Crossett city council met in special session June 24, 2019 at 4:30 p.m. at the Crossett Economic Development Foundation.

Present: Mayor McCormick, City Attorney James Hamilton

Council Members: Marshall, Knight, Martinie, Rodgers, Foster

Absent: Clerk/Treasurer Walthall, Councilman Carter

Also present: Sam Selig, Entegrity Representative

Mayor McCormick called the meeting to order. He announced that the purpose of this meeting is to discuss proposal from Entegrity concerning energy savings. Mayor McCormick then turned the floor over to Entegrity representative Sam Selig.

Mr. Selig presented a revised plan with two different options. The first option would be to replace all lights to LED lighting at 15 different sites. This would include replacing all light poles owned by the city. This is projected to save an estimated 248,677 kWh, energy savings of $23,624, maintenance savings of $3,710, and HVAC savings of $1,913 over the life of the project. The total cost of project is an estimated $93,864.10. Project savings are estimated to pay off the project cost in 2.3 years.

The second proposal was for Entegrity to build a solar plant on city site and sell electricity to the city at reduced price. Entegrity would build a 330W-390W structure. They could supply approximately 95% of the city’s electricity. The city would pay around .07 cents per kWh compared to Entergy .09 cents per hour. The city would have the option to purchase the solar plant at fair market value at the end of the contract agreement. Both of these plans are attached to these minutes.

Councilwoman Marshall expressed concerns about the recent announcement from Georgia-Pacific and the Census 2020 due to loss of population. She asked if it was wise to invest in this project not having any idea of what the future holds.

Councilwoman Rodgers reiterated that the city has cut some things approved for the budget due to the announcement and all council realizes that more may be cut in the future. She feels that the city should be in a conservative mode until we see how hard the city’s economy will be hit by these things.

Mr. Selig explained that option 2 shows no risk for the city. Entegrity will build the solar plant and supply electricity to the city at a lower rate. The only risk the city would have is if Entergy prices dropped lower than those on Entegrity.

Councilman Martinie expressed concerns over committing to this project with our unknown future. He also asked what other cities may be participating in the program. Mr. Selig named Little Rock Water Source, City of Helena, and Arkansas Department of Corrections are participating in some of these programs. Other cities and school districts are considering options.

Motion by Councilwoman Rodgers, seconded by Councilman Knight to pay the audit fees agreed upon at the beginning of this study and table the discussion until a future date. Roll call vote. All vote yes. Motion passed.

Mayor McCormick presented a letter from Arkansas Natural Resources Commission setting anticipated terms of a $7 million-dollar loan from Clean Water State Revolving Loan Program. It explained that no rate increase would be necessary to secure this loan. The term will be 30 years with a combined rate of 3% per annum.

Motion by Councilwoman Rodgers, seconded by Councilwoman Marshall to send letter to ANRC accepting the terms of this loan. Roll call vote. All vote yes. Motion passed.

With no further discussion or comments, the meeting was adjourned.

Jesse Walthall, Clerk/Treasurer Marshall S. McCormick/Mayor