

VILLAGE OF MORRISVILLE  
WATER AND LIGHT REGULAR MEETING MINUTES

November 2, 2022  
Wednesday

5:30PM  
MW&L Office

PRESENT:

Trustees: Tom Snipp, Robert Heanue, Brad Limoge and Carl Fortune  
Staff: Scott Johnstone, Penny Jones, Pete Crowley and Kevin Newton  
Guest: Julia Leopold (VPPSA)  
Public: Brian Hamor, Damon Lee (via Zoom)  
Absent: Travis Knapp

1) CALL REGULAR MEETING TO ORDER:

Chairman Snipp called the meeting to order at 5:30 PM.

2) CONSIDER AGENDA ADJUSTMENTS:

None.

3) APPROVE MINUTES OF REGULAR MEETING HELD OCTOBER 5, 2022:

On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the board approved (4-0) the minutes of the regular meeting held on October 5, 2022.

4) CHECK REGISTERS (ACTION):

On a **motion** by Trustee Fortune and seconded by Trustee Heanue, the board approved (4-0) check registers.

5) ENERGY EFFICIENCY PROJECT (AUTHORIZATION):

We've pared the project down to include the metal halide lights in the garage and all of the 2'x4' lights in the office area. The payback works out to be 4.2 years and the recommendation is to proceed with the project of converting the lighting to LED for \$9,320. The winning bidder was Local Electric. On a **motion** by Trustee Fortune and seconded by Trustee Heanue, the board approved (4-0) to proceed with the Energy Efficiency project in our office/garage.

6) OTHER BUSINESS:

a. Public/Local Power Messaging. Julia Leopold from VPPSA was in attendance to explain how VPPSA wants to address the challenges of the voice of public power being heard in the Legislature, trusted and valued. To begin, we need to get our message sharp about what public power stands for. About 1½ years ago, VPPSA realized that public power had a lot of support at the local level. Our customers are happy and think we are doing a good job. However, regulators and legislators have this idea that there are a lot of small, municipal utilities throughout the state that are not as well staffed as some of the larger utilities. There is also a lot of progress that our regulators/legislators want to make when it comes to climate change and energy policy. There is a concern that some of the smaller utilities can't keep up. VPPSA has been trying to change that mind-set by saying we have these really strong public utilities in Vermont, that they are appreciated by their customers and we have VPPSA as backup. When you combine all the small utilities, they are actually pretty big and serve about 30,000 customers, which is actually larger than Burlington Electric Department. So, we have that strength in numbers and when it comes to serving customers and providing affordable service, we are able to access a common means of scale through our work together. The challenge is getting that message to the regulators and legislators. The goal of this initiative is to have a unified message coming from all of the municipal

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utilities in Vermont. In the spring of 2021 VPPSA brought on Momentum Communications to help out with this. They first interviewed all of the VPPSA Board of Directors. Then they went around to interview some key VPPSA staff. Then they went to interview a few Trustees. They were trying to pin down what public power means in Vermont, what are the pain points, what are some of the challenges. This allowed VPPSA to determine that we all really needed to come together and rally behind a tag line. VPPSA is planning on launching a campaign (possibly January) that will coincide with the start of the new Legislature. The next step will be an opportunity for our Trustees to offer their input on a couple of draft tag lines, proposed by VPPSA.

b. 2023 Budget and Rate Drivers & Themes – Discussion. We are looking at our first electric rate increase since 2010. Some of the pressures driving up rates are: power supply (up 12%), various labor costs, depletion of McNeil reserve funds, renewable energy standards, healthcare (up 20%), hydro capital costs, to name a few. We are currently expecting a single digit rate increase. We've heard of at 3 other utilities in Vermont that are going for upper double-digit increases. Of the municipal utilities only Swanton is NOT going in for an increase as they have so much hydro. We are hoping to have the rate increase (to be determined) in effect for February 1, 2023. Penny and Scott explained the process of a rate case to the Board. Customers would be notified through a bill stuffer, FPF, Facebook and our website. Once we have a new rate approved, the rules have changed so that the Trustees could implement rate increases up to 2%/year for the next 10 years without having to go through a formal rate case up to a maximum increase of 10%. There is a chance that one or more of these major drivers will go down in the coming years. Scott feels that once New England has divested itself from natural gas, which is the biggest fluctuating cost, purchased power may level out eventually. Trustee Fortune recommended that we begin notifying customers sooner rather than later. Scott is hoping to have something in our November newsletter.

