ROLL CALL

Harry Baumgartner, Sr  Jerome Markley
Angie Dial  Keith Masterson
Jarrod Hahn  Mike Morrissey
Bill Horan  Tim Rohr
Richard Kolkman  John Schuhmacher
Finley Lane

Michael Lautzenheiser, Jr., Director

The December 8, 2011 meeting of the Area Plan Commission was called to order at 7:40 p.m. by President Bill Horan. Nine members were present for roll call, Angie Dial and Mike Morrissey were absent.

APPROVAL OF MINUTES:

Jarrod Hahn made a motion to approve the minutes from the December 1, 2011 meeting; John Schuhmacher seconded the motion, the motion carried 9-0.

OLD ITEMS:
Continued from last meeting

THESE WERE DISCUSSED TOGETHER

A11-12-27  CHESTER TWP & LIBERY TWP  Multiple Locations  Wells County Wind, LLC (APEX) requesting development plan approval for Phase 1 of a Large WECS project with a minimum of 111.6 MW consisting of 62 – 1.8 MW wind turbines. The multiple properties are zoned A-1.
A11-12-28  CHESTER TWP & NOTTINGHAM TWP  Multiple Locations  Wells County Wind, LLC (APEX) requesting development plan approval for Phase 2 of a Large WECS project with a minimum of 100.8 MW consisting of 56 – 1.8 MW wind turbines. The multiple properties are zoned A-1.

Bill Horan explained the WECS ordinance and development plans along with what the Board would and would not take into consideration when voting.

Kent Dougherty, development manager for the APEX Wind Energy for this project, and Rob Propes, development manager for APEX Wind Energy, were representing the petition. Mr. Dougherty explained what the company has done for the last two years of the project and the construction time line. Mr. Dougherty compared the benefit numbers of APEX to the numbers of Wind Capitol Group. He discussed a recent poll from March 2011, stating 77% of those polled supported Indiana SB-251, which calls for 10% of the electrical generation in Indiana comes from renewable resources by 2020.

Mr. Dougherty clarified questions asked at last meeting. He explained the economic development plan that was submitted to the county. He stated that over the course of 20 years, the project
would pay $18,528,000 to the county through property taxes and economic development payment. He also stated that this would reduce property taxes in Liberty, Chester and Nottingham Townships. He advised that $270,000 per year would go into the Southern Well School Capital Projects fund. Mr. Dougherty remarked that through independent studies on the effects of wind turbines to property value, it shows that wind farms have no potential impact on property values. He quoted property value levels from a 2010 study by University of Central Illinois. He then explained where the wind turbine sound comes from, on the tower itself, and how to reduce the sound. He advised that the model (map) presented came from the loudest turbine on the market for a worst case scenario. He discussed a 2009 sound study done by Canada on the low frequency sounds and ground vibrations caused by wind farms. Mr. Dougherty restated the project work done for the last two years. He explained the diversified energy used in the nation.

Marilyn Maddox comment that she has two wind turbines near her home and stated the time limit on speaking was unfair.

Trevor Craig, works for Indiana Michigan Power AEP, stated that if wind turbines were beneficial, that AEP would have them. He commented that wind cost more to produce than energy from other natural resources. He was concerned with the company selling out. He does not believe that the project is a great idea.

Kathy (Unidentified Last Name), Jackson Township resident, expressed concerns with the wind turbines actually working and questioned how long the turbines would have to produce electricity before they would pay for themselves.

Kent Dougherty stated that the life system of a turbine is 20 years and they generally pay for themselves in 7 to 11 years.

Dana Boxell, Jackson Township resident and 1st grade teacher at Southern Wells, voiced her concern about the effect the turbines would have financial on the next generation. She believes money is the only reason for this project.

Mr. Dougherty explained the subsidies for the wind project as PTC- Production Tax Credit. Credit is received when the turbines are producing energy. He explained the difference between other energy subsides.

Leon Gaiser questioned the cost for the total project, the cost to install a single unit, the amount of concrete used, the cost for dismantling a single unit and the salvage value per unit.

