

**VILLAGE OF YELLOW SPRINGS
RESOLUTION #2007-20**

**Resolution pertaining to AMP-Ohio Contract No. C-9-2006-5282
AUTHORIZING THE EXECUTION OF A HYDRO DEVELOPMENTAL COST
SHARING AGREEMENT BY THE VILLAGE OF YELLOW SPRINGS WITH
AMERICAN MUNICIPAL POWER-OHIO, INC.**

WHEREAS, the Village of Yellow Springs (hereinafter “Municipality”) owns and operates an electric utility system for the benefit of the Municipality, its citizens and taxpayers; and

WHEREAS, by working jointly with American Municipal Power-Ohio, Inc. (hereinafter “Amp-Ohio”) and the other municipalities which are members of AMP-Ohio, the Municipality can supply its electric utility consumers with reliable service at reasonable rates; and

WHEREAS, a need has been identified for an environmentally sound, reasonably priced and reliable long term power source for the municipality’s electric utility consumers; and

WHEREAS, a number of licenses for the construction and operation of several regional hydro-Electric facilities at existing dams may be available to AMP-Ohio or its members via purchase, application to the FERC or other cooperative arrangements; and

WHEREAS, AMP-Ohio desires to provide Municipality with the opportunity to participate in the development of new regional hydroelectric facilities, primarily located on the Ohio River, utilizing conventional as well as newer technologies, in order to provide the Municipality’s electric utility consumers this reasonably priced, environmentally sound and reliable source of long term power; and

WHEREAS, AMP-Ohio anticipates that no less than 30,000 kilowatts (kW), and potentially 250,000 kW of hydroelectric capacity may be available; and

WHEREAS, it is necessary for the Municipality to enter into a contract (Agreement) with AMP-Ohio to provide for preconstruction development funding to allow for analyzing the technical, permitting, and economic aspects of the potential new hydroelectric projects (hereinafter the “Hydro Projects”) and determine if the Municipality, in conjunction with AMP-Ohio and other participating municipalities, should proceed to construct, own and operate one or more new Hydro Projects; and

WHEREAS, under the terms of the Agreement, AMP-Ohio will report the results of the developmental studies to the Municipality prior to the Municipality committing to proceed with construction of one or more Hydro Projects if and only if in the Municipality’s sole discretion it determines to do so; and

WHEREAS, Municipality desires to obtain, pursuant to the Agreement, rights to an amount of up to a nominal 800 kW of capacity of the Hydro Projects on the same terms and conditions as the other participating municipalities; and

WHEREAS, it is necessary for the Municipality to commit itself to pay, pursuant to the Agreement a *pro rata* share of the development costs of the Hydro Projects in proportion to the kW of capacity from the Hydro Projects that Municipality chooses to reserve to the total kW

reserved by all participating municipalities, such commitment limited, however to a financial obligation of no more than \$32.84 per kW reserved.

NOW, THEREFORE, THE COUNCIL FOR THE VILLAGE OF YELLOW SPRINGS, OHIO HEREBY RESOLVES THAT:

Section 1. The form of the Hydro Projects Developmental Cost Sharing Agreement [attached hereto/on file with the Clerk] as Exhibit 1 is hereby approved, subject to and with any and all changes therein as hereinafter provided.

Section 2. The Village Manager is hereby authorized to execute a Hydro Developmental Cost Sharing Agreement substantially in the for of Exhibit 1 for up to a nominal amount of 800 kW, with the cost to the Municipality capped at \$32.84 per kW which cannot be exceeded without further action of this Council.

Section 3. The authorization contained herein shall not obligate the Municipality to incur any liability for the actual construction of any Hydro Project without further action of this Council.

Section 4. This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Resolution, to the extent required to be, were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal action were in compliance with the Law.

Section 5. This Resolution shall be effective at the earliest time permitted by law.

Karen Wintrow, Vice President

Passed: July 16, 2007

Attest: _____
Deborah Benning, Clerk

ROLL CALL

Karen Wintrow __Y__ Bruce Rickenbach __Y__ Kathryn Chase __Y__

Judith Hempfling __Y__ Kathryn Van der Heiden __Y__

#2007-20 Resolution re: Agreement Between the Village of Yellow Springs and the American Municipal Power-Ohio re: Hydro Development Cost Sharing Agreement.

I, the undersigned, Deborah Benning, Clerk of Council for the Village of Yellow Springs, Ohio, hereby certify that the foregoing is a true and correct copy of Resolution #2007-20 adopted by said Council on the 16th day of July 2007.

Deborah Benning, Clerk of Council