

**As Reported by the Senate Energy and Public Utilities Committee**

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**Am. H. B. No. 295**

**Representative Wagoner**

**Cosponsors: Representatives Ujvagi, Szollosi, Peterson, Latta, Stebelton,  
Brown, Uecker, Chandler, McGregor, J., Combs, Celeste, Yuko, Fende,  
Mallory, Bolon, Bacon, Collier, Dyer, Evans, Flowers, Foley, Gardner,  
Garrison, Goyal, Hagan, R., Harwood, Hughes, Letson, Lundy, Otterman, J.,  
Patton, Sayre, Setzer, Stewart, J., Williams, B., Williams, S., Zehringer**

**—**

**A B I L L**

To amend sections 133.20 and 307.041 of the Revised	1
Code to require that the amount spent by counties	2
on energy conservation measures be unlikely to	3
exceed the amount saved in energy and operating	4
costs over the average system life of the	5
measures, and to require that financed measures be	6
paid for within the lesser of their average system	7
life or thirty years.	8

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

<b>Section 1.</b> That sections 133.20 and 307.041 of the Revised	9
Code be amended to read as follows:	10

<b>Sec. 133.20.</b> (A) This section applies to bonds that are	11
general obligation Chapter 133. securities. If the bonds are	12
payable as to principal by provision for annual installments, the	13
period of limitations on their last maturity, referred to as their	14
maximum maturity, shall be measured from a date twelve months	15

prior to the first date on which provision for payment of 16  
principal is made. If the bonds are payable as to principal by 17  
provision for semiannual installments, the period of limitations 18  
on their last maturity shall be measured from a date six months 19  
prior to the first date on which provision for payment of 20  
principal is made. 21

(B) Bonds issued for the following permanent improvements or 22  
for permanent improvements for the following purposes shall have 23  
maximum maturities not exceeding the number of years stated: 24

(1) Fifty years: 25

(a) The clearance and preparation of real property for 26  
redevelopment as an urban redevelopment project; 27

(b) Acquiring, constructing, widening, relocating, enlarging, 28  
extending, and improving a publicly owned railroad or line of 29  
railway or a light or heavy rail rapid transit system, including 30  
related bridges, overpasses, underpasses, and tunnels, but not 31  
including rolling stock or equipment; 32

(c) Pursuant to section 307.675 of the Revised Code, 33  
constructing or repairing a bridge using long life expectancy 34  
material for the bridge deck, and purchasing, installing, and 35  
maintaining any performance equipment to monitor the physical 36  
condition of a bridge so constructed or repaired. Additionally, 37  
the average maturity of the bonds shall not exceed the expected 38  
useful life of the bridge deck as determined by the county 39  
engineer under that section. 40

(2) Forty years: 41

(a) General waterworks or water system permanent 42  
improvements, including buildings, water mains, or other 43  
structures and facilities in connection therewith; 44

(b) Sewers or sewage treatment or disposal works or 45

facilities, including fireproof buildings or other structures in	46
connection therewith;	47
(c) Storm water drainage, surface water, and flood prevention	48
facilities.	49
(3) Thirty-five years:	50
(a) An arena, a convention center, or a combination of an	51
arena and convention center under section 307.695 of the Revised	52
Code;	53
(b) Sports facilities.	54
(4) Thirty years:	55
(a) Municipal recreation, excluding recreational equipment;	56
(b) Urban redevelopment projects;	57
(c) Acquisition of real property;	58
(d) Street or alley lighting purposes or relocating overhead	59
wires, cables, and appurtenant equipment underground.	60
(5) Twenty years: constructing, reconstructing, widening,	61
opening, improving, grading, draining, paving, extending, or	62
changing the line of roads, highways, expressways, freeways,	63
streets, sidewalks, alleys, or curbs and gutters, and related	64
bridges, viaducts, overpasses, underpasses, grade crossing	65
eliminations, service and access highways, and tunnels.	66
(6) Fifteen years:	67
(a) Resurfacing roads, highways, streets, or alleys;	68
(b) Alarm, telegraph, or other communications systems for	69
police or fire departments or other emergency services;	70
(c) Passenger buses used for mass transportation;	71
(d) Energy conservation measures as authorized by section	72
133.06 of the Revised Code.	73

