



## Blakely City Council Minutes

Work Session

August 3, 2021, City Hall, 5:00 P.M.

### I. MEAG Solar Power

Matthew Chancey and Michelle Jackson spoke to the Mayor and Council regarding the Solar Power Purchase Agreement. Matthew started with informing the Mayor and Council that the previous Mayor had submitted a non-binding commitment of 1.5 MW of solar power as replacement for dropping the City's SEPA power. He stated that MEAG is now in the position to move forward with this initiative. Michelle Jackson then spoke to the Mayor and Council on the history of the solar initiative. She then gave a handout presentation. She stated that MEAG would not own the solar feel due to a taxable entity needing to own. She stated that the agreement would only be for 20 years. She stated that 26 participants showed interest and would have a share of the energy. She informed the Mayor and Council that the agreement between MEAG and the developer would be for 80 MW of output at a 20-year fixed price. She stated that they should have all the 26 decisions in by August 19<sup>th</sup> and then MEAG would be able to present the Solar Power Purchase Agreement with the developer to the board for approval. She went on the talk about how the solar energy fits into the MEAG portfolio. Michelle then went through the terms of the Solar Power Purchase Agreement. She stated that all the renewable energy credits would be banked in a MEAG account to then be distributed those credits to the participants and that there would be 1 renewable credit for every MW of solar energy produced. She then stated that the contract price is under 2.6cents per kWh hour under 26.00 per MW hour. She then went on to discuss the contract between MEAG and the participants. She spoke of the Walmart portion of the agreement of which 17 of the participants were interested. She stated that this agreement obligates the participants to pay MEAG for the energy. She also stated that there would be an initial payment for escrow from the participants which will sit for 20 years and trued up annually. She stated that MEAG will being billing ahead. She then spoke on the default portion of the contract. She informed the Mayor and Council that if a participant is in default the payment will come from their escrow account and their power portion will be sold on the market. She then stated that if the default continues, the escrow account is empty, and the market is not good then the other participants will be asked to step up and cover the share. She spoke of credit taxing. She stated that this probably wouldn't happened, but she wanted to make sure that the Mayor and Council were informed. She also stated that in the history of MEAG no participant had ever defaulted. She stated that Exhibit A was only for the Mayor and Council's information of the agreement between MEAG and the developer and that Exhibit B is the participant portion. The Mayor asked about the Walmart portion and why the City would want to invest if there was no Walmart in the City. Michelle stated that the Walmart was added for the 17 participants but the other 9 were interest in sustainable energy and solar will be replacing coal and gas resources that are probably fossil fuel. Councilmember Jarrett asked she reiterate the price to which he then stated this was

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cheaper than nuclear. Councilmember Clenney asked about the statistics to which Michelle went through the City's energy diversity and where energy is headed in the future. The Mayor asked if Michelle had an idea of the initial payment amount due in May. Michelle stated that it would be around \$31,000. The Mayor questioned if there was a contract that could be drawn between two cities if there was excess energy. Michelle stated she didn't know about other cities but possibly another MEAG city. Matthew reminded the Mayor that the City is already in a deficit and has a current IPT and looking to go into a deficit again in future years when Wansley goes down. The presentation ended at this point

- II. The Mayor went over the budget amendments explaining that these were items already presented and approved by the Council but that the clean up to amend the budget just needed to be done so as to not have so many at the end of the year.

The Mayor went over quotes for the cemetery. Mickey Floyd gave a quote of \$196,000 and Mickey Rice, who has done quite a bit of work with the City, gave a quote on the high end of \$89,000 and low end \$85,000. He then went on to discuss taking out 4 lanes and combining them to give families the ability to purchase plots. He stated that the middle section is getting to capacity. He also stated this would take out water sources. He then stated the City could possibly do the work on the fence/gates and look into the possibly of water loss due to the amount of water faucets at every lane. The Mayor stated it would be around \$4,000 in materials for the City's part. The timeframe was questions and the Mayor stated that since the funds are available he was looking into moving forward. He also spoke to the Council about making a policy of not allowing the planting of trees in the cemetery due to the damage that gets caused to headstone that the City has to replace.

The Mayor then discussed the Civic Center. He reminded the Council that the siding had already been approved. He then asked the Council to put off the raising of the ceiling to bring the bathrooms up to current ADA standards. He stated the Lane was working on getting quotes. He stated that put into next years budget the ceiling and parking lot but do the bathrooms to get the center back open to the public and start the revenue source again. The Council was in agreement to get the quotes and move the other items to next year. He stated that City employees could help with the work to keep cost down.

The Mayor then discussed with the Council about the reappointment of Mr. Yarborough. He also informed the Council of work on a BHA van, through our mutual aid agreement, and that they had paid for the labor and materials. Councilmember Jarrett asked who else the City has done work for to which the Mayor stated the Sheriff's Dept, County Fire Dept as far as vehicle. He stated that the City also has done other things.



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The Mayor then discussed sidewalk work on Liberty St. and some on N. Main St. There was discussion about new sidewalk construction from CVS down Flowers to Cedar Springs. There was discussion on work that needs to be done before sidewalk should be added. Councilmember Jarrett if quotes had been gotten on Liberty St and N. Main St. to which the Mayor stated that Lane had gotten with Jonathan Ebersole and the price would be the same. There was discussion on how much was left to expend. The Mayor informed the Council that \$14,900 had already been expended and that the City had paid their 30% on that at the same time.

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Travis Wimbush, Mayor