the proposal. Now, according to AMP-OH, the project was to cost *\$2.9 billion dollars*. This represented a *staggering 150% increase in cost* in less than 2 years.

There are two more steps in this timeline that could add to the cost of the plant. First, the update to feasibility study commissioned by AMP-OH will have further revised costs. If history is any guide, the costs will be revised upward. This study is completed but has not been released publicly. Second, the FEED study for this project, or the Front End Engineering and Design Study, has not been completed. All generation projects must complete such a study, and these studies usually revise costs upward still.

The truth of the matter is, although estimates for the final cost of construction for this plant are rising, no one is quite sure where they will stop. In fact, AMP-OH representatives, at a recent regulatory hearing, admitted that even if all the schedules are followed and no delays occur, which in itself is unlikely, the final cost of the plant would not be known until early 2009.

So with regards to the AMP-OH partnership we know some key facts which should inform your decision:

- 1) AMP-OH has laudable and exemplary experience in renewable power generation
- 2) AMP-OH has no or even questionable experience in coal generation, specifically with regards to regulatory anticipation
- 3) AMP-OH is not partnering with a large firm which has coal generation experience for the AMPGS project
- 4) AMP-OH's cost estimates for the AMPGS have been revised upward a staggering 150% since the project was announced, and this does not include estimates from the updated feasibility study or a FEED study
- 5) AMP-OH will not know the final cost of the of the plant until early 2009, if all permits are received and engineering done on time, which is unlikely but possible

Another question you should ask before you support this proposal concerns the technology chosen. When it comes to baseload power, there are several options; there are coal power options and differing technologies, natural gas power options, and biomass power options, along with others, including nuclear. Energy Efficiency is another attractive option, which can operate to displace the need for baseload generation construction.

There are strong arguments that the natural gas, nuclear, or biomass options offer reasonable choices for the future. AMP-OH has chosen to embrace coal; there are several coal generation options which should be considered.

The two main options are conventional pulverized coal; the technology embraced by AMP-OH, and IGCC, or integrated gasification combined cycle. When it comes to environmental performance, IGCC is the winner; hands down and without question.

Over AMP-OH's technology, IGCC produces 33% less nitrous oxide emissions, 75% less sulfur emissions, 40% less particulate matter, uses 30% less water and removes 90% more mercury. These numbers come from General Electric.

The two Ohio utilities committed to coal-fired generation, AEP and Duke Energy, have both embraced IGCC as their future coal option. Economically efficient and achievable environmental performance is the reason for their choice. Both companies want better environmental performance today, so they don't have to go through the costly retrofit exercise that occurred at Gorguch later. Duke and AEP have embraced IGCC because they think it is the lowest long term coal cost option.

The main reason for this opinion is based on the ability of IGCC coal power to capture carbon at a low cost. According to the MIT future of Coal study, IGCC coal plants can capture carbon at a cost of \$19 dollars per ton, while plant's like AMP-OH's spend \$40 per ton to capture carbon.

The numbers are clear and convincing:

IGCC with carbon capture: 52 to 72 dollars per MW (5.2-7.2 cents per kwh)
PC with carbon capture: 73 to 96 dollars per MW (7.3 to 9.6 cents per kwh)
E.S. Rubin et al. / Energy Policy 35 (2007) 4444-4454

Over pulverized coal, IGCC offers far cheaper carbon capture retrofit options in the future. Julie Jorgensen, Co-President of Minnesota's Excelsior Energy noted recently that: "If Congress resolves it, and says you have to manage carbon, IGCC is the least cost way to manage carbon out of the whole fossil universe," Jorgensen says. "The day there are carbon constraints, and it's going to cost money to deal with them, this is the cheapest way to do it."

AMP-OH has stated that carbon capture is decades away, if it is even possible. This is not born out by the facts. In Indiana, Duke Energy is building an IGCC power plant. This plant is far further down the line in terms of the construction and permitting process than is AMPGS. The Indiana plant has an Air Permit, and Duke has completed the all important FEED study. This plant is scheduled to be online before the AMP-OH plant is completed, Duke anticipates operation in 2012.

