

Village of Ludlow Electric Light Department

Meeting Notice Board of Commissioners

Date 1\30\2025

4:30 Ludlow Town Hall, Howard Barton Jr. Conference Room

Agenda

- 1. Call to Order**
- 2. Consideration of any Changes, Additions, or Removal to the Agenda**
- 3. Comments from Ratepayers**
- 4. Approval of Minutes**
- 5. Update on Truck Financing Options**
- 6. 2025-2029 Capital Budget**
- 7. 2025 Budget**
- 8. M&T Stock Sale**
- 9. Safety Audit Report and Discussion**
- 10. Executive Session**
 - a. Personnel**
- 11. Any Actions from Executive Session**
- 12. Other Business**
- 13. Adjournment**

**Village of Ludlow Electric Light Department
Meeting Notice
Board of Commissioners
Date 01/30/2025
4:30 Ludlow Town Hall, Howard Barton Jr. Conference Room**

MEMBERS PRESENT:

Shannon Stark, Chair Logan Nicoll Jean Strong

STAFF PRESENT:

Chris Recchia Brett Sanderson Michael Gadway

OTHERS PRESET:

Brendan McNamara, Town Mgr. Pat Laverty Jay Jurkoic
Sarah Buxton Ron Ronald Shems

Agenda

I. CALL TO ORDER

A. Shannon Stark called the meeting to order at 4:33. All members present.

II. CONSIDERATION OF ANY CHANGES, ADDITIONS OR REMOVALS TO THE AGENDA

- A. Chris Recchia said he would like to present an update of the FEMA projects.
- B. **MOTION by Logan Nicoll and seconded by Jean Strong to include an update on the FEMA projects as Agenda Item #6. Motion passed unanimously.**
- C. All other items will follow successively.

III. COMMENTS FROM RATEPAYERS

A. There were none.

IV. APPROVAL OF MINUTES

- A. Chris Recchia advised that the minutes to be approved are from the meetings of 10/3/2024, 10/24/2024, 12/19/2024 and 1/16/2025.
- B. **MOTION by Logan Nicoll and seconded by Shannon Stark to approve the minutes for the meetings listed above as presented. Motion passed unanimously.**

V. UPDATE ON TRUCK FINANCING OPTIONS

- A. Chris Recchia said that they do have the money to buy the truck. He said the PUC wants us to have more debt of the books. We have a bid for a good price from Claremont Ford. We negotiated with M&T bank for a loan at an interest rate of 6.9%. The dealership does not finance commercial vehicles. It is recommended that we obtain a Line of Credit for cash flow. We are looking into the VT Secretary of the Treasury.
- B. Brett Sanderson we would have to apply every 6 months to keep it renewed.
- C. Chris Recchia said it would serve as second cash flow.
- D. Brett Sanderson said it would have a \$150,000 limit.
- E. Chris Recchia suggested they move forward with the purchase of the truck through that process. He would like us to finance the truck. He advised that last month we did not renew our \$540,000 CD. We will be able to back pay sick leave and have funds to be able to purchase other items as needed. We want to apply for the Municipal Loan if the rates are reasonable. The goal is to establish something we would have on as needed basis.
- F. Michael Gadway said they asked for the financials for 2023 last time and they never got back to me.
- G. Jean Strong said if they don't get back to you, reach out to them.
- H. Logan Nicoll said he will help if needed.
- I. Chris Recchia said delivery of the truck is 6 to 8 weeks away.

VI. FEMA PROJECTS UPDATE

- A. Michael Gadway said there are 3 projects.
- i. One completed project at \$57,000; VT reimbursement of 90% - \$10,000
 - ii. The second is the New Poles on Route 103 \$497,000, FEMA \$447,000. Withholding 10%. He said that the problem is the other utilities have not removed their lines from the old poles
 - iii. Shannon Stark asked when the project will be done
 - iv. Brett Sanderson said mid-summer
 - v. Chris Recchia said that estimate is based on the communications people removing their lines.
 - vi. Shannon Stark asked if it is TDS?
 - vii. Brett Sanderson said TDS, VELCO, Comcast.
 - viii. Chris Recchia said it is very expensive to move the line and also hard to enforce.
 - ix. Logan Nicoll asked which company is the worst of them
 - x. Chris Recchia said Consolidated.
 - xi. The third is the transformer at the Mill and their hazard mitigation– FEMA- \$45,000. FEMA is waiting for them.