Mr. Dougherty stated that the total cost of the project is $600 million and the cost per turbine is between $1.5 and $2 million. There is 600 cubic yards of concrete used for the base and estimated cost to dismantle a turbine would be between $50,000 and $150,000. He stated that he does not have a salvage value because none have been dismantled. He assumes that it would go for whatever the current market value of steel, copper and other metals. Mr. Dougherty said that the concrete down to 4 feet would be removed and recycled.

Mr. Gaiser also questioned if the project were successful would more turbines be added.
Kent Dougherty explained that their interconnection agreement is for 300 megawatts. The project would have 210 or 212 megawatts.

Leon Gaiser asked the Board if any of the members or their family members have signed lease agreement with the wind companies.

All Board members present answered “No.”

Michael Lautzenheiser, Jr. explained that there was a study on the Board members done. He stated that Mike Morrissey recused himself for that reason.

Marilyn Maddox complained about the second meeting not being advertised. She also stated that other counties have sent letters to each of the citizens that would be affected by their wind project.

Mr. Lautzenheiser explained Indiana law on advertising public hearings. He explained that the Boards motion and vote from the December 1st meeting was posted in the newspaper and that acts as the public notice for the continued meeting. He also stated that the newspaper and TV coverage has kept the public informed.

Ms. Maddox quoted from the pre-amble to the ordinance. She commented on the height difference between a 1.5 megawatt turbine and a 1.8 megawatt turbine. She stated that there are documented negative health effects of living near wind farms. She addressed her concerns on decreased property value. Ms. Maddox believes that the wind project came in under the community’s radar and that secret agreements were made with the landowners. She also believes that some landowners were lied to by the company.

Mr. Dougherty commented on the sneaking into the county statement. He discussed multiple meetings that occurred during the last two years.

Lesley Gaskill, Harrison Township resident, stated that her daughter got a permit to build a new house and was not informed of a wind farm coming into the area. She expressed her concerns for the health of her family. She indicated that the general population did not realize what was occurring. Ms. Gaskill believes that this could cause arguments between neighbors and friends. She stated that only a few are going to get money from this project while most people are going to have to live with the bad esthetics. She feels that things need to be explained in layman’s terms.

Patrick Mannion, Montpelier resident, questioned who is responsible for turbine removal. He also questioned who is financially supporting the project.

Mr. Dougherty advised that the company would be responsible for any turbine removal and stated that their company is privately owned by investors.

Mr. Mannion also questioned the Board on what will be said if the project is approved and the community doesn’t like it.
Bill Horan stated that it could be a lose-lose situation.

Patrick Mannion then questioned the community on if they were in favor of the project. He stated that he was not concerned with the noise. He does not think they are esthetically pleasing. He advised that there needs to be other options for power when some natural resources are gone.

Chris Smith, Liberty township resident and Southern Wells School Board member, thinks the $600,000 to $900,000 per year paid to the school is a positive, but questions when they will start receiving that money.

Michael Lautzenheiser, Jr. explained that the information on the funds came from Umbaugh and Associates, an accounting firm. He stated that this firm was hired by the county and paid for by the wind company. He further explained the capital improvement fund for Southern Wells School. Mr. Lautzenheiser then described the 10 year tax abatement from the county council, which would start in 2015 with 0% of the taxes are paid and go to 2027 where 100% of the taxes are paid.

Mr. Smith expressed his concerns with the tax abatements. He likes that Wells County is trying to move forward, but this project doesn’t sound good and the numbers don’t look realistic.

Joan Null stated that she went to visit a DeKalb County, Illinois house that is surrounded by 146 wind turbines. She commented that there was a constant spinning motion that reflected on everything inside the house. She remarked that the proposed turbines are 70’ft taller than the ones in DeKalb County. Dekalb’s turbine setbacks are 1400’ft from houses. Ms. Null gave the back story of the family that owned the house that she visited. She expressed her concerns with the esthetics of the turbines, the sound they produce, the effects of shadow flicker and decreased property value.

Josh Daugherty, assistant chief of the Liberty Center fire department, questioned the income the fire department would receive, along with the training and expense for the training.

Kent Dougherty advised that the ordinance requires, before the development plan can take effect, an emergency response plan be in place. Any training that would be required would be paid for by the company.

Mr. Daugherty questioned when the emergency plan would be in place and when training could occur.

Mr. Dougherty stated that he was unsure and would get back with Mr. Daugherty.