Besides from the fact that this plant will offer dramatically better performance in every traditional pollutant category than the AMPGS plant, Duke plans to capture 15 to 20% of the carbon from this plant, starting within the first 3 years. When AMP-OH says the technology is decades away, the Edwardsport plant leads one to draw a different conclusion.

Additionally, the Duke plant will be comparable in cost to the AMPGS plant. The Edwardsport plant will cost just less than \$2 billion to construct. That cost will be offset by more than \$460 million in local, state and federal tax incentives; costs to investors will likely run to \$2,381 per KWH, financing costs would be added, making the final roughly

\$3,000 per KWH installed. The AMPGS project would, according to today's estimates, cost \$3,020 per KWH.

Importantly, the Duke number is the quoted price after the completion of a FEED study. Key here is the fact that AMP-OH has not yet completed its FEED study, and prices traditionally go up when this important evaluation are completed.

AMP-OH has expressed hope that in 10 to 15 years, the PowerSpan Corporation may develop a scaleable CO2 capture technology that could make AMPGS more cost competitive with an IGCC plant with carbon capture.

The PowerSpan technology referenced has never been tested outside a lab. It has never been tested on a power plant of any size. This is important. The carbon capture technology associated with IGCC has been operating for years on a real, on the ground, commercial plant. Additionally, a regional IGCC plant with carbon capture will be on the ground and operating before the AMPGS project is scheduled to be completed. This contrast in real versus hoped for performance should be noted, and is striking.

Regardless, AMP-OH does not commit to utilizing this carbon capture technology, and cannot, because unlike the carbon capture technology associated with IGCC, it is not commercially or technologically available today. AMP-OH has said that Powerspan's sulfur control technology, which has been tested on a small scale at a power plant, will be utilized. However, this promise is one you should question.

AMP-OH has submitted a permit application for the AMPGS project, and has been issued a draft permit. Both can be accessed at this site:

<http://www.epa.state.oh.us/dapc/transfer/amp/VolumeI.pdf>

In both the submitted permit application from AMP-OH and draft permit issued by the OEPA, you will not find any reference to Powerspan. Instead, both permits contain limits for traditional scrubbing technology. Again, this is important. AMP-OH has made one point to you, but has not committed to the Powerspan technology in its permit application. AMP-OH should revise and resubmit its permit application to reflect this promise.

So with regards to the coal technology choice we know a few important facts which must be considered as a part of any decision regarding AMPGS:

- 1) IGCC offers superior environmental performance over pulverized coal
- 2) IGCC has been embraced by the leading Ohio coal power generators
- 3) Powerspan carbon capture technology is not proven, while that associated with IGCC is proven on a commercial scale
- 4) IGCC is today the lowest cost coal option in a carbon constrained world
- 5) No commitment in the permit for the AMPGS plant to Powerspan has been made. It is possible for AMP-OH to re-file a permit application which commits to the technology, but as of February 4th 2008 this has not been done.

Our third important question focuses on timing. Is it a good time to build a conventional coal fired plant in Ohio?

For this question, it is important to consider three major factors influencing coal plant construction:

- 1) Rising construction and engineering costs
- 2) The federal carbon cap and trade or tax legislation, anticipated to come up sometime in 2009
- 3) Ohio's possible re-regulation energy bill, anticipated to pass sometime in April

Construction and engineering costs for large power projects have been rising exponentially. These rising costs have combined with the strong likelihood of carbon restriction legislation at the federal level to topple many coal projects across the country.

Florida Power and Light had to recently abandon a ultra super critical coal fired plant which would have provided 1,960 MW of coal-fired power. Besides environmental concerns, the skyrocketing costs of construction, and the potential future costs of carbon, played a role in the rejection of the plant by Florida's power regulator. The plant was to come online in 2013, at an early estimated cost of \$5.7 billion dollars. In Florida, regulator's demand that new plant construction create the lowest rate increase possible. Florida power and light could not prove that the new plant was the lowest cost option, considering the uncertain future of coal power: "the large fixed costs that would be added to base rates for the construction and the uncertainty associated with future natural gas and coal prices." With construction costs rising, even after the completion of the FEED study, and the uncertainty associated with future carbon constraints and costs, the plant was seen to be a bad decision for the state of Florida and its ratepayers.

