

Town of Heath

Meeting minutes

Heath Municipal Light Plant Advisory Committee

Date/time: 5/15/19 at 9:30 am

Location: Sawyer Hall

Called to order at 9:07 AM with Art, Jan, Ned and Sheila present

Approved minutes of 4/2/19. Need minutes of 4/9/19 and 4/23/19

Heath M-R estimate has increased to \$1.89 million. Construction est. of \$645,300 is expected to be accurate because with taller poles construction should be easier; Town is responsible for construction overage.

Advance from LMCF is used to pay Heath back for invoices we had to pay through loans; Advance "closes gap" between M-R est. and actual costs, AND keeps project moving forward. Any remaining LMCF may be used to assist Towns with Drops.

Advance is for 75% of estimated M-R overages with balance paid at "true-up" at a later date after all towns M-R is known. Bill estimates Heath's advance will be about \$1 million but TBD.

Reason Heath M-R is so high is that we have hundreds of poles that are too short.

Bill will provide calculation of total M-R costs by COB 5/20/19.

Meeting then moved into a gathering scheduled by Clark Rowell for purpose of discussing Prop 2 ½ issues related to broadband borrowing. Present at meeting were Jan, Art, Tracey, Ned, Sheila, and on conference call Bill Ennen, Clark Rowell, Brianna Susel (UniBank), Rick Manley (Lock/Lord), Deb Wagner (DOR), Robyn Carlson.

Clark Rowell indicated Heath's 2020 levy limit is \$2,253,123; estimated tax rate \$22.41 (includes \$10,000 from overlay) and excess capacity; Deb Wagner estimates Heath FY21 tax rate will be \$24.19 with no budget increases.

The debt exclusion vote was invalid and needs to be validated by Governor; Town is pursuing.

Clark said he preferred to see the legislation in place before borrowing but given the circumstances, Clark and Rick suggested Town go ahead and borrow to pay invoices for broadband. Rick added that special act of legislation is usually approved, just takes time.

Clark suggested Town delay amortization of loans as late as possible to give time for validation to go through.

Bill Ennen suggested keeping the issue of debt exclusion vote authorization in front of our legislators for assistance. Kara is following closely.

Of Heath 1,615 pole count, the majority are network essential poles. Short poles caused massive cost overages.

Bill will ask NGrid to keep Heath in the FIFO (first-in-first-out) queue even while suggesting Heath hold on paying NGrid M-R invoices for now. Bill hopes to get a more complete M-R cost estimate for Heath in the next few days. Town prefers to wait until July 1st to do borrowing.

Meet with BOS/MLP Board on 4/21/19.

Next meeting: 5/7/19 at 9:30 am.

Sheila moved to adjourn, Ned seconded. Unanimously approved to adjourn at 12:00 PM

Respectfully submitted by Sheila Litchfield and Jan Carr