(7) Ten years:	74
(a) Water meters;	75
(b) Fire department apparatus and equipment;	76
(c) Road rollers and other road construction and servicing vehicles;	77 78
(d) Furniture, equipment, and furnishings;	79
(e) Landscape planting and other site improvements;	80
(f) Playground, athletic, and recreational equipment and apparatus;	81 82
(g) Energy conservation measures as authorized by section <del>307.041</del> , 505.264, or 717.02 of the Revised Code.	83 84
(8) Five years: New motor vehicles other than those described in any other division of this section and those for which provision is made in other provisions of the Revised Code.	85 86 87
(C) Bonds issued for any permanent improvements not within the categories set forth in division (B) of this section shall have maximum maturities of from five to thirty years as the fiscal officer estimates is the estimated life or period of usefulness of those permanent improvements. Bonds issued under section 133.51 of the Revised Code for purposes other than permanent improvements shall have the maturities, not to exceed forty years, that the taxing authority shall specify. <u>Bonds issued for energy conservation measures under section 307.041 of the Revised Code shall have maximum maturities not exceeding the lesser of the average life of the energy conservation measures as detailed in the energy conservation report prepared under that section or thirty years.</u>	88 89 90 91 92 93 94 95 96 97 98 99 100
(D) Securities issued under section 505.265 or 717.07 of the Revised Code shall mature not later than December 31, 2035.	101 102
(E) A securities issue for one purpose may include permanent	103

improvements within two or more categories under divisions (B) and 104  
(C) of this section. The maximum maturity of such a bond issue 105  
shall not exceed the average number of years of life or period of 106  
usefulness of the permanent improvements as measured by the 107  
weighted average of the amounts expended or proposed to be 108  
expended for the categories of permanent improvements. 109

**Sec. 307.041.** (A) As used in this section, "energy 110  
conservation measure" means an installation or modification of an 111  
installation in, or remodeling of, an existing building, to reduce 112  
energy consumption. ~~It~~ "Energy conservation measure" includes the 113  
following: 114

(1) Insulation of the building structure and of systems 115  
within the building; 116

(2) Storm windows and doors, multiglazed windows and doors, 117  
heat-absorbing or heat-reflective glazed and coated window and 118  
door systems, additional glazing, reductions in glass area, and 119  
other window and door system modifications that reduce energy 120  
consumption; 121

(3) Automatic energy control systems; 122

(4) Heating, ventilating, or air conditioning system 123  
modifications or replacements; 124

(5) Caulking and weatherstripping; 125

(6) Replacement or modification of lighting fixtures to 126  
increase the energy efficiency of the system without increasing 127  
the overall illumination of a facility, unless such an increase in 128  
illumination is necessary to conform to the applicable state or 129  
local building code for the proposed lighting system; 130

(7) Energy recovery systems; 131

(8) Cogeneration systems that produce steam or forms of 132  
energy such as heat, as well as electricity, for use primarily 133

within a building or complex of buildings; 134

(9) Acquiring, constructing, furnishing, equipping, improving 135  
the site of, and otherwise improving a central utility plant to 136  
provide heating and cooling services to a building or buildings 137  
together with distribution piping and ancillary distribution 138  
controls, equipment, and related facilities from the central 139  
utility plant to the building or buildings; 140

(10) Any other modification, installation, or remodeling 141  
approved by the board of county commissioners as an energy 142  
conservation measure. 143

(B) For the purpose of evaluating county buildings for energy 144  
conservation measures, a county may contract with an architect, 145  
professional engineer, energy services company, contractor, or 146  
other person experienced in the design and implementation of 147  
energy conservation measures for ~~a~~ an energy conservation report 148  
~~that analyzes.~~ The report shall include all of the following: 149

