



VILLAGE OF HYDE PARK

BOARD OF TRUSTEES Minutes of June 8, 2017

The duly warned regular monthly meeting was held on June 8, 2017 in the Town Community Room.

Members Present

Frederika "Riki" French, Chair
Charlie Aronovici
Jack Anderson
Tim Yarrow
Peter Gallo

Others Present

Carol Robertson, General Manager

Riki French called the meeting to order at 6:35 p.m. There were no changes to the agenda. There was no public attendance. Motion by Charlie Aronovici and second by Jack Anderson to approve the minutes of May 4, 2017. Peter Gallo did not attend the meeting and abstained. The motion carried. Motion by Jack Anderson and second by Peter Gallo to approve the minutes of May 18, 2017. Tim Yarrow and Charlie Aronovici did not attend the meeting and abstained. The motion carried.

The Chair reported that although the Board acted to apply for grants in two separate categories, the GM made one application for a Northern Borders Regional Commission ("NBRC") grant because NBRC awards require robust community support. The Chair reported that she attended a Selectboard meeting to request these letters of support. The Selectboard voted to provide a letter of support for the water department application and did not vote on a letter of support for public restrooms and visitor's welcome center. There was a discussion about Selectboard minutes, which stated: "this request would include funds from town and village taxpayers". The Board of Trustees request for a letter of support stated: "We would apply for a grant of \$166,375 and finance the balance. In addition, we would seek financial support from Town and Village taxpayers, as well as individual contributions toward the ongoing expense to operate and maintain the welcome center." At the conclusion of seeking financial support, the Board of Trustees would have the information necessary to decide the best option(s) including: forfeit the grant, take the grant, construct and determine how to operate the facilities, or donate the building. There was a discussion.

There was a review of documents related to an Agreement with the Vermont Municipal Bond Bank regarding a general obligation note from the bank in the amount of \$42,700, discounted by the amount of \$21,350, repayable with interest at the rate of 0.00% per annum, together with an administrative fee of 0.00%. This planning obligation will fund the engineering evaluation the existing wastewater system and make recommendations for future expansion, and refurbishment/maintenance. This planning loan is rolled into a CWSRF construction loan in five years. Motion by Jack Anderson and second by Peter Gallo to

approve Loan RF1-200-1.0, VT State Revolving Fund for Clan Water Loan (Feasibility & Planning). Following discussion, the motion carried unanimously.

There was a review of the Town of Hyde Park's Notice of Change in Appraisal and VT Dept. of Taxes Technical Bulletin – 67, Uniform Capacity Tax on Renewable Energy Plants Commissioned to Generate Solar Power, revised July 28, 2016. The total real value of electric utility inventory is \$3,430,400, a decrease of \$2,200, and the value of Hyde Park Solar, Waterhouse Project is \$1,493,200, an increase of \$1,493,200. There was a lengthy discussion of the responsibility of electric commissioners to seek an exemption of the solar plant taxation on behalf of Hyde Park Electric ratepayers under VT Title 32, Chapter 125, Subchapter 002: Restricted Exemptions, section 3845.

There was a review and discussion of Board Committees. By consensus, the Board decided that committees, members and missions remain unchanged. There was a review and discussion of holiday decorations, events and fundraising. Tim Yarrow gave the report for the Village Working Group and Joint Town & Village Roads Working Group.

The GM gave reports on Hyde Park Electric, Water and Wastewater and the General Department. There was a discussion of each department. The final Waterhouse Project distribution engineering analysis, equipment specifications, RFP's and purchasing reported to be work-in-process. HPE will perform the distribution line work. Work continues on developing the Community Solar Tariff and grant funds of \$8,400 received from the Clean Energy Development Fund. Renewable Energy Certificates sold and \$8,300 received. Water Asset Management grant funds of \$20,000 received. All eleven VPPSA member utilities net-metering tariffs are under investigation by the Public Service Board: Case No. 17-0290-INV. Hyde Park Electric Public Hearing will be 7 PM, June 29, 2017 in the Community Education Center Room at the Green Mountain Technology and Career Center, 738 Rt. 15 West in Hyde Park.

The GM gave the Vermont Public Power Supply Authority ("VPPSA") report. There was a discussion of the SHEI/Highgate interface, transmission congestion and wind turbine curtailments in the northeastern section of the state affecting an area down to Morrisville. Those constraints and issues parallel future municipal distribution grid impacts that could result from net metering and Renewable Energy Standard ("RES") compliance. VPPSA reported that they were developing a Renewable Energy Standard ("RES") plan allowing for group compliance. VPPSA concurred with our belief that Tier III will be the most difficult and costly standard to meet Tier III.

Hyde Park Electric is 100% in compliance with Tier II and Tier III due to the Waterhouse Project, which is 100% owned by HPE. On an annual basis, once the Waterhouse Project meets its annual RES requirements, HPE controls the timing of REC sales. Tier II compliance requires distribution utilities to procure 1% of their annual retail sales from Tier II-eligible facilities starting in 2017, increasing by three-fifths of a percent each year until reaching 10% in 2032.

Tier III requires that we either procure additional new distributed renewable energy consistent with the requirements of Tier II, or acquire fossil-fuel savings through energy transformation projects equivalent to 2% of their annual retail sales in 2017, increasing by two-thirds of a percent each year until reaching 12% in 2032. Failure to meet Tier II and Tier III requirements requires purchasing qualified RECs or payment of cash penalties to the state. VPPSA reported that REC prices were climbing due to limited Vermont solar projects. VPPSA is soliciting purchase agreements for members and solar sites for development.

There being no further business, motion by Tim Yarrow and second by Jack Anderson to adjourn the meeting at 9:00 p.m. The motion carried.

Riki French, Chair

Date