Costs are increasing exponentially; construction delays of any sort – due to litigation, review, and engineering – add costs in today's power production market. In Oklahoma recently, Tenaska Energy abandoned a coal fired plant proposal for a rural part of the state. The reasons were twofold, company representatives say that coal prices have gone up "dramatically" since Tenaska started planning the project, and that the costs of steel have recently increased: "...coal plants are largely built with steel, so there's the cost of the unit that we would build has gone up a lot," Bill Braudt, company representative said." This case illustrates the importance of what is commonly known as a FEED study, an engineering and purchasing study. When Tenaska had initially proposed the plant, they had some estimates for steel contracts that were very attractive. Upon further analysis, the company found they could not contract for the price they had initially anticipated they had access to. This is particularly important for AMP-OH's proposal; no FEED study has been completed.

The case of Wisconsin Public Power is also instructive. In 2006, WPP was slated to be a major Midwest producer and purchaser of new coal power; not only was WPP involved in a serious study on the construction of its own new coal-fired plant, the municipal

aggregator was poised to purchase 6% of Peabody energy's Prairie State 1,500 MW coal plant. In the space of one year, WPP abandoned both projects. In May of 2007, WPP backed away from a proposal to create coal power which would partially replace an aging plant in Escanaba, Michigan serving WPP municipal members. The reasons for the decision were two fold, and are echoed in many of the case studies here. First, concerns over rapidly escalating development costs played a role. Raw materials, engineering, every aspect of the project had costs that increased monthly. Additionally, the likelihood of federal mandates for carbon dioxide reductions was a major issue. WPP saw the potential for large future carbon costs, and anticipated that this could make their project proposal unfeasible and financially irresponsible.

The Big Stone II project in South Dakota is another example of plant whose investors wavered and withdrew because of costs and uncertainty. Recently, Great River Energy of Minnesota pulled out of the project, because of costs, demand, new state mandates, and uncertainty about changes in environmental requirements and new technology. The company's press release on the decision stated: "Changes in state and national standards for carbon dioxide emissions (CO₂) are likely to be debated in the next several years, and the electric industry is accelerating its research and development into new power plant technology that will reduce the environmental impact of carbon emissions. 'As an organization, Great River Energy needs to consider the environmental implications of all of our generation choices in addition to the financial consequence on our member cooperatives,' [quote from company representative Jon Brekke]" Great River energy was concerned with taking ownership of a plant that would be obsolete the day it opened for operation. Southern Minnesota Municipal Power Agency followed suit and dropped out of the project as well.

Regulation of CO₂ is coming. Unless a developer has a solution to this problem, coal energy faces serious and potentially costly risks. Internationally, the European Union began trading carbon years ago; the second phase of its carbon trading plan will soon go into effect, promising to be much more restrictive and expensive than the first.

In the U.S., regional carbon capping has begun, the west coast has organized to do so, and the northeast is on a similar path. Carbon already has a de-facto regulatory cost in some states, California, Florida, and most recently Kansas have rejected some coal options because of carbon.

Finally, there is congress. Aggressive carbon restricting legislation is proposed, much of it bi-partisan. The bills range in scope, from requiring a 60% reduction of 1990 levels of carbon by 2050 to requiring an 80% reduction of 1990 levels of carbon by 2050.

Most recently, Joe Lieberman and John Warner, moderates, one democratic, one republican, put forth a bill that would require a 75% reduction. The leading contenders for the presidency in both parties have promised action. These bills would impact the power sector hardest if passed, because of the volumes of carbon released.

They would create several important implications for coal power plants. These bills, to reach their targets, would put heavy costs on carbon, costs that would continue to rise throughout the years. Old plants will most likely shut down; as none of these bills contain grandfathering language. Newer plants will face a stark choice; pay ever escalating taxes or buy ever more expensive credits to keep the plant going, or retrofit for carbon capture; or cut losses, shut down, and close doors.