Mr. Lautzenheiser clarified that there is no emergency plan in the ordinance, but has been discussed and could be a contingent on approval.

William Morris, Chester Township resident, provided quotes from field studies on noise and sound effects on homes. He gave copies of this study to the Board. He quoted from an American and Canadian sound and health study. He expressed his concern with low frequency noises. Mr. Morris does not believe the dBA scale is an accurate measurement of low noises. He stated that
more effects of low frequency may occur further away from the turbine due to the weight. He advised that all research was footnoted and will be submitted to the Board. Mr. Morris recommended an amendment to the WECS ordinance for a minimum setback from a residence of 2400'ft and that the dBC scale be used and that the maximum noise allowed be lowered to 40 decibels on the dBC scale.

Jarrod Hahn commented that he lives in the area and expressed his concerns about his family's health. He addressed the points that William Morris brought up at the previous meeting. He explained that after the last meeting he used a decibel meter, with both dBA and dBC scale on it, in Wells County and at the Ohio wind turbine farm. Mr. Hahn stated that he took a base reading in Wells County on the dBA scale, it read 41-42, and on the dBC scale, it read 60-61. He commented that he is unsure if those readings are good or bad. In the Ohio wind turbine farm, he said that he was about 100'ft from a tower and it was running. At that location, the dBA scale read 41-42 and the dBC scale read 63-64. Mr. Hahn reiterated his uncertainties on if the readings were good or bad. He stated that he also took a decibel reading in the truck (the radio and heat were both off) on the side of the road. The reading in the cab of the truck on the dBA scale was 49-50 and on the dBC scale was 71-72. Mr. Hahn commended Mr. Morris for bringing the low frequency noise concern up.

Mr. Hahn questioned if more noise would occur the longer the turbine was in operation. He also questioned if there was a regular maintenance test done on the turbines for noise levels.

Kent Dougherty stated that turbine manufacturers come out and certify each turbine so that the company is sure that there is not more sound coming out than should be. This certification is done by a third party engineer. He said that he does not believe that there is any additional sound produced as the turbines age. He advised that any whistling or high pitched sound would be an indication of a blade crack or a blade issue and would be fixed by maintenance. Mr. Dougherty stated that they do not have maintenance checks for noise.

Rob Propes stated that if there were ever a sound issue, once the project was operational, that the company would come out and address it. The company wants all of the turbines operating at peak efficiency.

Mr. Hahn questioned if annual noise testing could be done. He also questioned how often service maintenance of the turbines were done. He asked if a sound test could be done, at the time of service, on both the dBA and dBC scales.

Mr. Dougherty advised that there is general maintenance done on the turbines a minimum of every 6 months. He indicated that sound tests could be done at the time maintenance. He stated that the sound tests would be done by a third party engineer and the records could be provided to the Board.

Emmett Dollier, farmer in Jackson Township, inquired why his proposal at the last meeting, of wanting the county to vote on the project, could not occur.

Michael Lautzenheiser, Jr. explained that the issue was address at the beginning of this meeting and that a county vote cannot happen.
Mr. Dollier questioned the number of Board members that would be affected by the wind farm. He suggested more studies be done before a vote is case. He asked what would occur if the project went bankrupt. He commented on how bad the roads are in the Ohio wind turbine project area. Mr. Dollier questioned if Wells County homeowners would receive compensation for those that are inside the project area. He advised that the Ohio project was doing that. He questioned why this project has to be in this area of the county. He was adamant on having the community vote on the project.

Bill Horan advised that a straw poll could be done. He explained that a vote by the community could not be done. He also explained the function of the APC and its board members.

Emmett Dollier reiterated how bad the roads were in the Ohio project. He commented on another company that had done bonds for insurance and it failed. He does not believe that the Board has the ability to vote on a project of this size.

John Schuhmacher commented on the ordinance and stated that it was county wide.