(1) Analyses of the buildings' energy needs and ~~presents~~ 150  
recommendations for building installations, modifications of 151  
existing installations, or building remodeling that would 152  
significantly reduce energy consumption in the buildings owned by 153  
that county. ~~The report shall include estimates;~~ 154

(2) Estimates of all costs of ~~such~~ those installations, those 155  
modifications, or that remodeling, including costs of design, 156  
engineering, installation, maintenance, and repairs, ~~and~~ 157  
~~estimates;~~ 158

(3) Estimates of the amounts by which energy consumption 159  
could be reduced; 160

(4) The interest rate used to estimate the costs of any 161  
energy conservation measures that are to be financed; 162

(5) The average system life of the energy conservation 163

measures; 164

(6) Estimates of the likely savings that will result from the 165  
reduction in energy consumption over the average system life of 166  
the energy conservation measure, including the methods used to 167  
estimate the savings; 168

(7) A certification under the seal of a registered 169  
professional engineer that the energy conservation report uses 170  
reasonable methods of analysis and estimation. 171

(C)(1) A county desiring to implement energy conservation 172  
measures may proceed under either of the following methods: 173

~~(1)~~(a) Using a report or any part of ~~a~~ an energy conservation 174  
report prepared under division (B) of this section, advertise for 175  
bids and, except as otherwise provided in this section, comply 176  
with sections 307.86 to 307.92 of the Revised Code; 177

~~(2)~~(b) Notwithstanding sections 307.86 to 307.92 of the 178  
Revised Code, request proposals from at least three vendors for 179  
the implementation of energy conservation measures. A request for 180  
proposals shall require the installer that is awarded a contract 181  
under division (C)(2)(b) of this section to prepare an energy 182  
conservation report in accordance with division (B) of this 183  
section. Prior to sending any installer of energy conservation 184  
measures a copy of any ~~such~~ request for proposals, the county 185  
shall advertise its intent to request proposals for the 186  
installation of energy conservation measures in a newspaper of 187  
general circulation in the county once a week for two consecutive 188  
weeks. The notice shall state that the county intends to request 189  
proposals for the installation of energy conservation measures; 190  
indicate the date, which shall be at least ten days after the 191  
second publication, on which the request for proposals will be 192  
mailed to installers of energy conservation measures; and state 193  
that any installer of energy conservation measures interested in 194

receiving the request for ~~proposal~~ proposals shall submit written 195  
notice to the county not later than noon of the day on which the 196  
request for ~~proposal~~ proposals will be mailed. 197

(2)(a) Upon receiving the ~~proposals~~ bids under division 198  
(C)(1)(a) of this section, the county shall analyze them and 199  
select the ~~proposal or proposals~~ lowest and best bid or bids most 200  
likely to result in the greatest energy savings considering the 201  
cost of the project and the county's ability to pay for the 202  
improvements with current revenues or by financing the 203  
improvements. ~~The~~ 204

(b) Upon receiving proposals under division (C)(1)(b) of this 205  
section, the county shall analyze the proposals and the 206  
installers' qualifications and select the most qualified installer 207  
to prepare an energy conservation report in accordance with 208  
division (B) of this section. After receipt and review of the 209  
energy conservation report, the county may award a contract to the 210  
selected installer to install the energy conservation measures 211  
that are most likely to result in the greatest energy savings 212  
considering the cost of the project and the county's ability to 213  
pay for the improvements with current revenues or by financing the 214  
improvements. 215