As stated in reports, AMP-OH hopes carbon costs will be low, 5-15\$ for the 50 years of plant operation. According to AMP-OH, the AMPGS plant can survive if carbon prices stay below 15\$ a ton for 50 years. In all likelihood, if a carbon bill is passed, carbon costs for power plants will be well above 5-15\$ a ton. MIT predicts much higher prices, prices that would drive the cost of the AMPGS plant up dramatically, the consequences could be dire for those relying on power from the AMPGS plant.

On this point I refer you to the Scott-Balice study of the AMPGS proposal contained in your packet. A press release on this study states:

“The cost of the electricity from AMP-Ohio’s proposed new plant could be as much as 40 - 50% higher than what AMP-Ohio has told city officials, according to a report just released by the Scott Balice financial advisory firm in Chicago. The report compares AMP-Ohio’s assumptions of the costs of construction, carbon regulation, coal purchase, and financing to industry standards and utility expert forecasts.”

On the carbon cost front, Wall Street is reacting. In a remarkable article published today, February 4th 2008, three of the nation’s biggest investment banks announced that they will be imposing new environmental standards that will make it harder for companies to get financing to build coal fired plants in the U.S.

This decision vindicates companies like Duke Energy, which have embraced technology well suited to carbon capture, and will most likely have a negative effect on those attempting to build conventional projects without a strategy for carbon management, like AMP-OH.

This is a direct quote from the article, which is included in the packet I have distributed to you.

“The banks say they don’t want to be involved with debt that goes bad as a result of government emissions caps that require the power plants they finance to buy large numbers of extra pollution allowances.”

The article goes on:

“The banks are likely to continue to finance certain coal-fired power plants: those designed to capture greenhouse-gas emissions and shoot them underground if that technology became practical. But they make it less likely the banks will finance other

coal-fired plants. Several dozen are on the drawing board in the U.S., many not yet financed.”

That group of not yet financed plants includes the AMPGS proposal; the bonding for which must be acquired by large investors.

Finally, there is state legislation. The governor has proposed an energy bill, which has been passed out of the Senate that would re-regulate Ohio’s electricity markets to stabilize wholesale prices. If passed, this would take Ohio away from de-regulation and bring our state closer to a market more resembling the electricity market of the regulated era. This is very important, more important than any other development concerning this plant. If our electricity market is re-regulated, the entire rationale for constructing this plant could evaporate.

If the market is cost rather than competition passed, wholesale power will be an attractive, low risk option; while plant construction, without rate recovery, (which municipalities cannot get), will be the real gamble.

From all this we can establish several important facts:

- 1) All over the country, power plant construction costs are rising dramatically
- 2) Carbon restrictions are coming; political candidates recognize it, Wall Street recognizes it, and environmental organizations recognize it
- 3) Carbon legislation is poised to pass in 2009
- 4) Ohio is considering energy legislation which would dramatically alter the market assumptions which underlie the decision to construct the AMPGS plant
- 5) Ohio re-regulation legislation is poised to pass in April

Taken together, what does all this mean? It means there is a strong case that this plant should not be constructed until the Ohio market re-regulation legislation passes and its implications are known, and until the federal carbon restriction legislation has been passed. Until then, AMPGS partners will face significant risks, risks that will lessen substantially in only two short years.

In two short years, we will know:

- A) What the power market in Ohio will look like, and
- B) The implications of carbon restricting legislation

In two years, the assessments as to the technology to utilize, the type of fuel to embrace, and the approach to take with regards to the energy market will be far easier to make. Right now, the risks associated with these factors are massive.

Two years is not a long period in the life of a power plant. Typically, 2 years represents no more than 3% of the life of a plant. Baseload coal power is typically run for 60 years

or more. With the dramatic uncertainties surrounding this plant, it seems prudent to wait 2 years to start construction.

The facts I have outlined here tonight should lead you to your own conclusions, and the questions we have mentioned are important. I am certain you will consider all of this information very carefully.

The idea that the AMPGS proposal represents the lowest cost option for the City of Oberlin is one based on many assumptions that may not prove true. The idea that the cheapest energy also has to be the most harmful environmentally is also worth questioning.

We know that this plant is remarkably expensive. Depending on the outcome of legislation poised for passage in the next two years, it could be more expensive still. The environmental rationale for withholding support for this plant is compelling, but the cost rationale for withholding support is even more so.

