



## Board of Directors Meeting Minutes

December 11, 2019

### Board of Directors:

	Vacant, Barton	<b>X</b>	Bill Humphrey, Lyndonville
	Jonathan Elwell, Enosburg	<b>X</b>	Craig Myotte, Morrisville
<b>P</b>	Mike Sullivan, Hardwick	<b>X</b>	Stephen Fitzhugh, Northfield
	Pamela Moore, Jacksonville	<b>X</b>	John Morley, Orleans
	Meredith Birkett, Johnson	<b>X</b>	Reginald Beliveau, Swanton
<b>X</b>	Thomas Petraska, Ludlow		

*X indicates attendance in person, P indicates attendance by phone.*

### Alternates present:

Phil Wilson, Johnson	Penny Jones, Morrisville
Lynn Paradis, Swanton (phone)	

### Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Amy Parah, VPPSA
Julia Leopold, VPPSA	Ken St. Amour, VPPSA	
Melissa Bailey, VPPSA	Jackie Lemmerhirt, Lemmerhirt Consulting (phone)	

### Numbers in bold type correspond with agenda item numbers:

1. The meeting was called to order at 9:30 a.m. at the office of the Authority, located at 5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont.
2. Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. The General Manager requested a brief executive session prior to agenda item eight to discuss personnel.
3. Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance; however, Alternate Director Wilson was in attendance for the first time so the Board went around the table to introduce themselves.
4. Director Fitzhugh made a motion to accept the minutes of the Regular Board of Director's meeting held on October 2, 2019. The motion was seconded by Director Myotte. Motion approved.

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5. Director Fitzhugh made a motion to accept the minutes of the Special Board of Director's meeting held on October 22, 2019. The motion was seconded by Director Morley. Motion approved.
6. Director Morley made a motion to accept the Treasurer's report as of October 31, 2019 as presented. Director Fitzhugh seconded the motion.

VPPSA staff provided a brief update related to the operational budget vs. actual summary of VPPSA's operational costs. The financial results for the period ending October 31, 2019 indicate operational expenses being under-budget by approximately 3.6%. This includes payroll and overheads that are under-budget by 5.1% and office supplies and expenses that are over-budget by approximately .2%. Revenues exceed expenses by approximately \$30K for the year.

The motion was approved.

7. The General Manager reminded the Board that similar to the organizational policies and procedures, each year the VPPSA staff reviews the Benefits Guidelines to ensure compliance with any changes in law during the previous year and to assess whether the Guidelines continue to provide the best framework for operations and employee retention. The Board was provided with both a strike-lined and a clean version of the revised Guidelines. The staff changes were reviewed with the two primary topics discussed being "flexible working schedules" and "sick leave donations". These were discussed in more detail.

The definition of domestic partner and potential for including a provision that grandfathers the domestic partner benefit to existing employees was discussed in more detail. The staff was directed to review the potential changes discussed and to discuss those with legal counsel.

Director Fitzhugh made a motion to approve the changes to the VPPSA Benefits Guidelines as presented, with an effective date of January 1, 2020 and to allow a one-time window to retro-actively allow sick leave donations to Shawn Enterline (in 2019) under the new guidelines structure. The motion was seconded by Director Myotte. The motion was approved.

8.
  - a. The General Manager requested a brief executive session to discuss personnel. Director Fitzhugh made a motion to enter executive session to discuss personnel issues as allowed under the provisions of Title 1, Section 313 (A)(3) of the Vermont Statutes. The motion was seconded by Director Myotte. The motion was approved and the Board entered executive session at 10:20 a.m.

The Board re-entered general session at 10:35 a.m. No action was taken.

- b. The General Manager presented the 2020 Operating Budgets. The primary changes included within this draft (since the draft presented at the October 2, 2019 Board meeting) include:
      - i. Increase in Transco revenues of \$3K
      - ii. Decrease in Personnel/OH of approx. \$12K - moved to MVP Healthcare and changes to employee plan elections
      - iii. McNeil data incorporated - decrease of approx. \$331K
      - iv. AMI budget - decrease of approx. \$20K - consulting fees
      - v. P10 budget - decrease of approx. \$86K

The Board expressed comments/concerns related to the RES budget and that budget was discussed in more detail.

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The overall budget is down 3.4% or \$364K, primarily due to reduced cost related to the McNeil facility.

Director Myotte made a motion to approve the 2020 VPPSA Operating Budgets as presented. The motion was seconded by Director Humphrey. The motion was approved.

9. The General Manager reminded the Board that during the Board strategic planning retreat, VPPSA staff was directed to look at two new initiatives. The first is related to the addition of a GIS mapping service using the mPower ESRI based mapping software. The cost related to this initiative was presented to the Board. It was noted that since several members have already purchased this software, the budgeted cost to those members has been adjusted to reflect the costs they have already incurred.

Director Humphrey and Alternate Jones shared their experience with use of the mPower software and programs they currently use.

