MINUTES OF SPECIAL MEETING
BURLINGTON ELECTRIC COMMISSION

Tuesday, July 29, 2014 – 8:00 p.m.

The regular meeting of the Burlington Electric Commission was convened at 8:17 p.m. on Tuesday, July 29, 2014, at the Burlington Electric Department at 585 Pine Street, Burlington, Vermont.

Commissioners Scott Moody, Bob Herendeen, Mark Stephenson, and Gabrielle Stebbins were present.

Staff members present included Neale Lunderville, Daryl Santerre, and Ken Nolan.

Other staff members present included Laura Babcock, clerk.

Mr. Moody called the meeting to order at 8:17 p.m.

1. Approve Resolution for issuance of Revenue Bonds for Purchase of the Winooski One Hydroelectric Facility (2014 Series A)

Commissioner Stephenson asked if the $12 million was to be all for the purchase, and maintenance of, Winooski One or would it be used for other projects. Mr. Santerre replied that the money would in fact be used solely for the purchase and maintenance of Winooski One

Commissioner Herendeen moved that the Burlington Board of Electric Commissioners approve and adopt Supplemental Resolution No. 12 authorizing the issuance of 2014 Series A revenue bonds in a principal amount not to exceed $12,000,000 to provide for financing the acquisition of various improvements to the City's electric plant, including the purchase of the Winooski One Hydroelectric Plant. The motion was seconded by Commissioner Stebbins and approved by all Commissioners present.

2. Approve Resolution for issuance of Revenue Refunding Bonds (2014 Series B)

Commissioner Herendeen asked if there were any big, one-time costs up front. Mr. Santerre replied that those initial fees were factored into the bond.

Commissioner Stevenson asked Mr. Santerre why the interest rate was lower on the second (refunding) bond as compared to the Winooski One revenue bond. Mr. Santerre replied that he was not completely sure but thought that it was probably due to fact that the second bond was a smaller amount bond and that there is more risk (thus the higher interest rate) associated with a new generating plant than a simple refunding of an existing bond.

Commissioner Herendeen moved that the Burlington Board of Electric Commissioners approve and adopt Supplemental Resolution No. 13 authorizing the issuance of 2014 Series B revenue refunding bonds in a principal amount not to exceed $7,000,000 to provide for the current refunding of the remaining outstanding 2004 Series A Bonds, which had previously been authorized and issued as Electric System Revenue Bonds in the amount of $10,000,000. The motion was seconded by Commissioner Stephenson and approved by all Commissioners present.

3. Approve Operation and Maintenance Service Agreement with Northbrook Power Management, LLC

Commissioner Herendeen noted that this contract was for three years and asked what would happen in a real emergency. Mr. Nolan replied that if that were the case BED could operate the facility day-to-day, most likely through a combination of existing staff and contracting with one of the two current Winooski One employees, but would need to seek outside assistance for longer term planning and maintenance issues. He explained that BED could cancel the contract and step in to run the plant if necessary.

Commissioner Herendeen moved that the Burlington Board of Electric Commissioners recommend that the Burlington Board of Finance and City Council approve the agreement between BED and Northbrook Power Management, LLC for the operation and management of the Winooski One Hydroelectric Plant, the final form of which shall be subject to review and approval by the city attorney or her designee. The motion was seconded by Commissioner Stephenson and approved by all Commissioners present.

There being no further business to discuss, Commissioners Herendeen and Stephenson moved to adjourn at 8:36 p.m. which was approved by all Commissioners present.

Attest:

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Laura Babcock, Clerk