To conclude, I suggest again that you ask yourself these two questions:

- A) Is building a plant right now a better cost and risk option than waiting to construct?
- B) Is the technology offered the cheapest, long term, 50 year option for you?

The facts demonstrate that the answer to both these questions could very well be no. I suggest you take the time necessary to have them fully answered. If this means approaching AMP-OH, and suggesting that the consideration period for this plant be pushed back until at least after the Ohio Energy legislation, then so be it. That solution may very well be the most prudent.

I thank you for your time, and am more than willing to answer any questions you may have.

2. Any concerns that are not on the agenda may be brought to the attention of Council at this time.

With Councils consent President Sonner moved New Business Item A: entitled ordinance no. # 08-09 AC CMS to the next item of business.

(A). Ordinance No. 08-09 AC CMS – An Ordinance Approving A Collective Bargaining Agreement Between the City of Oberlin, Ohio, and the OPBA for Part-time Police Department Dispatchers and Declaring an Emergency. (1st)(E)

Mr. Ashenhurst moved that the ordinance be read by number, title and substantive portions only, seconded by Ms. Soucy.

Roll Call: 7 Ayes 0 Nays Motion Carried

The Clerk read as directed.

Motion for passage on first reading moved by Mr. Ashenhurst, seconded by Ms. Soucy.

Eric Norenber, the city manager advised that council was provided with a copy of a contract between the City of Oberlin and the OPBA part-time police department dispatchers along with a summary of the key changes that had taken place during the negotiation sessions. He advised that there were six key provisions that the union was attempting to ratify subject to council's approval, they included the following:

1. Article 14 (Overtime/double – Back / 24 Hour Notice)
2. Article 12(Compensation)
3. Article 22 (Drug Testing)
4. Article 23 (Uniforms)
5. Article 25 (Duration of Agreement) - 3 years (1/1/08 through 12/31/10)
6. Letter of Understanding (Retroactive Pay Adjustments)

He further advised that Joseph F. Lenecwicz, the Labor Relations Representative for the City of Oberlin was available to address any questions that council may have at this time.

Mr. Lenecwicz advised that the negotiations went smoothly, out of the six articles being ratified only three had any financial impact whatsoever; they included articles 12, 22, and 23. He advised that the negotiations were conducted much like that of the full-time dispatchers except were prohibited.

Mr. Baumann asked how many people were there in this bargaining unit and if there was a reason why this had to be a separate agreement from the full-time dispatchers? Mr.

Mr. Ashenurst asked Eric Severs, the Law Director if it were possible to pass an ordinance which was written with an emergency clause, without passing it on emergency? Mr. Severs advised that it was possible but the ordinance would take thirty days to go into effect and would have to be rewritten to reflect the changes.

Mr. Baumann asked Mr. Moser to comment on the process of sequestration. Mr. Moser said that the process at this point had not been proven on a large scale. Mr. Broadwell asked how much carbon had successfully been sequestered at one time. Mr. Moser advised that it had been successfully completed on a sizable scale which was a million tons per year. He added that this amount was no where near the 7 million tons per year that the AMPGS station would produce.

Mr. Sonner asked Mr. Moser if he could offer a projection regarding the cost of coal in the future. Mr. Moser advised that he knows state regulations, legislation, politics on the state and local level, and even technology but he was not an expert in predicting cost and was not comfortable trying to do so. He added that he would venture to say that there was legislation pending at the Ohio House and Senate and legislation pending at the Federal House and Senate that will dramatically alter how much power costs.

Mr. Rimbart provided an overview of all of the services that OMLPS provided for the city as a result of their affiliation with AMP- Ohio. He cautioned the city that these services being made available at this time may not be available if they decided not to support the AMP GS project.

Public comments

Bill Aubuchon, the Lorain County Joint Vocational School, superintendent advised that it was his understanding that the City of Oberlin was considering purchasing power from a provider other than AMP- Ohio which could result in a 40% percent increase. He advised that LCJVS currently consumed approximately six-hundred thousand dollars worth of electricity annually. A forty percent increase would cost them nearly a quarter of a million dollars more in electrical costs. He asked that the City of Oberlin stay the course with AMP- Ohio and take a wait and see posture of other alternatives. Mr. Sonner assured Mr. Aubuchon that at this time the city was not looking to do business with another provider, nor was there any information that he was aware of that would suggest a 40% increase in the cost of energy if they decided to opt out of the AMPGS project.