Kristin Cochran, Wells County resident, believes in equal rights for farmers and homeowners. She quoted from a study that sited no significant devalue of property in a wind farm. She submitted copy of study to the Board. She contacted the County Zoning Administrator in Lee County, Illinois, which is the county adjacent to DeKalb County, Illinois. She stated that he told her that they have wind turbine farms that have been there for 12 years. She said that he told her that recently they are receiving more opposition. The Lee County Zoning Board of Appeals approved a home selling protection program. She submitted a copy of that report. Ms. Cochran quoted from a report from the Hammond Wind Advisory Committee from Hammond, New York about wind farms being industrial instillation in the community. She gave a copy of the report to the Board.

John Maddox, Chester Township resident, questioned the type of financial insurance that the county has demanded for the decommissioning of the project.

Michael Lautzenheiser, Jr. advised that the current negotiations include either a bond or letter of credit.

Mr. Maddox quoted the cost for removal of each turbine. He expressed his concerns about a bond not covering the expense and then having the cost fall on the county. How will the county cover the cost? Would the county go after the property owners? He was concerned with the county roads during construction. Mr. Maddox questioned the amount of liability insurance policy for the county. He was concerned if the company goes bankrupt would the liability policy cover the full cost of repair. He also addressed his concerns with how the land would look after the turbines were gone. He stated that money would be coming in from the turbines, but people would be moving out of the community.

Jim Berger, Bluffton resident, believes that the Board has the best interest of the county. He was concerned with the impact on the county if there were a yes vote. He stated that a no vote would have the county go back to the status quo. He advised that the lease owners wouldn’t be hurt with
Mr. Berger said that his daughter bought land to build a home in the turbine area and wasn’t told they were in the project area. He questioned why the project couldn’t be built further west in a more rural area, where it wouldn’t affect as many people.

Tim Stepp, Nottingham Township resident, stated that he did further investigation on the effect of wind farms on property values after last week’s meeting. (He brought that information into the Area Plan office for the Board members.) Mr. Stepp quoted from the information he provided to the Board. He stated that the effects on property value range from ‘no perceptible effects’ to 15% with an average of 8% in the areas that were studied. He also said that anything less that 10% was considered to insignificant by the federal government in this study. He addressed that he is still concerned with property value loss. Mr. Stepp explained a situation in Benton County where a land owner sold the property that the turbine was on but retained the lease of the turbine. He indicated that California wind turbine program is at a standstill and they are focusing on solar technology. He advised that APEX is studying off shore winds for turbines. He was concerned with that being done would this project still be used or needed. He commented on California’s setbacks being greater than the county’s. He also addressed California’s measurements are taken from the property line and not the turbine. Mr. Stepp said that other states have the sound measurements taken from the property line and not the home. He addressed concerns with strobe effect and reflective issue, along with ice casting which can be carried up to 1700’ft from the source. He recommended that the Board wait for the EU study results come out before a decision is made.

Kent Dougherty mentioned that at every public hearing for the ordinance revision, which he sat at, no one from the community came. He advised that these meetings were advertised. He commented that larger setbacks would not make this project work. He stated that no issues were brought up at the public meetings. Mr. Dougherty advised that the development plan is intended to work within the county ordinance.

John Maddox expressed his concerns with the setbacks of the towers. He stated that he wants the setbacks to be greater than what they are currently. He does not believe that the meetings were very well advertised. He recommends that each homeowner should be contacted when an issue affects their property.

Mr. Dougherty explained the maps with the setbacks for the turbines from homes and the projects setbacks from other variables.

Scott Mossburg, County Commissioner appointed to a wind committee, clarified the road/drain agreement, which the company would maintain the area. If the company is non-compliant, there are fines that would be placed on the company. He advised that any gravel road used would be upgraded to county standard chip and seal upon completion of the project. This would cost about $80,000 per mile for chip and seal at the company’s expense. The movement of the heavy equipment will be GPS’d, therefore, if any problems occur, they would be easily located and fixed. These costs will also be paid for by the company. The law firm that the county hired is one of the best in the state and they have dealt with other wind farm projects throughout the state. Mr. Mossburg advised that there is a legal decommission agreement, which states that the company will remove the turbine and concrete to 4’ft underground. This is in the lease agreement. He stated that there is a bond, but unsure what type of bond. He advised that these agreements have
not been signed yet, but would have to be before the project could begin construction. He indicated that about 50,000 acres in the southern part of Wells County has signed leases with the wind companies.

