

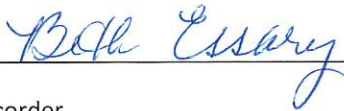
MINUTES OF HARDWICK ELECTRIC DEPARTMENT COMMISSIONERS MEETING OF 5/20/2024 AT 4:00 PM

Commissioners Gedanken, Prevot, Ambrosino, Kamisher-Koch and Demers were in attendance in person. Also in attendance was Beth Essary, HED CBOS, Ken Nolan, VPPSA, and Jim Fontaine.

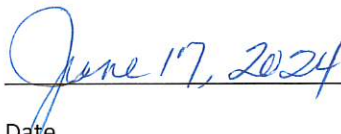
In attendance via Zoom:

Scott Johnstone, Morrisville Light & Water

- Commissioner Gedanken called the meeting to order at 4:04 PM.
- Items added to the agenda: Discussion of Nichols Pond access; Executive Session to discuss an employee matter, Executive Session to discuss an employee matter.
- Commissioner Prevot made a motion to approve the minutes of the April 15, 2024 meeting. Commissioner Kamisher-Koch seconded the motion. Motion passed.
- Commissioner Prevot made a motion to approve the minutes of the May 6, 2024 meeting. Commissioner Ambrosino seconded the motion. Motion passed.
- Commissioner Gedanken made a motion to adopt the resolutions entitled TOWN OF HARDWICK ELECTRIC DEPARTMENT RESOLUTION CURRENT EXPENSE BORROWING on pages 20 and 21 of the board meeting packet for this week's agenda. Commissioner Ambrosino seconded the motion. Motion passed.
- Ken Nolan, VPPSA, provided an update on the progress of the Wolcott hydro plant. Commissioner Prevot made a motion to approve spending on the project as required to complete the rewind, and also spending for a structural engineer regarding the structure of the building including the closing off of the windows and metal door. Commissioner Ambrosino seconded the motion. Motion passed.
- There was discussion about continued planning for the Electric Department hiring process.
- The union contract negotiations were discussed.
- The Financial Report was discussed.
- Access to Nichols Pond via Hardwick Electric property was discussed. Commissioner Kamisher-Koch made a motion to remove the existing chain and install Rules of Use signage and HED bring in the Town of Woodbury to let them know what HED is doing to ensure their buy-in. Commissioner Ambrosino seconded the motion. Commissioner Gedanken amended the motion to remove "ensure their buy-in", and insert "notify the Town Manager". Commissioner Prevot seconded the amendment. Amendment passed. Motion passed.
- Commissioner Gedanken made a motion to move into Executive Session to discuss a confidential employee matter. Commissioner Ambrosino seconded the motion. The board went into Executive Session at 5:39 PM.
- The board came out of Executive Session at 5:46 PM. No action was taken. Commissioner Gedanken made a motion that HED enter into an arrangement with Morrisville Water & Light for Scott Johnstone to be the HED part-time interim manager for a period of three months and HED will compensate Morrisville Water & Light at one-half Scott's salary and benefits + 20% to reflect the fact that Scott will be more working more time in total as he splits his time between Morrisville and Hardwick. And the board authorizes the Chair to sign the agreement with Morrisville Water & Light giving effect to that arrangement, and Scott will be starting the week of Memorial Day. Commissioner Ambrosino seconded the motion. Motion passed.
- Commissioner Ambrosino made a motion to move into Executive Session to discuss a confidential customer matter. Commissioner PPrevot seconded the motion. The board went into Executive Session at 5:50 PM.
- The board came out of Executive Session at 6:41 PM. No action was taken.
- Commissioner Gedanken made a motion to move into Executive Session to discuss a confidential employee matter. Commissioner Prevot seconded the motion. The board went into Executive Session at 6:42 PM.
- The board came out of Executive Session at 6:45 PM. No action was taken.
- Commissioner Ambrosion made a motion to adjourn. Commissioner Prevot seconded the motion. Meeting was adjourned at 6:46 pm.



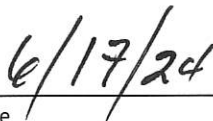
Recorder



Date



Commissioner Signature



Date

TOWN OF HARDWICK ELECTRIC DEPARTMENT
RESOLUTION
CURRENT EXPENSE BORROWING

WHEREAS, the Selectboard and the Board of Commissioners are authorized and empowered to borrow money on the credit of the Town of Hardwick Electric Department to defray the cost of current expenses; and

WHEREAS, it is hereby found and determined that in order to carry out the responsibilities placed upon the said Board of Commissioners by law, it is necessary and expedient for the Town of Hardwick Electric Department to acquire funds in order to meet current expenses; and

WHEREAS, the Board of Commissioners has been and is now providing essential governmental services and funds are needed to meet expenses relating to the delivery of said essential governmental services; and

WHEREAS, in order to have funds to meet expenses as aforesaid, the Board of Commissioners has arranged to borrow \$200,000.00 from UNION BANK with such borrowing evidenced by single Current Expense Note (the Note"), which note does not refund or replace an obligation previously issued for the same purpose.