VII. 2025 – 2029 CAPITAL BUDGET

- A. Chris Recchia said this is in the board's court. The budget for 2025 is surer than successive years.
- B. Logan Nicoll asked about the tech report SCADA
- C. Chris Recchia said we are planning for the numbers
- D. Michael Gadway said yes, it is in the line items
- E. Chris Recchia said it is in the office, Okemo and Magris have good fiber optics between us.
- F. Brett Sanderson asked if VELCO ran the lines
- G. Logan Nicoll said it is important with the battery and a good to buy and sell power
- H. Chris Recchia said it will tell the demand for a particular customer. He said the goal is to shave the peaks. It is a good time to put battery power in. He said the people from the battery company want to come in next month.
- I. Jean Strong asked how much power we but from Canada. We should plan for that in case the tariff goes into effect.
- J. Chris Recchia said it will be negotiated. We will look at it. A good portion of the power source (8 – 10%) is from Niagara and NY Hydro.
- K. Logan Nicoll said we should build something into the budget for a contingency.
- L. Chris Recchia said we should look at equipment needs.
- M. Brett Sanderson said backhoe and caterpillar
- N. Michael Gadway said VPSA has the contract with Hydro Quebec.
- O. **MOTION by Jean Strong and seconded by Logan Nicoll to approve the 2025 – 2029 Capital Budget. Motion passed unanimously.**

VIII. 2025 BUDGET

- A. Chris Recchia said that he made some assumptions. Brett Sanderson's shop position. Changes in Ben's to align with union. Union members now pay 1% of their Medical and 1% of VMERS. Should we extend that to staff or leave it alone? We need to decide to what extent employees should contribute. Union members got a pay raise and increase in boot and clothing allowances. Also, they pay union dues. He does not know how they feel.
- B. Brett Sanderson said he hasn't heard anything so far.
- C. Chris Recchia said we have to think about how to meld the staff and union.
- D. Brett Sanderson said if people are non-union and have to pay, they will probably join the union.
- E. Jean Strong said that the LEC benefits for 2025 are not easy to understand
- F. Chris Recchia said there are existing union health and VMERS. He said that by next month he will have a personnel policy and positions.
- G. Jean Strong said that the personnel policies have not been updated
- H. Michael Gadway said it was– 3 years ago and is similar to the old one.
- I. Chris Recchia said he is starting to edit that and the benefits
- J. Jean Strong asked how much it will cost now and, in the future,
- K. Chris Recchia said it is the supervisory staff. We don't have any other employees on this.
- L. Jean Strong said it can be costly moving forward
- M. Chris Recchia said the benefits are very generous. He said we don't want to have liability long standing
- N. Jean Strong said she wants a first-class lineman position in the budget

- O. Chris Recchia said he can add one. He said the board can approve the budget with conditions or approve it and authorize him to pay bills. The other big thing is that he is recommending a 5% increase for staff across the board – non-union – to bring them up to standard – this includes customer service, accounts payable and accounts receivable. They are underpaid. He added that Brett Sanderson is underpaid.
- P. **MOTION by Jean Strong and seconded by Logan Nicoll to approve a 5% increase as presented. Motion padded unanimously.**
- Q. Logan Nicoll said he is comfortable with the budget. **MOTION by Logan Nicoll and seconded by Jean Strong to approve the 2025 budget with additions or amendments. Motion passed unanimously.**
- R. Michael Gadway said that the system is capable of handling multiple versions of the budget.

IX. M&T STOCK SALE

- A. Chris Recchia said he does not know why we own private stock in the bank. We own 150 shares (\$25,000.) We should get it off the books. As it stands, we are a public company owning shares in a private bank that we do business with.
- B. **MOTION by Logan Nicoll and seconded by Jean Strong to sell the shares through Compushare passed unanimously.**
- C. Chris Recchia said we will get market value.
- D. Michael Gadway said it is selling higher than what you have in the books for it. We have \$600/month fees waived as part of the Vermont pool we have funds in.
- E. **Motion passed unanimously.**