Scott Mossburg also said that there was an economic development agreement. If both phases of the project go through, APEX would pay the county $2.4 million. He would like to see this money go to each of the communities affected by the project. He stated that with these legal documents in force, it would guarantee that the county would not be stuck. After 10 years in operation, there will be an appraisal done to see what that cost would be. Then every 5 years after that another appraisal would be done in order to make sure that the money that was set aside would cover the cost of decommission.

Jim Van Winkle stated that he feels that the agreements with the wind companies are good.

Mr. Mossburg listed who all was involved with the decision making for the agreements.

William Morris questioned who prepared the handout that was provided to the community members. He also inquired about the company’s official position on property values of homes within 2 miles of the project zone.

Kent Dougherty stated that they are not real estate professional and they can only look to the research done by real estate professionals to determine the effect on property values. He said that he has confidence in the best research that is out there. Mr. Daugherty explained that the company does not have an official position on the subject. He stated that to their understanding, there is minimal to no impact on the property value.

Rob Propes reiterated that they are not real estate professionals. They have to look to experts in the real estate field to provide credible information on the subject.

Mr. Morris recommended that the company sign property value guarantees with all non-participating homeowners in the affected areas. He stated that this would be beneficial to both parties. All participating homeowners, who put their homes on the market, would have a certified appraisal done by a third party licensed appraiser. The homeowner must list the home with a licensed real estate agent and list the home for +/- 5% of the appraisal price as the asking price. The listing period would last for at least 180 days, unless sales from other homes in non-affected areas are taking longer to sell. If the property sells for less that the asking price, the wind company would pay the homeowner the difference between the asking price and the sale price. If no offer is received during the listing period, then the company would purchase the home at the listed price. Mr. Morris provided a copy of the property value agreement to the Board and to the APEX representatives.

Mr. Dougherty stated that they would take the agreement into consideration.

Nick Huffman, Bluffton resident and Bluffton High School Senior, voiced his support of the project and for wind energy. He believes that it will provide a lot of benefits to the community.
Kent Sprunger, Bluffton resident, questioned if a CAFO project could be placed on the same location as a wind turbine was located due to the setbacks.

Michael Lautzenheiser, Jr. advised that the turbine setbacks are more restrictive than the one’s for a CAFO.

Mr. Sprunger stated that he has been a real estate appraiser for 12 years. He said that he appraised Lesley’s daughter’s home. He advised that when he appraised the home he was aware that there could be a wind tower there. He saw the MET towers in the area. Mr. Strunger pointed out that anytime appraisals are done on residential real estate in the country there is a concern about CAFO being built nearby and this could affect the value. He was unsure on the effect of the turbines on property value. Therefore if the tower protects the property from having a CAFO built nearby, this could be a positive thing.

Zane Gearheart, Chester Township resident, stated that he purchased his home to live in a rural community. He addressed his concerns on raising his children in a wind farm. He questioned the possibility of expansion on the project.

Kent Dougherty explained that the company could not expand. If the company wanted to do more, they would have to create another project. He advised that the project is limited by the amount of energy that it can put in the grid. He clarified that each substation has a limited amount of energy that can be put into it.

Mr. Gearheart questioned what would occur if the company went bankrupt. Could a second wind company come in and buy it? Would the leases still be good? He addressed his concerns with the Board’s vote. He also questioned who established the Area Plan Commission.

Mr. Dougherty stated that the contracts go with the project. If a new company comes in, they can propose a change to the contract, but the land owners don’t have to accept it.

Michael Lautzenheiser, Jr. provided the history on the Area Plan Commission. He stated that this commission was chosen by the City of Bluffton, the Towns of Zanesville, Uniondale, Vera Cruz and Poneto, along with the county commissioners. It was established on January 1, 1971.

Mr. Gearheart stated that he is not 100% for or against the project. He expressed his concerns about a rift forming in the community. He advised that most people that are affected by this project have their wealth in their residence.

Galen Gray addressed that his house would be about a quarter of a mile from the closest turbine. He does not feel he has the right to control what his neighbor does. He commented on seeing the wind turbines in Union City. He stated that he has no problems with the wind turbines coming into the area.

