

Joint Meeting of the Water & Sewer Commission And the Electric Utility Commission Meeting Minutes, April 24, 2019

Roll Call: Commissioners Dennis Donahue, Steve Fitzhugh, Dave Maxwell, Nathaniel Miller, absent. Others present: Town Manager Jeff Schulz, Utility Superintendent Pat Demasi. The meeting started at 6:30 PM.

Approval of Minutes from Previously Meeting

Motion by Dennis Donahue, second by Dave Maxwell to approve the minutes of March 18, 2019. **Motion passed 3-0.**

Meeting of the Electric Commission

FY 19/20 Electric Budget

Jeff Schulz stated that we are still waiting for power cost information from VPPSA and are not ready to discuss the Electric Budgets this evening; however we should be in a position to discuss the budget at the next meeting.

Integrated Resource Plan

Steve Fitzhugh noted that he continues to work with VPPSA on the required update of NED's Integrated Resources Plan. However, VPPSA needs additional time to complete their portion of the plan and should have it completed within the next few weeks.

Northview Weather Proposal to VELCO

Steve Fitzhugh stated that VELCO Weather Analytics was purchased by a European company called Vestis. VELCO is still involved in the process to determine the peak power times. Also, VELCO is working with Utopis to assess ice build on electric lines and is reviewing climate change issues. They found that the region is experiencing warmer temperatures. As a result, there is a proposal to forecast power outages in VT, and GMP and VEC will assist in that effort. As part of that effort, NED has been asked to provide financial assistance to GMP in the amount of \$620 per year for three years. Steve supports the payments to GMP. The Commissioners agreed with Steve's recommendation.

AMI Readiness Report

VPPSA contracted with a private company to assess the readiness of its members to implement AMI technology for their electric and water utilities. The contractor assessed NED's readiness and found that NED is nearly ready to implement AMI. It did identify some potential issues with the interface of NED's MUNIS billing system. At the last VPPSA meeting, the contractor recommended VPPSA take the process to the next level and develop a request for proposals; which will provide more information and is a prelude to a full request for bids on AMI implementation.

Other Business

Steve Fitzhugh gave an update on the Army National Guard's proposal to install a 100-kw solar installation on the Army Guard Training Center on the Norwich Campus. The required project feasibility study completed by GMP on NED's behalf identified interconnectivity issues into GMPs transmission lines that will need to be addressed before the certificate of public good can be issued. Steve and Jeff recently meet with representatives of the State of VT and the Army Guard to discuss the interconnectivity issue. Steve is working with GMP and others to determine the specific costs and fix. Steve noted that the impact of large solar projects in VT creates issues for the overall power grid and the general feeling is that the State of VT will need to be a part of the overall discussion, and potentially provide financial assistance or force others to provide financial assistance to overcome the issues.

Meeting of Water and Sewer Commission

FY 19/20 Budget

Jeff Schulz presented draft FY 19/20 Water and Sewer Budgets. Jeff noted that the draft water budget includes a 6.9% increase and that he reduced the initial increase from approximately 16% to the 6.9% increase through the use of cash surplus and health surplus funds. In regards to cash surplus funds, he used \$70,000 which will leave a balance of \$86,812. In addition, he used \$10,000 from health surplus (funds not used out the HRA account). Next, he shifted a greater portion of the Superintendent's compensation from water and sewer to electric – the share allocated to electric increased from 10% to 25%. The allocation for Jim Russo and Pete Demasi increased from 0% to 10%. Jim and Pete spend a portion of their time inspecting outages and mowing along power lines. In addition, he budgeted for a \$7,350 increase in revenue for the Water Department in anticipation of increased revenue from the expanded maple sugaring operation on municipal property.

Jeff stated that the draft FY 19/20 sewer budget includes a 2.6% increase. He reduced the initial increase of 9.0% to the 2.6% increase through the use of cash surplus and health surplus funds. He used \$15,000 of cash surplus and \$7,000 of health surplus. The remaining cash surplus balance for sewer will be \$139,324. The Commissioners recommended allocating more expenditures for the Water Department truck to electric by increasing the amount to electric to 50%.

Next, the Commissioner's agreed to have the next utility meeting on May 8 at 6:30PM. Motion by Dennis Donahue, second by Dave Maxwell to adjourn the Joint Meeting of the Electric Commission and the Water/Sewer Commissions. **Motion passed 3-0.**

Jeff Schulz, Town Manager