THEREFORE, BE IT RESOLVED, that the Selectboard, the Board of Commissioners and the Treasurer proceed forthwith to complete said transaction and issue said evidence of indebtedness to cover the same; and

BE IT FURTHER RESOLVED, that said evidence of debt when issued and delivered pursuant to this Resolution shall be a valid and binding obligation of the Town of Hardwick Electric Department payable according to the terms and tenor thereof from revenues of the Town of Hardwick Electric Department; and

BE IT FURTHER RESOLVED, that all acts and things heretofore done by the lawfully constituted officers of the Town of Hardwick Electric Department in, about, or concerning the expenditure of proceeds of the Note(s) are hereby ratified and confirmed; and

We, the undersigned Selectboard, Board of Commissioners and Treasurer of the Town of Hardwick Electric Department, hereby certify that we as such officers have signed a Current Expense Note, dated June 7, 2024 and due June 6, 2025 with an interest rate of 5.82%, payable as therein set forth and further certify that the note is issued under and pursuant to this Resolution adopted at a duly noticed and warned meetings of the Board of Commissioners of the Town of Hardwick Electric Department held on May 20, 2024, and the Selectboard on June 6, 2024.

We, the said Selectboard, Board of Commissioners and Treasurer of the Town of Hardwick Electric Department, hereby certify that we are the duly chosen, qualified and acting officers as undersigned, that the Note is issued pursuant to authority, that no proceeding relating thereto has been taken other than as shown in the foregoing recital, that no such

authority or action has been amended or repealed, and that there is no litigation threatened or pending in any state or federal court of competent jurisdiction seeking to enjoin either the issuance of the above-described Note or the expenditures being financed by the proceeds of the same.

We also certify that no litigation is pending or threatened affecting the validity of the Note or the apportionment and assessment of service fees, to pay the same when due, that neither the existence nor the boundaries of the Town of Hardwick Electric Department, nor the title of any of us to our respective offices, is being questioned or contested.

Further, we hereby certify to and covenant with UNION BANK, its successors and assigns, including specifically the transferees, assigns, holders and owners of the above-described Note that:

1. The aggregate principal amount of said Note does not exceed the maximum cumulative cash flow deficit of the Town of Hardwick Electric Department for the term of said Note, from date of issue to and including date of maturity, as computed under Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, or under the Regulations promulgated thereunder.
2. No proceeds of the Note (including investment proceeds thereof) will be used (directly or indirectly) in any trade or business carried on by any person other than the Town of Hardwick Electric Department nor used to make or finance loans to any person.
3. During the current calendar year, neither the Town of Hardwick Electric Department nor any subordinate agency thereof will issue debt of any sort aggregating \$10,000,000.00 or more.
4. The Town of Hardwick Electric Department will file when and as required with the Treasury Department or Internal Revenue Service information returns relating to the issuance of the Note and all other obligations of the Town of Hardwick Electric Department.
5. The Town of Hardwick Electric Department will comply with, perform, maintain and keep each and every covenant, representation, certification, and undertaking in the accompanying Tax Certificate, execution and delivery of which is hereby authorized.

Interim Manager Agreement

Morrisville Water & Light (MWL) and Hardwick Electric Department (HED) seek to temporarily share the MWL General Manager (Scott Johnstone) while HED searches for and hires a new manager for their utility. Scott will continue to be a full time employee of MWL during this time and will be made available to HED under a secondment arrangement via this agreement. Scott will retain his current employment status at MWL. This arrangement will begin on May 27, 2024.

Scott will be generally available to all staff at both utilities at all times. He plans typically to sit at each utility twice a week. The fifth day will be either at statewide or VPPSA meetings or Scott will rotate that day between the utilities. Scott will attend all MWL Trustee and HED Commission meetings.

When representing HED Scott will identify as the HED Interim General Manager so that customers and staff in HED service territory will understand they are speaking to HED representation.

This agreement is intended to last no more than three months and can be revisited at that time if HED is still searching for a manager at that point. The agreement can be terminated earlier if HED finds a new General Manager more quickly than expected. In all cases Scott will be available to assist with the new manager's transition into the position.

The utilities agree to evenly split the cost of Scott's position during this time. MWL will invoice HED on a regular basis for these costs. The costs included are all salary and benefits. For purposes of this arrangement, Scott's salary has been increased by 20% to reflect the additional workload he will carry during this time. It is this salary (plus benefits) that will be evenly shared.

Initially, HED's share of Scott's salary package will be \$2,413.43 per week. Due to an upcoming salary adjustment, this will rise to \$2,511.00 beginning June 24, 2024.


No conflicts of interest are currently known by the parties. However, should a conflict arise, Scott will alert the chair of each governing body both for transparency and to resolve the best path forward. If dictated by the circumstances, Scott shall not participate in any decision that involves either a real or perceived conflict of interest. Additionally, Scott shall not disclose any of HED's confidential information to MWL and he shall not disclose any of MWL's confidential information to HED.

Should either governing body have emergent concerns with the arrangement they are encouraged to speak with Scott. If that does not resolve an issue or concern, then the respective chairs are encouraged to discuss matters.


Should this agreement not be satisfactory for any party, it may be canceled. Should MWL determine to cancel the agreement they agree to have Scott transition information, status and knowledge to whomever HED determines.

Each party agrees, in the spirit of cooperation with which this agreement is entered, to hold the other harmless should matters arise during the period for which this agreement is in effect.

Agreed to this 5th day of June, 2024 by:



Robert Heanue for MWL



Lynne Gedanken for HED