

VILLAGE OF MORRISVILLE
WATER AND LIGHT REGULAR MEETING MINUTES

May 17, 2023
Wednesday

5:30PM
MW&L Office

PRESENT:

Trustees: Tom Snipp, Travis Knapp (arrived at 5:45 PM), Robert Heanue and Carl Fortune
Staff: Scott Johnstone, Penny Jones, Kevin Newton, David Heller
Public: Joanne Davis

1) CALL REGULAR MEETING TO ORDER:

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

2) ELECT BOARD CHAIR AND CLERK:

On a **motion** by Trustee Fortune and seconded by Trustee Heanue, the board approved (3-0) Thomas Snipp as Chairman of the Board. On a **motion** by Trustee Fortune and seconded by Chairman Snipp, the board approved (3-0) Robert Heanue as Clerk of the Board.

3) CONSIDER AGENDA ADJUSTMENTS: None.

4) APPROVE MINUTES OF REGULAR MEETING HELD MAY 3, 2023:

On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the board approved (3-0) the minutes of the regular meeting held on May 3, 2023.

5) CHECK REGISTERS (ACTION):

On a **motion** by Trustee Fortune and seconded by Trustee Heanue, the board approved (3-0) the check registers.

6) ZONING ADMINISTRATOR PAYMENT AUTHORIZATION:

On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the board approved (3-0) the Zoning Administrator payment.

7) SPECIAL PROJECT REQUESTS AND APPROVAL:

We have received four requests for Special Project funds. The Town has asked for funds for beautification of the access point to the Rail Trail at the Oxbow. MACC has asked for funds to build a pollinator garden at the Oxbow. The Library has asked for funds to create a kids play space. The Copley Country Club has asked for funds to bring electrical services to their event tent. Total requested funds are \$30,079 and there is only \$13,940.52 available. The Chairman verified they could use some of the Amy Wade Funds to make up the difference. The Board would like to see a more itemized list of costs for the proposed Library project. On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the board approved (3-0) awarding the Town the \$470 request from the Special Project funds. The Board directed the Manager to inform Copley Country Club to reapply next year.

8) LEAD AND COPPER RULE – AUTHORIZATION TO APPLY FOR LOAN:

Most of the time when we get mandates from the Federal Government, we get told to just pay for it and smile as we do it. There is a new national requirement that we are to understand what everyone's service lines are made of in order to understand if any of them have the potential to leach lead or copper into the water at people's houses even though we don't own the service line. We received notice that loans are available to help fund this with some of them being "forgivable loans" that convert to grants once the project is complete. MW&L is eligible to apply for a loan of \$147,194 with \$123,597 forgiven for a total cost of \$23,597. Management is asking for authorization to apply for this loan. On a **motion** by Trustee Heanue and seconded by Trustee Knapp, the board approved (4-0) management to apply to the DWSRF for a zero-interest loan not to exceed \$147,194 on behalf of Morrisville Water & Light's water utility.

9) OTHER BUSINESS:

a. Electric Utility Planning & Regulation:

Our rate case will probably end up being 5.16%. Apparently, the Department of Public Service (DPS) does not like municipal utilities to pay for capital projects as they go and they want to force utilities to borrow for all capital projects and be in debt up to the gills all the time. They even go so far as to say if you need a rate increase to pay for long- and short-term debt service, that's okay. State policy is that utilities should have 60-days cash on hand to pay their bills. The DPS's calculation gives us 3-5 days of cash on hand. VPPSA's position, and Scott agrees with it, is that because the Public Utilities Commission (PUC) has no real history of disagreeing with the DPS that it is a fool's errand to make this case here and now. We are thinking of making the case in our Integrated Resource Plan (IRP). In our IRP we can outline a debt policy that we want, that the Trustees formally adopt and that the PUC approves. Then, when we go for our next rate case, we have a State-approved debt policy that the DPS would have a hard time fighting. In the meantime, cash is very tight for the electric department. We may be able to transfer some ARPA funds to the electric department. We could have the electric department borrow from the water and/or sewer departments through formal loans. We could borrow from a bank. The DPS doesn't like us using the Green River funds for what we have historically used it for, they want us to use it as operating cash, and may deny any future rate cases until those funds are at zero. We could take out a loan for the recent upgrade/rebuild of Sub #3 that we've already paid for out of various funds. Penny would like us to go in for an additional 2% rate increase and take out a loan on Sub #3. We are looking at the regulatory requirements of a loan. Management hopes to have better recommendations at the next regular meeting.

b. Management Update

The tour of Soulmate Brewing was the same as previous tours. They now have 3-phase power. Our main concern is that they are not connected to the municipal sewer, which they are currently not. We will be monitoring the nearest manhole to keep track of that. Plant #2 is experiencing a lot of vandalism (broken windows). The fiber ends at the bridge so if we can extend it to the plant, we can install new/better cameras. This has been a good spring for hydro and we are above our 10-year average even with Cady's Falls off line.

The apprentices are on track. Kyle Johnson is in his 4th year and will finish up this year. We are in transition of customers trying to start projects. Contracted tree trimmers have not begun yet. We sent our first mutual aid crew to another utility for the first time in about three years. Penny is working with Invoice Clouding for on-line payments. She had a preliminary meeting with FEMA about Storm Elliot. FEMA also would rather pay 100% of expenses if they include mitigation efforts for future damage. We can also include lost generation. She is looking at new software for our financial system and went to VEC to see it in action. We need 120-124 meters for the project on Jersey Heights and have reached out to NEPPA to see if anyone has some old meters to sell. We have already heard from Littleton and this will allow us to get cheap (possibly free) meters to cover until we switch over to AMI, which would require a completely new, and more expensive, meter.

There is a lot of misinformation about the Affordable Heat Act that just passed. All that passed was authorization to begin a 2-year process of the DPS and the PUC to do all of the economic analysis and design how an affordable heat standard will work. It then would go back to the Legislature for a vote. Any new fees are at least two years away.

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

10) PUBLIC COMMENT: None

11) EXECUTIVE SESSION: None

12) ADJOURN REGULAR MEETING:

On a **motion** by Trustee Heanue and seconded by Trustee Fortune, the Board adjourned (4-0) the meeting at 6:54 PM.

Attest: Robert Heanue, Clerk