Jerry Nusbaumer, Nottingham Township resident, said that he had signed his property up. He stated that he was currently not sure how he feels. He addressed a possible rift between neighbors.
Leon Gaiser advised that he has a first cousin, who has sign up property for a wind turbine. He stated that he is very opposed to the project. He apologized that he did not attend the meeting for the ordinance amendment. Mr. Gaiser addressed his concerns on property value. He informed the Board of a wind farm that he saw while on a trip to Ontario, Canada and multiple homes in the area that had ‘For Sale’ signs in their yard. He stated that he purchased his property in Jackson Township because it is rural. Mr. Gaiser discussed his concerns with the elected officials who represent him. He advised the Board that he is against the 1000’ft setback.

Larry Long questioned production income and sales price. He quoted current prices and compared prices to other energy.

Rob Propes stated that Mr. Long’s math was correct. He advised that the wind industry does not receive more subsidies than the other energy industries.

Unclear question from an audience member.

Kent Dougherty stated that he did not have the numbers. He encouraged the audience to go to the website of the energy information agency. He said that there was a study on there that compared subsidy rates from 2007-2010.

Mr. Propes advised that they could provide this information to the Board, if they would like.

Mr. Long commented on subsidies and the fact that the wind industry is receiving government money. He addressed the effect of the project on the community in 30 years. He discussed what is occurring to the wind farms in California.

Mr. Propes provided a scenario on a nuclear power plant disaster. He advised that the government would pay for the clean-up. He stated that would not happen with a wind tower.

Mr. Dougherty explained what was learned from the California wind farms.

Mr. Long and Mr. Dougherty argued about subsidies for the wind industry.

Mr. Long commented on the 1603 tax credit. He questioned who the parent company was and who owned it.

Mr. Dougherty stated that the parent company is Green Light Energy and the owners are a group of private investors.

Mr. Propes said that the company is comprised of about 30 people in Charlottesville, Virginia.

Vanessa Drennen, Southern Wells High School Freshman, questioned the flyer and its statement that livestock won’t thrive in the wind turbine area.

Mr. Dougherty stated that the hand out was not from their company.
Charlie Riggs, Keystone resident, stated that he was a maintenance man for heavy machinery for 56 years and addressed the issue of the noise of the turbines changing due to weather conditions and wind conditions. He also discussed the issue of the sound increasing when the turbines age. He stated that energy is needed but believes that there is a better way than through wind turbines.

David Ditton addressed the icing conditions and brought up ‘galloping conductors’, a condition when ice builds up like a sail, on power lines, and the wind catches it. This condition could cause lines to break, thus causing power outages. He stated his concerns with ice buildup on the blades and it flinging past the setbacks. Mr. Ditton discussed a study on shadow flicker and the negative effect on highway drivers.

Jason Dalley, Chester Township resident, questioned the voltage going through the underground lines, the amount of cable that will be used in the project and the life of the cable.

Kent Dougherty stated that 34.5 volts go through cables that are 48” inches deep and stretch for about 5 miles. The life expectancy of the cable is 20 years. He advised that if the turbines are removed then the cables would be removed too, due to their depth.

Mr. Dalley questioned addition electrical problems and Mr. Dougherty stated that he was unsure due to the fact that he is not an electrical engineer.

Mr. Dalley expressed his concerns with turbine fire and questioned if they are caused by ground faults.

Mr. Dougherty stated that if a turbine does catch on fire that it is usually due to mechanical issues. He advised Mr. Dalley that he would find out more information to his electrical questions.

Rob Propes advised that if there were a cable fault that the repairs would occur immediately.

Bill Horan closed the floor to public comments and discussed with the Board the options that are available.

John Schuhmacher made a motion to table the meeting to the January 5, 2012 meeting so that the Board can have time to process all of the information that was provided to them at both meetings. There was no second given by the Board.

Mr. Dougherty requested that the Board allow them time to provide additional information to answer the questions that were asked at this meeting.
Conditions:
Motion to Continue to the March 1, 2012 meeting: John Schuhmacher
Second: Jarrod Hahn
Vote: 8-0 (Harry Baumgartner, Sr. left the meeting early due to illness)

OTHER BUSINESS:

The December 8, 2011 Area Plan Commission meeting adjourned at 10:50 p.m.

ATTEST:

Michael Lautzenheiser Jr., Secretary

Jerome Markley, President