Discussion ensued with comments from the public weighing the pros and cons of participating in the program. The following points were revisited;

- That sequestration was unreliable.
- That the carbon tax could result in insurmountable expense.
- That projected increase cost for non-renewables and lower costs for renewables.
- That the local businesses may go to more competitive provider due to increase costs (as a result of participating or not participating in the AMP GS project.)
- Heightened concerns surrounding the environmental impact.

Motion for passage on first reading moved by Mr. Ashenhurst, seconded by Ms. Soucy.

Mr. Norenberg advised that the Oberlin Area Chamber of Commerce was requesting \$40,000 in bed tax revenues to be allocated to various activities during 2008 that would be used to attract visitors to the City of Oberlin. He advised that Annie Cunningham, the Executive Director of OACC was available to answer any questions.

Ms. Cunningham advised that the bed tax committee based their decision upon the dollars requested for promoting the proposed events or projects. After reviewing all applications they found the need to reduce some awards by a small amount in order to accommodate those requests. She asked that council approve the funding of those projects to allow them to fulfill their annual programming obligations.

Mr. Rimbart asked if there was a reason why the High School Art Department Banner Project and the Downtown Flower Baskets Program didn't receive any funding. Ms. Cunningham advised that they will be receiving those funds from other resources. Mr. Rimbart asked if they had received the funding at this time. Ms. Cunningham stated that she wasn't sure it was an ongoing process. Mr. Rimbart asked that Ms. Cunningham keep track of their progress in case the city needs to assist them down the road.

Ms. Soucy asked, what will happen with the America in Blooms funds if the City decided not to participate in that event this year? Ms. Cunningham advised that she was still new at her position and wasn't really sure how those funds would be handled. She assumed that they would not be used.

Mr. Ashenhurst asked how the 40k dollar amount was achieved. Mr. Talarico advised that the City collects anywhere from \$42 - \$48k a year from the bed tax, most of it from the Oberlin Inn and some from Oberlin College's summer programs. He advised that \$40k goes to the chamber and approximately \$10k goes to Main Street, which means that the City has been spending more than what they were bringing in. Mr. Ashenhurst asked who made up the bed tax committee. Ms. Cunningham advised that it was comprised of Rex Engle, Doug Lawton, and Maggie Stark. Mr. Peterson asked if it was possible to consider allocating more than the \$40k to these organizations in the future. Mr. Talarico advised that if council wanted to consider allocating more then they could.

Following the discussion, Mr. Peterson moved to suspend the rule requiring three readings and elevated the ordinance to emergency in order to provide the Oberlin Area Chamber of Commerce with the necessary funding to fulfill its promotional activities for the City of Oberlin, and shall take effect immediately upon passage. The motion was seconded by Mr. Broadwell.

Mr. Ashenhurst asked the law director if members who had a conflict of interest with regards to one of these agencies listed in the ordinance, should be allowed to vote on that item of business. Mr. Severs advised that if one were a board member then it would be a

All council members were in agreement.

8. Finance Director's Report:

- Informed council and the public that the utility billing office would be closed in the a.m. since they were going through a system upgrade.

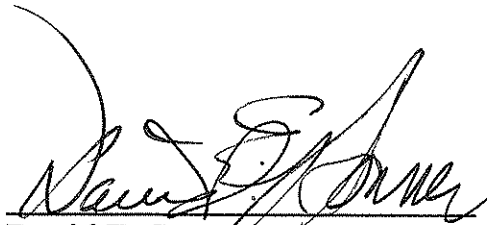
9. Public Participation

10. Adjournment: Being that there was no further business to come before Council the meeting adjourned at 11:15:52 p.m.

Attest:



Belinda B. Anderson
Clerk of Council



David E. Sonner
President of Council

Approved: 3/17/2008

Posted: 3/18/2008

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