

VILLAGE OF MORRISVILLE
WATER AND LIGHT REGULAR MEETING MINUTES

December 21, 2022
Wednesday

5:30PM
MW&L Office

PRESENT:

Trustees: Tom Snipp, Robert Heanue, Brad Limoge and Carl Fortune
Staff: Scott Johnstone, Penny Jones, Kevin Newton and Pete Crowley
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 DECEMBER 7, 2022:

On a **motion** by Trustee Limoge and seconded by Trustee Heanue, the board approved (3-0) the minutes of the regular meeting held on December 7, 2022. Chairman Snipp abstained.

4) CHECK REGISTERS (ACTION):

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

5) OTHER BUSINESS:

a. 2023 Budget Draft, presentation and discussion.

Scott told the Board to prepare for 2-3 years of pretty tough budgets. Depending on how we treat the ARPA funds, there may not be a need to raise water & sewer rates for 2023, no guarantee for beyond though. Trustee Heanue verified that the sewer allocation rate is based on past costs, not current costs, and should probably be revisited. He also verified that the increased load on the pump stations are not factored into the allocation rate. He feels that a \$450,000 rebuild/upgrade to a pump station should be passed onto the new growth that is forcing the upgrade to the pump station. Although we are applying for an 11.25% rate increase, the State never grants the full request so budgets have been based on only 10%. And even though we can go in for an additional 2% rate increase in 2024 without a full rate-case, 2% will not likely be enough. Currently the projected income statement for the electric department for 2023 is almost negative \$450,000, in other words a loss. The water department for 2023 is showing a net income of just over \$37,000. The sewer department for 2023 is showing a net income of just under \$55,000. If we remove the sewer allocation, we are looking at a net loss. Management is planning on using \$450,000 of the sewer allocation funds to pay for the replacement of the Jersey Heights pump station. The Board received a list of proposed capital projects of \$2.7 million. We can only hope that our customers appreciate that we were able to keep the rates stable for 12 years. We are preparing a bill insert about the new proposed rates along with articles in the local papers and on our website.

b. ARPA Funds Use Proposal.

a) Presentation. ARPA funding booked though an allowable provision in the law that enabled MWL to cover any net losses. Even though MW&L did not see a net loss, we were able to take advantage of the methodology to repurpose the remaining ARPA funds. That is why our budgets show using ARPA funds for the electric department.

b) Public Comment (specific for this agenda item).

None.

c. Management Update.

Chairman Snipp asked for an update on the outages last week. We estimate that approximately 800 of our customers lost power, some for only an hour but some for 4-5 hours. As some utilities had customers that were out for days, we came through okay. Customers were pleased with restoration times.

d. Any other Business to come before the meeting. Ron Stancliff would like to be added to the agenda for the next regular meeting to discuss a Village land transfer with the Town and attendees would be himself, Sonny Demars and Rick Sorentine. Trustee Fortune has no problem adding him to the agenda as long as he has something more specific to talk about. Chairman Snipp will speak with Mr. Stancliff.

6) PUBLIC COMMENT:

None

7) EXECUTIVE SESSION:

a. Discussion of item(s) excepted from open meeting per Title 1 VSA § 313 (a)(1)(E).

On a **motion** by Trustee Limoge and seconded by Trustee Fortune, the board approved (4-0) going into Executive Session at 7:07 PM. On a **motion** by Trustee Limoge and seconded by Trustee Heanue, the board approved (3-0) coming out of Executive Session at 7:24 PM.

8) ADJOURN REGULAR MEETING:

On a **motion** by Trustee Fortune and seconded by Trustee Limoge, the Board adjourned (4-0) the meeting at 7:25 PM.

Attest: Robert Heanue