Director Fitzhugh made a motion to table this agenda item and to move on to agenda item #10. The motion was seconded by Director Humphrey. The motion was approved.

10. Similar to the GIS mapping service, the second initiative the Board requested staff evaluate was the addition of engineering services through VPPSA. The cost related to this addition was presented and the General Manager explained the tasks that would be assigned to the engineer. It was noted that there is also the potential for future revenue opportunities if VPPSA can use this position to provide services to non-members.

Director Fitzhugh shared his vision for the use of an Engineer and questioned whether there was a need for a full-time position. The General Manager explained his vision to utilize this individual for many other functions such as P10 management, outside services (mgmt. services), etc. Based on the services this position is expected to provide, Director Morley suggested that the title of the position be such that it includes management services (Engineer/Mgmt Services). The Board held further discussion regarding the use of this position and the benefits/challenges this position may bring to each member.

The General Manager requested feedback regarding the information the Board would need to move forward on the strategic planning initiatives.

Director Fitzhugh made a motion to table action on the engineering position to a Special Board meeting to be held in January 8<sup>th</sup>. The motion was seconded by Director Myotte. The motion was approved. Director Morley and Director Humphrey opposed.

Director Myotte made a motion to remove the GIS/mapping service agenda item from the table for further consideration. The motion was seconded by Director Fitzhugh. The motion was approved.

The Board briefly discussed whether action should be taken on this item within the existing meeting or whether this agenda item should also be tabled to a future meeting.

Director Sullivan made a motion to table action on the GIS/mapping service until the special board meeting to be held January 8<sup>th</sup>. The motion was seconded by Director Myotte. The motion was approved. Director Humphrey opposed.

11. The General Manager provided a brief update on the AMI RFP process. Following the Board's October decision to proceed with issuing an RFP for an AMI system, staff has been working with Lemmerhirt Consulting to prepare the RFP for issuance. The latest draft was provided to the Board. The General Manager provided a summary of how the process is expected to work, and a

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timeline that anticipates the RFP issuance by the end of 2019, a vendor selection by April 2020 and contracting complete by July 1, 2020.

There was a short discussion regarding the timeline and whether those working on the RFP's would have adequate time to dedicate to the effort during this time. It was decided to push out the vendor selection to the end of June with contract completion by end of August 2020.

- 12.** As a follow-up to the prior discussion, Ms. Lemmerhirt indicated that the RFP will have better results if the members provide adequate data (the more data the better). VPPSA staff updated the Board on the data that has been collected so far and what remains outstanding. There was a short discussion regarding how the data is being collected and whether the group is using mPower. At this time, each member is utilizing a different approach. Several of the larger members have data available through their GIS maps. Ludlow has contracted with mPower to collect the data and that effort is underway. Most of the smaller members do not yet have a solution and may need to provide location data directly from their billing systems despite the lower level of accuracy. VPPSA staff reminded the members that even if lower quality data was provided initially GPS coordinate information would be required for the meters by early summer 2020, and that lack of data at that point could compromise the quality of contracting VPPSA would be able to obtain from the chosen AMI vendor..
- 13.** The Barton effort was previously discussed under other agenda items - no further report was provided.
- 14.** The General Manager provided a brief report on the Generation and Other Assets Committee meeting held on November 11<sup>th</sup>. Several of the topics discussed at the meeting include: Project #10 updates, Load reducer values, solar project updates, SHEI and REC market updates.
- 15.** VPPSA staff provided a brief report of the topics discussed at the Legislative and Regulatory Affairs committee meeting held on November 11<sup>th</sup>. Those topics include: PUC proceedings (all fuels utility, net metering, electric vehicle charging fees, disconnect rule 3.30 and broadband), relevant Legislative topics (RES, broadband deployment, EV charging, proposed regional transportation climate initiative, EVT, state renewable energy goals, hydro relicensing process, EV taxation) and an update on VPPSA's proposed 2020 Tier 3 programs and budget.
- 16.** The General Manager provided a brief report of the VELCO Board activities. A representative from ISONE attended the meeting and that discussion comprised the majority of the meeting. There was an additional discussion related to a recent FERC ruling that occurred in MISO that could have an impact on the current filings at FERC related to the allowed rate-of-return.  
  
Director Fitzhugh provided a brief report on the VELCO Operating committee. Those topics include an update on VELCO's future substation renovation plans, storm outages, Utopus, solar projects, battery storage, VELCO's new operations center, and cyber security.
- 17.** VPPSA staff reported that the Great Blue survey will be starting within the next week. The first part of the survey will cover customer satisfaction and the latter part will relate to more detailed questions related to EVT, renewables, net metering, etc. It was noted that Great Blue is using publicly obtained customer information in order to make the customer contact.
- 18.** Potential Executive Session: no executive session was necessary.
- 19.** Other Business: NONE

The meeting was adjourned at 2:35 p.m.

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Respectfully submitted,

*Crystal L Currier*

Crystal Currier, Secretary