Trustees Present: Walter Scott, William Spears, Jr., Ellen St. Marie and Guy Breault

Staff Present: Jonathan Elwell, Greg Clark, Joanne Davis and Gary Denton

Others Present: Lee Carroll, John Lavigne and Paul Becht all of H.L. Turner Group, Paul Nolan, Tom Benton –St. Albans Messenger, Wayne Elliott and Nathan Pion of Aldrich & Elliot Engineering

The meeting was called to order by Walter Scott at 6:30 p.m.

1. Modifications/Changes to Agenda – There were no modifications or changes to the agenda.
2. Public Comment - There was no public comment.
3. Review/Approval of Minutes for April 25, 2017

Guy Breault moved to accept the minutes as written, Ellen St. Marie seconded. Unanimous.

1. Hydro Project, Phase I Final Report – Turner Group, Paul Nolan

Jonathan Elwell summarized the project. Since November 2016 we have been working on Phase I. The Final Report was included in the Trustee information. When the draft final report was received, Jon Elwell asked Turner Group to develop Option 5 which, we received last week. Paul Becht spoke regarding the bid history and steps taken since. Paul felt that unknowns about the condition of the hydro caused the significant over-budget bids for the project. Because of this The Turner Group proposed Phase 1 – this included a trustee approved contract with Kingsbury Construction LLC for $345,000 to inspect the turbine to better determine the health of all of its components. Once the facility was dewatered an inspection was done, and it was determined that there was additional repair work required.

Turner Group felt there were four options:

1. Do nothing and repair for as long as possible.

2. Sell the facility and relinquish the license.

3. Initiate steps for additional bonding of $1.5 to $1.7 million.

4. Rebid the entire project with a reduced scope of work-because of the limited number of vendors for this type of work. .

Option 5, asked Turner Group to investigate whether there was a meaningful project that could be done and stay within the bond amount of $2 million. Option 5 was developed with the understanding that the Village will have to have another project in approximately 5 years to complete the items that have been removed from this renovation.

John Lavigne spoke about the future work. Goals: want to be able to maximize kWh, secondly, want work done to last 20 to 25 years, third want to increase plant reliability. Using Norcan’s inspection they found that one of the blades has a significant crack in it and the pit liner has shrunk in size to less than a quarter of an inch making its use marginally safe. Should the pit liner fail the only way to stop water flow is the headgates which take some time to close. This is not ideal, and should be repaired. Now recommending a 5 blade runner and it will be throttled back to stay within FERC licensing. Want to only take turbine apart once – replace blades, repair pit liner, rewind generator and return all to working order. This will result in additional production.

What is not going to happen - concrete and building work. Leaks will remain. Will take roof off and replace to allow for crane to get in and remove turbine through the roof. Electrical – switchgear and instrumentation will remain as they are currently with the exception of burying the overhead lines.

Williams Spears, Jr. asked about the additional capacity. Will it be a concern that we are trying to increase production under the guise of rehabilitation? John Lavigne advised the trustees that our FERC license requires us to maintain the plant – if we do so while increasing the available production so long as we stay within our license that is okay. Lee Carroll spoke about the switchgear – this is not part of option 5 but repairs to this can be done more quickly because parts are more available. Greg Clark added that Plant #1 switchgear is quite old but the Kendall Plant is a little newer. Currently when experience down time it is due to a problem with the controls which are the same age (1992) at both plants.

Guy Breault asked about the Kendall plant. Can this continue running while Plant #1 is down? John Lavigne said yes, Kendall will continue to produce.

Jon Elwell asked about a construction schedule. None was included in Option 5. Paul Becht said that Kingsbury Construction was working on the schedule and they should be able to have it here soon. As he said before Norcan is the driver for the schedule. Kingsbury Construction needs to meet with subcontractors to complete the timeline. Paul Becht said that if this project is approved work should begin in June and the plant will be shut down in August for 10 to 11 months. Norcan drives the timing of the shutdown as they will have the turbine pulled and transported to their location for the work to be done.

Jon Elwell pointed out that this construction will not be completed prior to the FERC relicensing process. Jon asked Paul Nolan if he feels this will be a problem since the project will likely stretch into April 2018. Paul Nolan said that he does not feel that this will be a problem. Our FERC license expires in April 2023 and a relicensing application must be made at least 2 years prior to expiration of the current license. At least 5 years prior or April 2018 we have to start the relicensing process, notifying them of our intention to apply. Whether or not we are in the relicensing process we are obligated to maintain the plant. So long as we work within our min-flow and max-flow we are not deviating from our current license. Paul Nolan said that once he has received all necessary information, he will be notifying FERC that we are going to be making repairs to the plant that will increase efficiencies but will allow us to produce more power. This may cause other agencies to be concerned but when the same issue arose at other facilities no action resulted. Better to be more proactive and inform the agency of the work being done.

Paul feels confident that that we have a good and reasonable shot at making this work from FERC’s perspective. An amendment to our FERC license enables us to inform FERC and continue work including the change to 5- blade. We will hear from the agency but should be able to respond to them effectively. There should be no change to flows, just improving efficiency.

