<u>VILLAGE OF SHERMAN</u> MINUTES OF THE SPECIAL BOARD MEETING

Wednesday, October 28th, 2020 at 6:00pm

Mayor Meeder welcomed everyone and opened the special meeting with the pledge of allegiance. Board members Colleen Meeder, Isaac Gratto, Donna Higginbotham, and Kirk Ayers, Clerk-Treasurer Jeanette Ramm, and residents Gary Emory and Jim Mayshark were in attendance. Trustee Ryan Sanders sent his apologies.

SPECIAL BOARD MEETING:

The mayor updated the board about the Lutgen land purchase of an approximate 38-acre portion of parcel #328.00-1-10. This portion is adjacent to the Crump property, south of Route 430, and will include the mineral rights. The land purchase agreement specifies that the sale is contingent on the successful approval by National Grid of the solar lease with Solar Liberty. During questions and discussion of how this will affect our cash flow, the mayor reminded everyone that this property will eventually be bonded and paid for by the solar lease. Until then, we expect to receive \$216,000 on December 12th from the USDA for the street's equipment, and around \$50,000 from the sale of our old street's equipment (above the loan balance due). The sewer short-term financing will close in December and we will receive our reimbursement of \$33,350 from the Swan property purchase. We will also receive upward of \$80,000 from the EFC for what we have already paid out toward the Water Capital Project. We are temporarily using our cash while we wait for National Grid to do the CESIR (Coordinated Electric System Interconnection Review), which could take up to 12 weeks. Once this is approved, we would bond both properties for 5 years, which will be paid for by the solar lease. All the lease income after the bond is paid off will be used to service Village debt for water, sewer, and stormwater.

RES 2020-10-28.1: SOLAR LAND PURCHASE AGREEMENT

Motion to approve the Land Purchase Agreement with Ronald Lutgen for \$130,000; and authorize the Mayor to sign all related documents.

Moved by Trustee Gratto Seconded by Trustee Ayers

Ayes: 4 Nays: 0 Carried

RES 2020-10-28.2: TRUSTEE / DEPUTY MAYOR RESIGNATION

Motion to accept the resignation of Isaac Gratto as Trustee and Deputy Mayor of the Village of Sherman, effective October 31st, 2020.

Moved by Trustee Higginbotham Seconded by Trustee Ayers

Ayes: 3 Nays: 0 (Gratto Abstained) Carried

RES 2020-10-28.3: TRUSTEE APPOINTMENT

Motion to accept the appointment of Dennis Watson as Village Trustee, effective November 1st, 2020. (This appointment is to fill the vacancy until the 2021 November election).

Moved by Trustee Ayers Seconded by Trustee Higginbotham

Ayes: 4 Nays: 0 Carried

PUBLIC PARTICIPATION:

Jim Mayshark was interested in the Village's solar objectives. Mayor Meeder explained that National Grid is studying the Crump property to see if it is feasible to have a solar array on it. With the property so close to the substation, our engineers are confident that it will be feasible. Once we had started the process, Ronald Lutgen was interested in selling his land to us as well, which is what was voted on this evening. We have agreed that if National Grid gives full solar approval of the site, we will purchase that land as well. But at this time, we still do not even know if the first array has approval. We expected to know by now, but the process keeps getting extended. We already have solar at the Wastewater Treatment Plant (WWTP), but the property is very small and tight, which is why we first approached the Crump/Swan property owners regarding their land. We needed more land (adjacent to the WWTP) for the sewer plant expansion. Since we had to purchase the entire Crump property, we started looking into options for the extra land. This would be a 20-acre community solar array, which means that everyone benefits from it. The first array would bring in enough to cover the cost of the WWTP's annual utility bill, roughly \$20,000 p.a. There will also be community credit or PILOT programs (payment in lieu of taxes) which the solar company will negotiate through the CC-IDA. Because it is a community solar array, we will also negotiate for immediate discounts for residential and commercial (demand use meters) accounts in Sherman. We are hoping for as much as 10% off both the demand and supply portions. The meeting today is about the contract between the Village and Mr. Lutgen, contingent on the solar approval. The next meeting will look at the option-to-lease agreement between the Village and the solar company, allowing them to put the panels on our land. Then there will be another contract with a third-party who will organize everything. This is the group we will negotiate for the community credits and/or PILOT program. Anyone can be a part of this as long as they have a National Grid account. We are hoping the two arrays will increase the rate of savings and extend over the greater Sherman area, but we won't know this until the negotiations are held with the third party. This is a community solar array, which is different to what Ripley is doing.

Mayor Meeder also told board members that the EFC had adjusted and returned our Sewer Project paperwork to include the CDBG study grant of \$50,000 into the \$6,2million project. It should not have been included and has altered some of the grant award amounts. The study grant was done in the previous year to see if we needed the sewer upgrades and how much it would cost. It was not part of the actual project. With it now being included in the project under the EFC's terms, it reflects as project grant money already received, lowering the actual project's grant award. Our bond counsel and advisors believe it will wash out in the end, and an amendment could be made to correct all amounts toward the conclusion of the project.

Motion to adjourn the meeting at 6:42pm.

Moved by Trustee Gratto Seconded by Trustee Ayers

Ayes: 4 Nays: 0 Carried

Respectfully submitted Jeanette Ramm Clerk-Treasurer

Next Meeting: Wednesday, November 4th at 6pm

Solar Option to Lease Agreement