



**THE VILLAGE OF HAWTHORN WOODS
SPECIAL VILLAGE BOARD MEETING
2 LAGOON DRIVE, HAWTHORN WOODS, ILLINOIS
NOVEMBER 27, 2012
7:00 P.M.**

MINUTES

I. CALL TO ORDER AND ROLL CALL

Mayor Mancino called the meeting to order at 7:05 p.m. Roll call indicated the following members were present: Mayor Mancino, Trustees Ponzio, Riess and DiMaggio. Absent were Trustees Morgan, Corrigan and David.

Also present were Chief Operating Officer Pamela Newton, Chief Administrative Officer and Village Clerk Donna Lobaito, and Chief Financial Officer Kristin Kazenas

II. PLEDGE OF ALLEGIANCE

III. PUBLIC HEARING ON THE ELECTRIC AGGREGATION PLAN OF OPERATIONS AND GOVERNANCE

Motion by DiMaggio, second by Riess to open the public hearing on the electric aggregation plan of operations and governance.

Roll call vote.

Ayes: Ponzio, Riess, DiMaggio and Mancino
Nays: None
Absent and not voting: Morgan, Corrigan and David
Motion carried and the public hearing was opened.

Mr. Larry Shover, NIMEC, commented that the residents of Hawthorn Woods gave the authority to move forward with electric aggregation pricing. He noted that aggregation is a way of getting better electric pricing by bundling many communities. He noted that NIMEC has done about 50% of the aggregation in the ComEd region.

Mr. Shover also noted that the Village controls the process, and that residents will not be charged a fee if they ever decide to opt out. He said there could be green options, and that there would be contract length options. NIMEC is paid by the supplier, and ComEd cannot make money off the sale of electricity, only on distribution. Once implemented, all service and maintenance calls will continue to be addressed through ComEd. Mr. Shover said residents will still receive their electric bills from ComEd with an added line item for energy.

Mr. Shover anticipates the savings on electric energy could be somewhere around 40% of the electric portion of the bill, or 28% on the entire bill.

The next steps were outlined. Passage of an ordinance authorizing electric aggregation; bidding the first week in December; the creation of bids by the suppliers; and then the implementation with the savings being realized by residents by March.

Every resident in Hawthorn Woods will receive a mailing on our letterhead giving them the opportunity to opt out. If they want to remain in the program, no action on the residents' part is needed. It was also noted that there will be no opt out penalty to go back to ComEd. Mayor Mancino noted that the no cost opt out/in feature is just one feature in the program and that each feature will be blended into the rate. He said that the Village will communicate with the residents.

IV. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Brian Ibbotson, 8 Lagoon Drive – Mr. Ibbotson asked who would take care of any electric problems. He was informed that ComEd will still be responsible for all maintenance operations.

Trustee Ponzio noted that the Village made a decision a year ago to study how electric aggregation worked in other communities, and in the meantime tested the program by purchasing electricity less expensively at the aquatic center. The Village realized a savings by doing so.

The Board discussed the fact that ComEd is only allowed to distribute electricity and that others produce it.

Lily Nieto, 2 Elm Street – Ms. Nieto asked how we can buy electricity cheaper than ComEd. Mayor Mancino explained that there would be no middleman. Mr. Shover stated that ComEd is presently locked into certain rates set by the Illinois Commerce Commission. These long-term contracts were created a few years ago, but will eventually expire. In the meantime, due to deregulation other companies are now in the business of selling electricity and can do so at a cheaper rate than ComEd. Ms. Nieto asked if the Village gets anything from this program. Mayor Mancino stated that the Village will not get any franchise fee from the implementation of this program. The Boards' position is that they want the entire savings to go to the residents.

Jeff Sabitt, 2 Fox Hunt Trail – Mr. Sabitt thanked the Village Board for pursuing this opportunity for the residents. He inquired about the timing of implementation and opting out features.

Gail Sabitt, 2 Fox Hunt Trail – Mrs. Sabitt expressed concern regarding power interruptions. Mr. Shover said that if there were to be any rolling brown outs, no matter where the power is coming from, the service adjustments would not be any faster or slower.

Sue Thompson, 101 Miller Road – Ms. Thompson asked why some residents would vote against this program. She also thanked the Board for addressing this issue. She asked if the savings would be seen on each monthly bill. Mr. Shover responded yes. He said that presently the kilowatt per hour rate in Hawthorn Woods is about 7.8; and could be as low as 4.5 after implementing the program.

Trustee Riess stated that there are three components to an electric bill: cost of electricity, distribution and taxes, and that it is in the area of the cost of electricity that the savings will be realized.

Beryl Ibbotson, 8 Lagoon Drive – Mrs. Ibbotson asked about potential scams regarding the electric aggregation program. Ms. Newton noted that the Village was made aware that there were several companies cold calling our residents informing them that they were the chosen company to serve Hawthorn Woods and were trying to get customers signed up. Ms. Newton said an official announcement of the program and vendor will be mailed to all residents on our letterhead once the bid process is complete, and cautioned our residents about these scams.

Motion by Riess, second by DiMaggio to close the public hearing.
Voice vote.

Voice vote.

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| Ayes: | 4 |
| Nays: | 0 |
| Absent and not voting: | 3 |

Motion carried and the public hearing was closed.

V. NEW BUSINESS

A. Consent Agenda

1. Approval of August 2012 Financial Statements
2. Approval of September 2012 Financial Statements
3. Approval of October 2012 Financial Statements
4. Approval of Budget Transfers

Motion by Riess, second by DiMaggio to approve the Consent Agenda as presented.

Roll call vote.

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| Ayes: | Ponzio, Riess, DiMaggio and Mancino |
| Nays: | None |
| Absent and not voting: | Morgan, Corrigan and David |

Motion carried.

B. Items for Separate Action

1. Approval of an Ordinance Authorizing Aggregation of Electrical Load and Adopting an Electric Aggregation Plan of Operation and Governance

Motion by DiMaggio, second by Riess to approve an Ordinance Authorizing Aggregation of Electrical Load and Adopting an Electric Aggregation Plan of Operation and Governance.

Roll call vote.

Ayes: Ponzio, Riess, DiMaggio and Mancino
Nays: None
Absent and not voting: Morgan, Corrigan and David
Motion carried.

2. Approval of a Resolution Authorizing the Execution of a Second Amendment to the Intergovernmental Agreement Between the Village of Hawthorn Woods and the Village of Mundelein – Building Services

Motion by Ponzio, second by DiMaggio to approve a Resolution Authorizing the Execution of a Second Amendment to the Intergovernmental Agreement Between the Village of Hawthorn Woods and the Village of Mundelein – Building Services.

Ms. Lobaito noted that this agreement reflects Mayor Mancino's request of staff to develop a two tiered pricing system for certain inspections for residents who engage in minor remodeling projects.

Roll call vote.

Ayes: Ponzio, Riess, DiMaggio and Mancino
Nays: None
Absent and not voting: Morgan, Corrigan and David
Motion carried.

VI. ADJOURNMENT

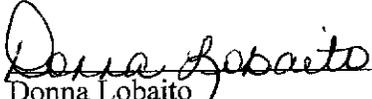
Motion by Riess, second by DiMaggio to close the Special Village Board meeting.

Voice vote.

Ayes: 4
Nays: 0
Absent and not voting: 3
Motion carried.

There being no further business, the meeting adjourned at 7:45PM.

Respectfully submitted,



Donna Lobaito
Village Clerk