

City of Fontanelle
December 23, 2014

The Fontanelle City Council met in special session at 7 p.m. with Mayor Jensen calling the meeting to order. Council members present were: Shafer, Warrior, Dukes, Sickles, and Reed. Absent: none. All motions are carried unanimously unless otherwise noted. Also present: Jerry and Marlene Davis, David Sickles, Wayne Miller, Randy Caviness, Matt Woods, and Paul Bachman.

Motion by Reed to approve agenda as presented, 2nd by Sickles. Approved.

Randy Caviness this to ask for approval to build another wind turbine beside Fontanelle's substation. Randy is under severe time constraints due to needing to start the project before the end of the year to qualify for state tax credits. All of the electricity from this turbine will be purchased by CIPCO. Randy would like to place the turbine next to the substation so they can use Fontanelle's transformer and wires. Fontanelle would be compensated for this service, which is called "wheeling." Paul Bachman from DGR Engineering addressed the council regarding costs of the project to Fontanelle. CIPCO is requiring the city to upgrade our substation from 34.5 KVA to 69 KVA within the next 2 to 5 years. We have already started with the upgrades in 2014 to spread the costs out. We will have to purchase a new transformer for the 69 KVA, which Paul is estimating will cost between \$250,000.00 and \$300,000.00. If the council approves the wind turbine project, we will need to upgrade the transformer as soon as possible and it will cost approximately \$50,000.00 more. The additional cost is due to needing a dual transformer able to handle both 34.5 KVA and 69 KVA. It takes between 6 and 9 months from ordering before a new transformer can be set. Randy stated the wind turbine group will be responsible for the additional transformer expense, and any other expenses the city experiences due to the turbine. If the turbine is up and is running before the transformer can be placed, the turbine will have to curtail output. Paul stated the engineering and installation expenses should be much less than the last project. The contract between Forward Fontanelle and the City of Fontanelle will also have to be amended. Motion by Warrior to approve the wind turbine project pending legal approval, 2nd by Sickles. Approved. Paul will get started on obtaining price quotes for transformers as soon as possible. Paul and Clint Hight, city attorney, will also work on wheeling contract.

Motion to adjourn the meeting at 8 p.m. by Reed. 2nd by Shafer. Approved.

Attest: Susan Newton, City Clerk
