

CITY OF MARION – CONTINUED MEETING

September 17, 2012

Minutes of a Continued Meeting of the City Council of the City of Marion held in the Council Chambers of the Marion City Hall September 17, 2012. Mayor Butler called the meeting to order at 6:30 P.M.

The City Clerk was instructed to call the roll and the response was as follows:

PHYSICALLY PRESENT: COMMISSIONERS RIX, RINELLA, GOSS, PATTON AND MAYOR BUTLER.
ABSENT: NONE

Mayor Butler announced that the purpose of this meeting was to discuss the Electric Aggregation and decide on either 1) Select Energy Partners, LLC., or 2) S.I.M.E.C., LLC d/b/a Southern Illinois Municipal electric Company

Mayor Butler stated that before beginning the discussion on the Energy Consultants he wanted to inform the Commissioners that the Elks had contacted him saying they are interested in selling the lot that is directly behind the Library. Mayor Butler had contacted the Director and Board Chairman of the Library and they both thought it would be beneficial to the Library to have the lot. Mayor Butler said the Elks had paid \$25,000.00 for the lot which originally contained a house that the Elks had demolished. The lot is now just a grassy lot with the price negotiable.

Also for consideration are lights for the parking lot at the Pavilion. The recommendation by Ameren and Superintendent John Bradley are for two poles with four directional 400 watt lights to be installed on the parking lot at an approximate cost of \$6,500.00 with a monthly charge of \$50.04 a month.

Mayor Butler asked if the Commissioners had any questions for the two Aggregate Energy Consultants that were present. Commissioner Goss thinks the City should act as their own Consultant. The question was asked what does indemnify mean. Attorney Steve Green explained that indemnity means that if a customer were to sue the Energy Consultant for some negligence on the Consultant's part, the City would be covered against the lawsuit by the indemnity.

S.I.M.E.C. has been in business less than one year. The president of the company has been in previous energy business for several years.

Select Energy has been in business since 2007. The partners in Select Energy have been in the energy business for over sixty years.

Nick of Select Energy told the Council that doing the consultant work on one's own is hard for the cities because the cities would not be acquainted with the various energy suppliers. All the suppliers have to be approved by the State. Select has experience in selecting energy suppliers.

Reg Ankorn, representative for S.I.M.E.C. said they do all that Select does. S.I.M.E.C. would waive the \$25.00 opt out fee up to a certain point. Also, they would not penalize the "all

electric” customers. S.I.M.E.C. will help City develop a contract as to what the City wants. They work for the City.

Both consultants said they would submit to seven or eight suppliers, then screen the suppliers and bring back to the Council the best four or so.

Nick of Select Energy said they have seven cities signed up.

Every company that appears before the City has to be bonded and approved by the Commerce Commission.

The Arthur Agency partnered with the S.I.M.E.C. to do marketing for them. Commissioner Rix asked S.I.M.E.C. if they had signed Kewanee. The consultant said no.

Mayor Butler said he knows of no one in the City qualified to do the consultant job.

Attorney Steve Green told the Council that since it was publicly announced at the last regular meeting on September 10, 2012 that the selection of the energy consultant would be decided at the continued meeting on September 17, 2012 it was correct and fitting to make that decision tonight.

Mayor Butler stated there are two options. S.I.M.E.C. or Select Energy Partners.

Commissioner Rinella made a motion to approve Select Energy Partners as the Consultant for Aggregate Energy Consultant for the City of Marion. Commissioner Patton seconded the motion.

ON ROLL CALL VOTE COMMISSIONERS RIX, RINELLA, PATTON AND MAYOR BUTLER VOTED YES. COMMISSIONER GOSS VOTED NO.

Commissioner Rinella made a motion to approve Mayor Butler to sign the agreement hiring Select Energy as the consultant for the City of Marion. Commissioner Rix seconded the motion.

ON ROLL CALL VOTE COMMISSIONERS RIX, RINELLA, PATTON AND MAYOR BUTLER VOTED YES. COMMISSIONER GOSS VOTED NO.

7:15 P.M.

Commissioner Rinella made a motion to go into Executive Session to discuss a contract and a litigation matter. Commissioner Rix seconded the motion.

ON ROLL CALL VOTE ALL COUNCIL MEMBERS VOTED YES.

7:55 P.M.

Commissioner Rix made a motion to close the Executive Session and Reconvene the Continued Session. Commissioner Patton seconded the motion.

ON ROLL CALL VOTE ALL COUNCIL MEMBERS VOTED YES.

Commissioner Rix made a motion to authorize Attorney Steve Green to meet with Attorney Osman to work on the changes to the Development Agreement with Ron Osman; 1) City should

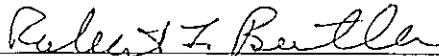
not give back road right of way if any of right of way is left over, 2) Negotiate price down from 5.2 million to 4 - 4.5 million, 3) Payment for retention pond will come from TIF. 4) Retention pond should be done first, 5) Tax revenue will be for entire project as opposed to first developer and 6) give Steve Green authorization to file in Small Claims court against KS Energy Services, LLC and Ameren Illinois for damages caused to a water line at New Route 13 and Skyline Drive on May 10, 2012 in the amount of repairs of \$8,773.54. Commissioner Goss seconded the motion

ON ROLL CALL VOTE ALL COUNCIL MEMBERS VOTED YES.

8:00 p.m.

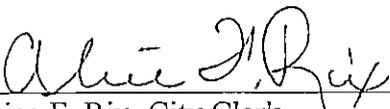
Commissioner Goss made a motion to continue the meeting to Wednesday September 19, 2012 at 5:00 P.M. with Commissioner Rix seconding the meeting.

ON ROLL CALL VOTE ALL COMMISSIONERS RIX, GOSS, PATTON AND RINELLA VOTED YES. MAYOR BUTLER VOTED NO.



Robert L. Butler, Mayor

ATTEST:



Alice F. Rix, City Clerk