

Mayor Pro Tem Lee called the special meeting to order at 6:05 p.m.

Roll Call: Aldermen Don Bormann, James Lee, Don Rodgers, and Andrea Vollrath answered roll call.

Absent: Aldermen Landon Magley, David Wilkins

Also present were City Administrator Matt Harline, David Lawrence with the Centralia Fireside Guard

**Pledge of Allegiance:**

Mayor Pro Tem Lee led everyone in the pledge of allegiance.

**COMMENTS FROM CITIZENS:**

The Comments from Citizens portion of the meeting was opened at 6:06 p.m. by Mayor Grenke.

Hearing no comments, the Comments from Citizens portion of the meeting was closed at 6:06 p.m. by Mayor Grenke.

**ACTION AGENDA:**

**Finance: None**

**Permits & Licensing: None**

**Legal:**

**ORDINANCE: Authorizing the Mayor of the City of Centralia, Missouri to enter into a Full-requirements Purchase Power Agreement with NextEra Energy Power Marketing, LLC of Juno Beach, FL**

Harline called Bob Harbour, consultant, on the phone. Harline explained that the amended ordinance would authorize mayor to execute an agreement with NextEra. NextEra offered the lowest price for energy, and is still the lowest price. He said we have gotten a lower bid from another vendor, but that bid requires the City to take that bid with their own capacity price which is higher than the capacity price we can get elsewhere. Harline recommended the Board approve this ordinance to allow the Mayor to execute this contract unless we get a better deal by the end of this week.

Harbour (on the telephone) stated that the price of wholesale electric power follows the price of natural gas on the market and the price changes every day. Suppliers are not inclined to give a price and keep it that way for several days. He explained that the cost information we receive is only good for the day it is quoted. He said he has talked to the other three cities and attorneys and they are all trying to get a decision ready for May 2<sup>nd</sup>. Marceline has done what Matt proposed; if NextEra's price is the best and the City Attorney is in agreement then the Mayor may sign that deal. If there's another contract that everyone is satisfied with and the price is better, then mayor has authority to sign that contract.

Lee questioned what the current contract price was for energy. Harbour said it is \$41.69 per MWH, which includes capacity plus energy. The capacity price was low and energy price was higher, but now the energy price is the lowest he's seen in many years. Overall, the price of energy and capacity together is about what the City is paying now.

Harline said that if the market price were to go up, the Board would have to approve a new ordinance for NextEra on Monday, May 2<sup>nd</sup>, but if it doesn't go up we can just sign the contract.

Harbour said that the price being offered by both is for all four participants to do the contract, and some of the cities have a better load factor than others and makes a difference for that particular City. It's better to have everyone together. Harline said the other cities are California, Kahoka and Marceline

Alderman Vollrath presented a bill marked and designated as bill no. 2804 to create an ordinance entitled "AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO ENTER INTO AN ELECTRIC SERVICE FULL-REQUIREMENTS AGREEMENT WITH NEXTERA ENERGY POWER

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MARKETING, LLC OF JUNO BEACH, FL STARTING JUNE 1, 2017 AND ENDING MAY 31, 2020.” Alderman Vollrath moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Bormann and motion carried unanimously. The bill was then read by title only. Alderman Vollrath moved the bill be placed on its second reading. Motion was seconded by Alderman Bormann and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Vollrath moved the final passage of the bill. Alderman Bormann seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Rodgers, and Vollrath. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2853.

**Purchasing: None**

**AS MAY ARISE**

Harline thanked Harbour for joining in the meeting, and Harbour thanked everyone for moving forward with the ordinance.

Harline said there was a sewer issue for lining a sewer line and Insituform had to do some work. To keep the price low they went ahead and authorized them to do the work we'd budgeted. The cost came in higher than what was budgeted, so will need to approve the amount after the fact.

Bormann questioned what they found. Harline said that for the City everything was fine. The fix that Hubbell put in to prepare them for the lining had to be redone because it wasn't quite right. In order to not incur additional expenses the City went ahead and got our work done at the same time. Harline said the City will probably bid the work out next year.

There being no further business to discuss, Alderman Vollrath made the motion to adjourn. Alderman Bormann seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

The meeting was adjourned at 6:21 p.m.



Heather Russell, City Clerk