

Minutes

Workshop Meeting

Glen Ellyn Village Board of Trustees

Monday, March 16, 2015

Call to Order

Village President Demos called the meeting to order at 7:01 p.m.

Roll Call

Upon roll call by Village Clerk Galvin, Village President Demos and Trustees Burket, Clark, Ladesic, McGinley and O'Shea answered "Present". Trustee Elliott joined the meeting at 7:05 p.m.

A motion was made by Trustee Burket and seconded by Trustee O'Shea to allow Trustee Elliott to join the meeting via telephone.

Upon roll call, Trustees Burket, Clark, Ladesic, McGinley and O'Shea voted "Aye." Motion carried.

In Attendance: Village Clerk Galvin, Village Manager Franz, Assistant Village Manager Stonitsch, Village Attorney Mathews, Public Works Director Hansen, Police Chief Norton and Stormwater Engineer Ulreich.

Pledge of Allegiance

President Demos asked Mr. Adam Kreuzer to lead the Pledge of Allegiance.

Agenda Item E. - Proposed Flood Assessment Plan Discussion:

Stormwater Engineer Ray Ulreich presented information regarding the FEMA Community Rating System (CRS) and the proposed Flood Assessment Plan

Every five years the Village is re-evaluated to confirm that the community is still complying with the program requirements of the FEMA Community Rating System (CRS). Participating in this rating system allows Village residents who purchase Flood Insurance to receive a discount. The amount of the discount is based on the number of points received during the rating process. Currently the Village has a rating of 8 which provides that a 10% reduction be provided for insurance purchasers. The Village's renewal will occur sometime later this year. This evaluation includes a review of all of the original tasks and information submitted with the initial application. The renewal is further complicated this time since the program requirements have changed considerably since our original application and the associated point system for obtaining CRS credit has also been totally revamped.

The Village has been reviewing our CRS submittal to determine what changes or improvements could be made to maintain or improve our rating. One component of the rating system is the public outreach program. This program was previously satisfied by the placement of various articles in the Village's newsletter. Although we can continue to receive points for these publications, the amount of points given for this effort has been reduced considerably. Research has shown that awareness of a flood hazard is not enough to motivate people to action to protect themselves and their property. The public outreach component of the CRS was changed based on these research findings. One component of the public outreach strategy is to perform a Flood Assessment Plan to allow for the determination of a more targeted outreach program to make the public outreach more effective.

To allow for qualification for CRS credit, this program needs to be presented to the Village Board. No action actually needs to be taken by the Board other than them acknowledging they received the plan; however more credit is available if the recommendations of the plan are implemented.

Trustee McGinley asked if this includes 56 parcels/owners. Engineer Ulreich confirmed there are 56 buildings in the flood plain and only 24 do not have flood insurance. Trustee McGinley responded there is no need to discuss this further as this is an insurance company issue.

President Demos agreed with Trustee McGinley. Trustee Ladesic stated he is ok with notifying the residents. Manager Franz responded the Village receives calls all the time when residents are flooding; this is a proactive issue.

Engineer Ulreich stated this is part of floodplain management; this is considered public notice. Trustee O'Shea agreed with Trustee McGinley. Manager Franz responded this is part of Engineer Ulreich's job description. Trustee McGinley responded these residents already know that they flood. Trustee McGinley asked if there was enough bandwidth for staff to be doing this – maybe we should adjust staff levels.

President Demos exited the meeting at 7:25 p.m. President pro tem Clark took over the meeting.

Trustee Elliott agreed with Trustee McGinley.

President Pro Tem Clark asked if they can do more than notify the 56 participants. Engineer Ulreich responded there is no real advantage in doing so. Trustee Ladesic stated he sees no harm in notification. Manager Franz responded it gives the residents the maximum insurance discount and that the Village will proceed with the letters and notification.

Agenda Item F. - Electric Aggregation Program Update: (Assistant Village Manager Stonitsch)

Assistant Village Manager Al Stonitsch led a discussion on the Village's Electric Aggregation Program.

Back in June 2014, the Village Board voted to continue participation in the Village's electric aggregation program by authorizing a 36 month contract with First Energy to supply power to residential and small business customers. The low bid price for this contract was a fixed rate of 7.5¢/kwh, and took effect in

August 2014. As the Board will recall, this rate included 100% “green energy” (i.e. REC’s-Renewal Energy Credits) in the contract, which carried a slight premium (i.e. .03¢/kwh).

At the time of the contract award last June, pricing forecasts suggested that that new FirstEnergy rate would still be slightly lower, on average, than ComEd’s projected rate of \$7.93¢/kwh. The ComEd rate, unlike the Village’s fixed aggregation rate, includes both a fixed rate and a monthly variable rate component called the PEA (Purchased Electricity Adjustment) charge. Prior to August 2014, the 36 mo. average PEA charge was 0.33¢/kwh. Unfortunately, beginning in September 2014, the PEA variable rate actually started to trend downward, well below historical averages. This resulted in ComEd’s combined total rate being slightly lower than the Village’s FirstEnergy aggregation rate. In fact, ComEd’s rate has averaged 7.052¢/kWh over the last seven months resulting in the average residential customer paying approximately \$3.50/mo. more under the aggregation program.

Given the small difference between ComEd pricing and the aggregation pricing, on top of the variability of the PEA charge, some of our neighboring communities chose to exit the aggregation program entirely, and moved all accounts back to ComEd. These communities included: Lombard, Downers Grove, Glendale Heights, Carol Stream, Villa Park, Addison, and La Grange Park.

Assistant Manager Stonitsch stated that prices are lowering and asked if the Board wants to re-bid. Environmental Commission Chairman Kreuzer asked the Board to continue going with a vendor that offers a 100% green alternative. Mr. David Hoover of NIMEC recommended either re-bidding now or in 2 months when Com Ed posts their new rates.

Assistant Manager Stonitsch clarified that the new plans do not have opt out clauses and the Board needs to be vigilant about the duration. Manager Franz added that opting out is important to the Board for flexibility, like we have currently.

Mr. Hoover stated there is a premium for 100% renewable. Com Ed is currently at 9%.

Trustee O’Shea asked if a resident can individually opt in and opt out. Chairman Kreuzer responded that an individual cannot negotiate like a municipality can; I do not think that is possible. Chairman Kreuzer added that the opportunity with the rates present itself now and the Board should look at 100% green since he thinks our residents care. Additionally there may be awards presented by the EPA. These awards may include signs which can be good for potential new business and residents. There are tangible benefits to staying green.

Trustee O’Shea stated that green does not actually mean green; green refers to emissions credits. Mr. Hoover clarifies that it subsidizes green power elsewhere.

Trustee Burket stated he could go either way; Trustee O’Shea stated there is no reason to do anything til May but we do not want to give up the opt out clause for this small amount of savings; and Trustee Elliott stated he is not in favor of change now – we should go back to Workshop in June after the new Board is seated.

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The Board will discuss again when the new Com Ed rates are published.

Adjournment:

At 8:25 p.m. a motion was made by Trustee Burket and seconded by Trustee Clark to adjourn. Motion carried.

Respectfully submitted,

Catherine Galvin,
Village Clerk