c. Management Update. Kevin announced that Cady's Falls hydro generation is back online after six months. The hydrant that was always getting hit by Concept II has been relocated. New SCADA has been ordered for the water department to replace obsolete PLC's and we are working on getting cell-based communications with the wells and the reservoirs and the sewer pump stations. Bishop Marshall has had pressure fluctuations and we believe the problem is internal but we did find out that the water line serving them was never deeded over to the Village. We will probably be approached to take over ownership of the line. The sewer line is a force main so that remains the property of BJAMS. The concrete pad and conduit have been installed at Well #3 and the generator has been ordered. Sunset Motel has now connected to the sewer system. Kevin is waiting for Todd Thomas to give him an idea of how much development is going to happen in the southern part of the Village in order to properly size a replacement pump station. Union Street is done with paving slated for next week.

Pete went to WEC with our apprentices and taught a safety course. We only have one 2400-volt line left which is slated to be upgraded. That means that all of our 2400-volt transformers can be sold or scrapped. Barton is looking at them for \$3/kVa even though we might be able to sell them more as scrap. We have four critical transmission poles that need to be replaced this year before they fail completely.

Unfortunately, we do not have a ROW and the landowner is refusing to let us on her land to even inspect the poles. We have the right to replace them but we would ideally like to relocate them to the road. Public condemnation would take two years and the poles won't last that long. Squatter rights don't apply to utilities. This is a problem that is pervasive throughout our system, where ROW's were never recorded or never existed.

Penny is working on the rate case, budgets and insurance renewals that will include some down-stream liabilities. She has had meetings with vendors about a new on-line credit card program and has started looking at new financial systems. She just sent an email to all customers that were signed up for e-billing stating that the system is down, they'll be getting paper bills for now, contact us about auto-pay options,

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and we hope to have a new system in place by mid-2023. There were less than 300 customers that were e-bill only.

Green River financials are eight years old so we are getting them updated. We are also looking at the potential to utilize low-flow turbines and by-pass turbines at our dams once our FERC process is complete. We will be in the second group of advanced meter infrastructure AMI (2024) implementation because we have to update our financial software first. VPPSA is hoping to get a minimum of \$4 million for all of the municipal utilities for AMI but it could be higher. VPPSA is conducting cyber-security testing for us. There is still the possibility of rolling blackouts this winter. Our plan to avoid turning people off will be to crank up our hydro generation as much as possible. Increased generation looks the same as shedding load to ISO-NE. A couple of meetings ago, the Trustees approved a purchased power contract with Howard Wind. Since then, the company that represents Howard Wind has proven to be “disreputable”. Three times VPPSA has gone to the table to sign the contract and every time Howard Wind changes the deal, to the point where it would need to go back to the trustees of all the muni’s to be reapproved. It has happened enough so that every utility manager has cancelled the deal. We do have a possible replacement called Brookfield Power in Maine. Not quite as good economically so while we will probably recommend entering a contract for this project we will not recommend a size of contract that would have MWL become “long” on electricity. Rather, we’ll look to make sure we are covered for electricity purchases in winter months to avoid purchases on the spot market. Scott will have more information at the 11/16 meeting and will likely be requesting authorization to enter a contract at that time.

d. Any other Business to come before the meeting. None.

7) PUBLIC COMMENTS:

Brian Hamor and Damon Lee have property on Beacon Hill. They are concerned with some proposed zoning changes, specifically the density bonus within the Village. He feels that zoning should be concentrating more on single-family residences and they want to fill that need. Density within the village cuts down on sprawl. They would like the Trustees to consider to not eliminate the density bonus.

8) EXECUTIVE SESSION:

On a **motion** by Trustee Limoge and seconded by Trustee Heanue, the board approved (4-0) to go into Executive Session at 7:18 PM for a discussion of item(s) excepted from open meeting per Title 1 VSA § 313 (a)(1)(E), pending or probable civil litigation or a prosecution, to which the public party is or may be a party. On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the board approved (4-0) to come out of Executive Session at 7:39 PM.

9) ADJOURN REGULAR MEETING:

On a **motion** by Trustee Fortune and seconded by Trustee Limoge, the Board adjourned (4-0) the meeting at 7:39 PM.

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Attest: Robert Heanue, Acting Clerk