

Commissioners' Journal
March 29, 2016

The Geauga County Board of Commissioners met for a work session on March 29, 2016 at 10:30 a.m. in the Commissioners' Chambers located at 470 Center Street in Chardon, Ohio.

It is declared and determined that all formal actions of the Board of County Commissioners concerning and relating to the adoption of all resolutions that were adopted in this meeting, and that all deliberations of the Board of County Commissioners that resulted in such formal action were open to the public and were in compliance with all legal requirements, including section 121.22 of the Ohio Revised Code.

The President of the Board, Walter M. Claypool opened the meeting at 11:12 a.m.

The following people were present for today's work session:

Commissioner Walter M. Claypool, Commissioner Blake A. Rear, County Administrator David Lair, Commissioners' Clerk Christine Blair, Director Glen Vernick, County Commissioners Association of Ohio (CCAO) Executive Director, Suzanne Dulaney, Esq., Managing Director of Operations, Keith Blosser, Esq., Palmer Energy Vice President Kirk Mizerek, and Account Representative Bob Snavelly.

Ms. Dulaney provided the Board with some updates from CCAO that included a Legislative Reception on April 13, 2016, and the Opiate Epidemic Symposium to discuss strategies and solutions on May 2, 2016 that will include specialty training sessions and discussions on child protective services and prevention. Ms. Dulaney noted that on May 3, 2016 there is also an Opiate Conference that judges will be attending.

Ms. Dulaney explained that they were working on a program in regards to the purchase of election equipment, that will cost \$100 million plus statewide and needs to be done before the 2020 Presidential Election. There was discussion in regards to the difference in the programs being offered to assist with the purchases, that there is also one for the Electronic Poll Books.

Ms. Dulaney introduced Keith Blosser who assists with the Service Corp Programs, which includes all the ways the CCAO Board wants us to leverage purchasing programs as a way to save the Counties money. Today we want to talk about our Energy program. Kirk Mizerek, one of the owners of Palmer Energy and Bob Snavelly, Palmer Account representative for 18 counties in Ohio introduced themselves. Mr. Mizerek explained that last year Geauga County chose to participate in the CCAO electricity program, and we have gone out to RFP several times and to date we haven't been able to execute an agreement with the suppliers to this point, as there has been a disconnect with getting the agreements approved by the Prosecutor. Mr. Mizerek stated that we have a current offer that could save the county approximately \$6,000.00 a month. Mr. Mizerek noted that a meeting has been set up for this afternoon to go over the agreements with the Prosecutor, and while he agrees that some of the requested changes are realistic, however regarding some of the issues raised, he has to agree with the supplier, adding that there are many other counties that have already signed on to the program. At this point, we need to get several agreements approved by the Prosecutor and then we have an RFP refresh date and then the agreement will need to be signed that day. It was noted that the Board had previously approved the County Administrator to execute the agreement on the date of the refresh.

Commissioner Claypool asked for an explanation of the relationship between Palmer Energy and the CCAO, to which Ms. Dulaney stated that there is a Service Corp Board of Directors that consists of 35 counties and they asked us to create an energy purchasing program, which included finding a consultant that was an independent with the expertise to assist with the RFP process. There are 60 counties in the electric and gas program, and 28 in the aggregation program. A discussion was held regarding the energy committee, who made up that committee and who participates, along with the reports that are provided, and the changes they have seen since 2009 when they started the program. Mr. Mizerek stated that he only makes recommendations to you, the county, based on how the RFP is returned. Electric is different and larger bid packages are done together.

Commissioner Rear inquired about the length of the contract, and what can be done. Mr. Mizerek stated that currently its three years, and he doesn't recommend doing less than that, due to commodity prices, adding that market conditions can change, and that gas is different. It was discussed that the County has agreed to participate in the program, and they have gone out to RFP several times and just have not been able to get an agreement with a supplier executed, and

Commissioners' Journal
March 29, 2016

we need to either reach an agreement with the Prosecutor or stop going to RFP, because it doesn't look good on the market side, and suppliers will not take us seriously. Mr. Vernick stated that we have two agreements currently that we will be reviewing with the Assistant County Prosecutor this afternoon. Mr. Mizerek noted that the sticking point with the Prosecutor appears to be the ability for the County to walk away at any time, and suppliers won't do that, because they are giving you a price for a period of time, and while they are expected to uphold that rate, Geauga County needs to agree to accept that rate for that period of time.

There was discussion regarding the de-regulation of power and the 'shuffling of paper' when it comes to who is producing and who is selling the power supply. Mr. Mizerek explained how they go out and competitively bid the process through third party to get the best rate. Mr. Claypool inquired about the harm of the termination clause, to which Mr. Mizerek added that you can get out but you are required to pay the requirement of the full term of the agreement. Mr. Lair explained that he would come back to the Board and explain the issues that the Prosecutor has with the contract. Mr. Vernick stated that there are approximately 13 buildings throughout the county that would be included. There was discussion in regards to how the contract is laid out, and the history of usage for the pricing that would come back in the RFP. Until the Board is serious about entering into the contract, he will not go back out for RFP, once an agreement can be made with the contract, we do the RFP, get the refresh date and move forward with the program. Mr. Mizerek expressed again that he would not recommend doing less than three years, and while going longer would be awesome but the vendors won't do it, but, doing just a one year term is not recommended.

Local resident Jim McNeal inquired how a citizen of the County gets signed up for this deal, to which Ms. Dulaney explained that an apples to apples comparison for individuals is much different than that of a program for facilities. Ms. Dulaney stated that a government aggregation requires a vote, but the PUCO has an apple to apple program for individuals. Mr. Claypool expressed that the stated rate that the county will pay to a supplier will be a set amount and he hopes to see a savings. Mr. Rear noted that the county will be spending tax payers' dollars, but as costs go up and we can see a savings, the Board will then not have to go back to the taxpayers for additional funding. Mr. Claypool added that it's a purchase contract on how to get smart in purchasing the power we use. Discussion continued about the programs that are available through Townships, citing NOPEC as a program that is out there. The rate that will be charged to the County is going to be much less then the rate paid by the consumer; however the major difference is the amount of usage the County will be using versus the amount a home owner uses.

BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD

Motion: by Commissioner Rear, seconded by Commissioner Claypool to adjourn the meeting at 12:14 p.m.

Geauga County Board of Commissioners

Walter M. Claypool

Ralph Spidalieri

Blake A. Rear

Christine Blair, Commissioners' Clerk

Commissioners' Journal
March 29, 2016

THIS PAGE INTENTIONALLY LEFT BLANK