(c) The awarding of a contract to install energy conservation 216  
measures under division (C)(2)(a) or (b) of this section shall be 217  
conditioned upon a finding by the contracting authority that the 218  
amount of money spent on the energy ~~savings~~ conservation measures 219  
is not likely to exceed the amount of money the county would save 220  
in energy ~~and, operating, maintenance, and avoided capital~~ costs 221  
over ~~ten years or a lesser period as determined by the contracting~~ 222  
~~authority or, in the case of contracts for cogeneration systems,~~ 223  
~~over five years or a lesser period as determined by the~~ 224  
~~contracting authority~~ average system life of the energy 225  
conservation measures as specified in the energy conservation 226



report. In making such a finding, the contracting authority may 227  
take into account increased costs due to inflation as shown in the 228  
energy conservation report. Nothing in this ~~section~~ division 229  
prohibits a county from rejecting all bids or proposals under 230  
division (C)(1)(a) or (b) of this section or from selecting more 231  
than one bid or proposal. 232

(D) A board of county commissioners may enter into an 233  
installment payment contract for the purchase and installation of 234  
energy conservation measures. ~~Those provisions~~ Provisions of ~~such~~ 235  
installment payment contracts that deal with interest charges and 236  
financing terms shall not be subject to the competitive bidding 237  
requirements of section 307.86 of the Revised Code, and shall be 238  
on the following terms: 239

(1) Not less than ~~one-tenth~~ a specified percentage, as 240  
determined and approved by the board of county commissioners, of 241  
the costs of the contract shall be paid within two years from the 242  
date of purchase. 243

(2) The remaining balance of the costs of the contract shall 244  
be paid within ~~ten years from the date of purchase or, in the case~~ 245  
~~of contracts for cogeneration systems, within five years from the~~ 246  
lesser of the date of purchase average system life of the energy 247  
conservation measures as specified in the energy conservation 248  
report or thirty years. 249

~~Unless otherwise approved by a resolution of the board, an~~ 250  
~~installment payment contract entered into by a board of county~~ 251  
~~commissioners under this section shall require the board to~~ 252  
~~contract in accordance with section 307.86 of the Revised Code for~~ 253  
~~the installation, modification, or remodeling of energy~~ 254  
~~conservation measures pursuant to this section.~~ 255

(E) The board of county commissioners may issue the notes of 256  
the county specifying the terms of ~~the~~ a purchase of energy 257

conservation measures under this section and securing ~~the~~ any 258  
deferred payments provided for in division (D) of this section~~7.~~ 259  
The notes shall be payable at the times provided and ~~bearing~~ bear 260  
interest at a rate not exceeding the rate determined as provided 261  
in section 9.95 of the Revised Code. The notes may contain an 262  
option for prepayment and shall not be subject to Chapter 133. of 263  
the Revised Code. Revenues derived from local taxes or otherwise~~7~~ 264  
for the purpose of conserving energy or for defraying the current 265  
operating expenses of the county~~7~~ may be pledged and applied to 266  
the payment of interest and the retirement of ~~such~~ the notes. The 267  
notes may be sold at private sale or given to the contractor under 268  
~~the~~ an installment payment contract authorized by division (D) of 269  
this section. 270

(F) Debt incurred under this section shall not be included in 271  
the calculation of the net indebtedness of a county under section 272  
133.07 of the Revised Code. 273

**Section 2.** That existing sections 133.20 and 307.041 of the 274  
Revised Code are hereby repealed. 275

**Section 3.** The amendments to sections 133.20 and 307.041 of 276  
the Revised Code by this act apply to any proceedings commenced 277  
after the effective date of this act and, so far as the provisions 278  
thereof support the actions taken, to any proceedings pending or 279  
in progress on, or completed prior to, the effective date of this 280  
act. The authority provided by sections 133.20 and 307.041 of the 281  
Revised Code as amended by this act is supplemental to and not in 282  
derogation of any similar authority provided by, derived from, or 283  
implied by any law, the Constitution, or any charter, resolution, 284  
or ordinance, and no inference shall be drawn to negate the 285  
authority thereunder by reason of the express provisions contained 286  
in sections 133.20 and 307.041 of the Revised Code as amended by 287  
this act. 288