

**Finance Committee**

**November 25, 2024**

**6:00pm - City Hall Council Chambers**

**Chairman Ptak called the Meeting to order at 6:00 pm**

**ROLL CALL**

**Present:** Alderman Bacidore, Thompson, Reynolds, Lavieri, Jeppson, Herndon (arrived at 5:50 p.m.), Crane

**Absent:** Chairman Ptak

**Others Present:** Deputy Clerk Brent Bader, Economic Development Director Curt Bedei, Fire Chief Jerry Janick, City Treasurer Virginia Kochanowski, City Attorney James McPhedran

A quorum was present.

Moved by Alderman Thompson and seconded by Alderman Jeppson to appoint Alderman Lavieri as Pro-Tem Chairman

Voice vote, all ayes. Motion carried.

**ROLL CALL**

**Present:** Pro-Tem Chairman Lavieri, Alderman Bacidore, Thompson, Reynolds, Jeppson, Herndon, Crane

**Absent:** Chairman Ptak

Moved by Alderman Reynolds and seconded by Alderman Thompson to approve the minutes from November 12, 2024.

Voice vote, all ayes. Motion carried.

Nathan McCarthy, CEO of Solar on Earth, addressed the Committee regarding a community solar project the City can partner with their group on. The community solar projects are around 15-30 acres, and this program is about the City participating in the program and benefit from the credits going into the electric grid and onto the City's electric bill. Mr. McCarthy stated when a community solar project is built the state requires utilities to indirectly take some of the money from the rate payers, those that

pay a power bill, and direct into solar projects in Illinois. The State requires dollars produced do not go back to the utility but instead have to be distributed back to rate payers.

Alderman T. Boo Herndon joined the meeting at 5:50 p.m.

Solar On Earth is contacting schools, hospitals and municipalities to offer those dollars on a first come first serve basis. The state gives an incentive to parse those out and that is what the district would receive such as 20% guaranteed discount off of the supply transmission charges and off of all the City's Ameren electric bills. Other benefits he stated would be such as removing 7.7 million pounds of CO2 a year.

Alderman Lavieri asked what that was based on. McCarthy said every kilowatt hour you get from solar you're reducing 1.6 pounds of CO2 per kilowatt hour. He detailed the history of these programs and said the City could see those credits by September 2025. He said those credits would be deducted from the energy bills based on the kilowatt hours generated from the solar farm. Mr. McCarthy calculated, based on the City's Ameren bills, the City would save \$79,942.34 per year, or a 20% discount. He also discussed the environmental benefits and how the City can advertise with door stickers that they are part of the program.

Alderman Lavieri asked if this was only for municipal buildings, which was confirmed. Mr. McCarthy gave the Committee an overview of his company's history and said a residential version of this program from the state will come soon as well. He said the City has access to this over other parties by "luck of the draw" and someone reached out to La Salle before others. Alderman Jeppson asked if the credits are state issued, and not federal, which was confirmed. He also asked how we know if the credits will be good in future years, and Mr. McCarthy said they have a 20-year agreement with Ameren. Alderman Crane asked if there is any upfront cost and there is not as they legally cannot be any. He also said there is not responsibility on behalf of the City. He said they probably have a 25-year land lease with the landowner with two five-year extensions, but if they only have a 20-year agreement with Ameren it would be a risk for the company if they don't have a confirmed contract afterward. Alderman Crane asked a few more questions regarding the technical details of solar panels and the company's agreements with landowners. Mr. McCarthy did say he does not currently know where this particular solar project would be located but it would be in Illinois and in Ameren's region. Alderman Crane asked if the City had land available, could they negotiate for a lease with Solar on Earth and Mr. McCarthy said they could depend on the lottery system in the state of Illinois.

Alderman Thompson asked if the company started with federal money from the Obama Administration and was told it did not. Mr. McCarthy spoke about his prior business

experience and the origins of the company and how he is the sole owner now. Alderman Thompson asked if the amount saved will always be 20% and was told it would always be 20%. Alderman Thompson asked if his company van is electric, and it was not but he has solar on the back. Alderman Lavieri asked Attorney McPhedran about the proposal. He said there is risk/reward in everything, but this program offers 20% savings while others are 10-15%. He said there is no upfront cost but a potential savings of 20%. He said he had some concerns legally with the agreement which were addressed, including 10-year flat with no chance for an out to a six-month out if we want subject that they need time to locate another person. He also discussed how the confidentiality portion is coming out as the City operates transparently and has to as a government entity. Attorney McPhedran said it was asked why the program couldn't be delayed, and was told that it could be, but they could not commit that the savings would remain the same. He also discussed that it isn't as if they are providing the electricity, per say, that if there are issues the City is not without power but goes back to the original program without the savings. He further discussed other considerations he has made regarding the proposal. Alderman Thompson asked who reached out to who, Todd Erickson reached out to the City through Finance Director John Duncan. Mayor Grove asked if anyone has asked to get out of the program, Mr. McCarthy said it would be for a small issue and the one he was familiar with was when someone opted out accidentally following a death.

Alderman Crane said he would like to move forward with a negotiation of a land lease with the company. Attorney McPhedran clarified that the item up for recommendation tonight is to authorize the Mayor and Finance Director to move forward with an agreement with Solar on Earth. Alderman Jeppson said it's a "no-brainer" for the potential savings and he looks forward to seeing it available for residential.

Moved by Alderman Jeppson and seconded by Alderman Crane to accept the recommendation regarding an Illinois Community Solar Subscription Agreement between the City of La Salle, Illinois and SunCentral LLC represented by Solar on Earth, Inc.

## **ROLL CALL**

**AYES:** Pro-Tem Chairman Lavieri, Aldermen Bacidore, Thompson, Reynolds, Jeppson, Herndon

**NAYS:** NONE      **Absent:** NONE      **Abstain:** NONE

## **MOTION CARRIED: 7-0**

Moved by Alderman Reynolds and seconded by Alderman Jeppson to accept the recommendation regarding renewal of annual membership with North Central Illinois Council of Governments' Economic Development District at a cost of \$3,000.

## **ROLL CALL**

**AYES:** Pro-Tem Chairman Lavieri, Aldermen Bacidore, Thompson, Reynolds, Jeppson, Herndon, Crane

**NAYS:** NONE

**Absent:** NONE

**Abstain:** NONE

**MOTION CARRIED: 7-0**

Pro-Tem Chairman Lavieri said Finance Director John Duncan is proposing a 4.3% increase in the levy which does not require a public hearing. Deputy Clerk Bader told the Committee this is only available for their review over the next two weeks and will be formally approved at the next meeting. Those with questions are encouraged to speak with him prior to the next meeting.

**OLD BUSINESS**

Pro-Tem Chairman said the street sweeper is now scheduled for delivery the second week in December as they are still working on the camera system.

**NEW BUSINESS**

There was no new business.

**COMMENTS**

La Salle resident Dawn Hicks asked how the solar panels will work if they are covered in concrete powder. Pro-Tem Lavieri said they may not be located in La Salle.

Moved by Alderman Reynolds and seconded by Alderman Thompson to adjourn the meeting.

Voice vote, all ayes. Motion carried.

Chairman Ptak adjourned the meeting at 6:35 p.m.

A handwritten signature in black ink that reads "Amy Quinn". The signature is written in a cursive, flowing style.

Amy Quinn, City Clerk

/prepared by Deputy Clerk Brent Bader