Jon Elwell pointed out an additional issue – Kingsbury Construction budget is just under $2 million. We have the funds for this project in bond money. In addition to Kingsbury – Turner Group is asking for an additional $65,000 to complete engineering. Paul Becht pointed out that in additional to the engineering, work will include other soft costs. Is the $65,000 in addition to what has been committed to the project or does this include the current unbilled contract amount of $44,604? Paul Becht responded that he believed the $65,000 was in addition but would have to go back and check that to be sure. Paul Becht believes Turner Group will need approximately $104,604 to complete the contract. Paul Nolan has stated that he believes he can complete his work on the FERC licensing within the $14,500 on his first contract of which $4,423. Jon said that it looks like Option 5 will work within the $2 million bond with the additional allocation of $65,000 for Turner Group from the electric department to complete the engineering.

Walter Scott asked what the next project would cost in 5 years if we go through with Option 5. Jon Elwell said $1.5 to $1.7 million in 5 years after the FERC licensing according to the figures supplied in the Phase I Final Report. Walter said he is concerned about the relicensing and Greg Clark responded that Paul Nolan has indicated that so long as no water flow is affected we should be okay. Paul Nolan concurred.

Guy Breault asked if we are anywhere near close to the 600kWh that we are supposed to be able to generate. Greg Clark said that if the river is running just right we can get close to the 600 but we are typically generating 350kWh to 400kWh.

Walter asked the Trustees how they felt about Option 5? Is it the intention of the Trustees to approve the proposed Option 5? Would the Trustees prefer to wait until they are able to have more discussion? Paul Nolan indicated that it would be best to start contacting the agency to notify them that we need to make repairs on the plant prior to having to begin discussions about license renewal. Jon Elwell asked if the board took another couple of weeks to make a decision would this cause difficulty for Paul Nolan? Paul said a couple of weeks would be fine. Guy Breault moved to approve the proposed Option 5 as presented by Turner Group. William Spears, Jr. seconded. Unanimous.

Jon Elwell wanted to make sure that this motion includes the additional $65,000 for Turner Group. Walter Scott said yes that was the intent.

1. Water Asset Management Plan – A&E Engineering

Nathan Pion presented the Water Asset Management plan developed by Aldrich & Elliott Engineering. This mapped all equipment, its life expectancy and risk management. All of this information was used to develop a 5 year capital plan which was included. Wayne Elliot pointed out that one of the key components of the plan is that Gary Denton has an electronic version of the plan that he can update as changes are made in the village.

The plan also points out that, in some areas, should there be a waterline break or leak there is no way to isolate it for repair given the current infrastructure. This has been a long term goal of the Village but is cost prohibitive, currently.

1. VPPSA, NE Hydro

Jon Elwell included a copy of the contract for the purchase of power from New England Hydro. Ken Nolan of VPPSA presented to the Trustees, at an earlier meeting, reasons the Village should consider this. At that meeting the Trustees elected to have Jon Elwell review the contract before making a final decision. Jon Elwell received the contract and reviewed it and recommends the Trustees approve entering into this contract with VPPSA. William Spears, Jr. moved to approve entering into the VPPSA, NE Hydro contract, Guy Breault Seconded. Unanimous.

1. Lincoln Park Bandstand Permit Request, Enosburgh Recreation Director, Mary Tryhorne
2. Lincoln Park Bandstand Permit Request, Mary Tryhorne Yoga

Jon Elwell explained the reason for two permits was that one was being done through the Enosburgh Recreation program while the other was being done by Mary Tryhorne Yoga. William Spears Jr asked about insurance coverage for Mary Tryhorne. Jon Elwell said that this had not been questioned in the past but might be good to consider in the future. While Mary Tryhorne Yoga will run through July and August from 6 to 8:30, the Enosburgh Recreation program is for May 21st only for two time slots – 11:30 a.m. to 1:30 p.m. and picnic in the park from 1 to 2 p.m. William Spears Jr moved to approve both events, Ellen St. Marie seconded. Unanimous.

1. Manager’s Report

* Jon Elwell reminded the Trustees that beginning May 23, 2017 Trustee meetings will be videoed by Northwest Access TV
* There was a wastewater backup on Elm Street that affected two residences. Hartigan was called to assist in clearing the problem. We have filed an insurance claim.
* Legislative Bill S.8 is being discussed by the legislature, and develops a State Ethics Commission and Governmental Ethical Conduct policy. Towns would have a similar policy and while the village has a Conflict of Interest policy we will need to make sure that it complies with the new bill if it passes.
* Jon Elwell received an email from Jamie Cameran who is working on the Quincy Hotel and is also working with the Enosburg Business Association to improve the downtown area. They have scheduled a second meeting for May 18 at 5:30 at the Emergency Services Building. Jon has a conflicting VT Town and City Managers Meeting out of town, but encourages available Trustees to show their support.

1. Other Business

William Spears, Jr. asked if Jon Elwell was comfortable with the request for Phase II, Option 5 additional cost of $65,000 to be paid to Turner Group. Jon said he understood Bill’s concern regarding the additional amount to be paid, but pointed out that the Board did just approve the amount. Jon and Joanne Davis will talk with Turner about the justification for the additional engineering work.

1. Executive Session: Personnel Issue, and Negotiations in which Premature Public Knowledge may Compromise the Position of the Municipality

Guy Breault moved to go to executive session at 8:51 p.m. William Spears, Jr. seconded. Unanimous.

Guy Breault moved to return to regular session at 9:15 p.m. Ellen St. Marie seconded. Unanimous.

As a result of discussion during executive session Tyler Jacobs will be offered the position of apprentice lineman in the Electric Department.

Meeting adjourned at 9:20 p.m.

Respectfully submitted,

Joanne Davis, Director of Finance

These minutes were approved as written at the May 23, 2017 Trustee meeting.