

SPONSOR: Heath, E. Brown

ORDINANCE NO. 181-06

AN ORDINANCE AMENDING AND MODIFYING ORDINANCE NO. 40-06, AUTHORIZING THE CITY OF JACKSON, OHIO TO PAY AMERICAN ELECTRIC POWER FOR ANTICIPATED IMPROVEMENTS TO THEIR ELECTRIC SYSTEM FOR INTERCONNECTION OF THE CITY'S NEW 138KV VETERAN'S DRIVE SUBSTATION, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Jackson is in the process of establishing a new 138kV substation near Veteran's Drive; and

WHEREAS, in order to properly connect to the City's new substation it will be necessary for American Electric Power (AEP) to perform engineering and construction improvements to AEP's Lick Substation and transmission towers in the vicinity of AEP's Lick Substation; and

WHEREAS, the City of Jackson desires to compensate AEP for the engineering and improvements that will be made to allow the City's new substation to operate properly and efficiently; and

WHEREAS, this Council previously adopted and passed Ordinance No. 40-06, which authorized the payment to AEP for anticipated improvements, and the amount authorized in Ordinance No. 40-06 was for an estimated Ninety Thousand Nine Hundred and No/100 Dollars (\$90,900.00) for relaying and control improvements at the AEP Lick Substation, and to reimburse AEP an estimated Eighty Eight Thousand Five Hundred and No/100 Dollars (\$88,500.00) for improvements to transmission towers and lines that will be leased by the City of Jackson to serve the Veteran's Substation, for a total of One Hundred Seventy Nine Thousand Four Hundred and No/100 Dollars (\$179,400.00); and

WHEREAS, since the adoption of Ordinance No. 40-06 the anticipated cost of the reimbursement to AEP has increased to a total of Two Hundred One Thousand Six Hundred Fifty and No/100 Dollars (\$201,650.00), and it is necessary to modify the previous ordinance to reflect the increased anticipated cost of reimbursement.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JACKSON, STATE OF OHIO, as follows:

Section One. The Council of the City of Jackson, Ohio hereby agrees to compensate AEP for the engineering and construction costs it will incur in order to assist the City of Jackson in bringing the City's new substation into efficient and proper operation. The City of Jackson is hereby authorized to reimburse to AEP, upon the completion of AEP's anticipated perform engineering and construction improvements to

AEP's Lick Substation and transmission towers in the vicinity of AEP's Lick Substation, and for relaying and control improvements at the AEP Lick Substation, for a total anticipated reimbursement of Two Hundred One Thousand Six Hundred Fifty and No/100 Dollars (\$201,650.00). These amounts shall be paid from line item(s)

Section Two. This Ordinance is hereby declared to be an emergency Ordinance necessary for the immediate preservation of the public peace, health, or safety of the City of Jackson, in that it is necessary to enter into this lease agreement as soon as possible in order to reimburse AEP as quickly as possible as the market rates for the services are in a state of fluctuation, and it is therefore necessary to lock in the reimbursement rate to avoid any increases due to the volatility of the market. Therefore, this Ordinance shall go into effect upon passage and approval by the Mayor, as provided in Ohio Revised Code Section 731.30.

Section Three. In the event this Ordinance receives a majority vote for passage but fails to receive the required number of votes to pass as an emergency, then this Ordinance shall be deemed to have passed but with no emergency clause and shall take effect at the earliest time permitted by law.

Section Four. It is hereby found and determined that all formal actions of this Council relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that the deliberations of this Council that resulted in such formal actions, were in a meeting open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Date: July 24, 2006


PRESIDENT OF COUNCIL


CLERK OF COUNCIL

Approved:

MAYOR

Date: 7/31/06