X. SAFETY AUDIT REPORT & DISCUSSION

- A. Pat Laverty said they did the audit.
- B. Chris Recchia said we got the report at 6:00 p.m. last night
- C. Brett Sanderson said he would prefer to discuss this in the Executive Session.
- D. Chris Recchia said we might be able to do it. He said we contracted to have this work done and they reported back. He recommends that we hear from the consultant.
- E. Shannon Stark said she would like an overview of the findings
- F. Brett Sanderson said he wants an Executive Session.
- G. Logan Nicoll said it is already a public document. Executive Session is not for the initial report
- H. Ronald Shems said it is a public document. If we discuss what to do with personnel, then it can be done in the Executive Session
- I. Sarah Buxton if it is a question of risk or liability, then it could be done in Executive Session
- J. Jay Jurkoic asked at what point does it become public
- K. Pat Laverty said when it is subject to legal action
- L. Sarah Buxton said it should be available
- M. Pat Laverty said the report is based on observation for 3 days, focusing on operations.
- N. Brett Sanderson asked Pat Laverty how many audits this size have they done
- O. Pat Laverty said a handful, but only one other in Vermont. He said when 2 employees report to the board, this creates a divide. Usually, there is one general manager and department heads. He said that all of the employees were very forthcoming and approachable. He said that we made it clear that we are not out to write disciplinary reports. We are here to observe and recommend. He said that regarding the structure, none of the employees knew about the progression of positions. Between the electricians and supervisory positions, there was no clearly defined who does what. He said regarding the VT OSHA Violation, there was not switching procedure for lock out-tag out.
- P. Brett Sanderson said we have Lock out-tag out classes and an APPA manual. Everyone took classes and all signed off. I have a document from the switching order with substation directions. He said the staff is LIVID over this report.
- Q. Pat Laverty said it was not meant to be ill will.
- R. Brett Sanderson said as a Select Board member, this report would have been held and not discussed in public and he can't believe the attorneys allowed this.
- S. Logan Nicoll said we have talked about this as a board. This board is new and we don't have the knowledge to review. We identified that we have no job descriptions and want to move to a more formal organizational structure.
- T. Shannon Stark said we have already started to address some of the issues in the report
- U. Ronald Shems said that Sarah Buxton and he started, there was dissension, allegations, safety issues and no one knew the budget. You have made progress. We wanted a neutral, 3rd party auditor. He said this is not a blame game or meant to point fingers. Just to help people do their jobs as best as possible.

- V. Sarah Buxton we need to know what things made it into this report and why. Now, we have information on what needs to be done. Your responsibility is to assign tasks to make sure they are done.
- W. Pat Laverty said the biggest item is the concept that it is Operations vs. Operations. There is a big divide between office and operations and this can be addressed
- X. Jean Strong said she is not surprised that they picked up on this, it is not new. She said she is okay with the report being public. It would have been good for the board to see it beforehand. She said the report is very explicit and this is a small town and people know people. She said that she, personally, would have had the board see it first and be able to say what we know and how to address it.
- Y. Chris Recchia said that he thought everyone should see it at the same time; it may have been a mistake in strategy.
- Z. Ronald Shems said it is a public record. Everything is public except for narrow excerpts. This is public by statute.
- AA. Sarah Buxton said they shouldn't close up the presentation. Why this is important. People are only seeing what's on paper. You can process and respond and give reasonable assumptions.
- BB. Pat Laverty went on to Recommendations
- i. Restructure and clarify the reporting relationships within the department
 - a. Revise Department Reporting and Organizational Structure–
 - b. Appoint the Department Manager as the only employee to report to the board. One person who is the decision maker
 - ii. Develop and Enforce Safety and Training Programs
 - a. They need to come up with a system so the linemen know the procedures
 - b. Chris Recchia asked if there are written electrical codes
 - c. Pat Laverty said one person writes the switching order and 2 others sign off
 - d. Brett Sanderson said we have written procedures
 - e. Pat Laverty asked who can write and who can sign off
 - f. Michael Gadway said APPUSITE may be able to handle the switch work orders and sign offs. He will research it
 - g. Pat Laverty said that switching orders need to follow the right sequence
 - h. Shannon Stark asked about the substation
 - i. Brett Sanderson said we have to hand write some
- CC. Chris Recchia asked if it has always been outside and inside– completely separate. He said he is trying to rebuild this
- DD. Brett Sanderson agreed, saying that Howard Barton and Jack ran the show
- EE. Chris Recchia said he would like to make the system better and improve communication between office and staff
- FF. Shannon Stark agreed. She said that when she does stop by the office, she is not greeted well. Would the staff be willing to get to know us?
- GG. Chris Recchia said they would love to get to know what the board does and wants. They are scared, concerned and want to be valued. You (board) are all new. There has been a difference. The previous situation was bad, but it has gotten better. We need to try to make sure people are being treated fairly.
- HH. Shannon Stark suggested a newsletter
- II. Logan Nicoll suggested annual reports
- JJ. Michael Gadway said the last report was 2022
- KK. Sarah Buxton said that if the auditors come back in 6 months, we should decide where it would be easy to make changes– maybe training and schedules
- LL. Pat Laverty said they should look at path to becoming qualified at CPR, bucket, qualified ground men. He said that when he spoke to staff, no one could tell him how to get qualified.
- MM. Sarah Buxton said this is a situation– the employees may have been done, but it needs to be spelled out. What are the apprenticeship standards and training plans? She said that Brett Sanderson said that we have done those trainings
- NN. Chris Recchia said no one reads manuals
- OO. Pat Laverty said staff should know how to find things in manuals?
- PP. Chris Recchia added– and where to find the manuals
- QQ. Brett Sanderson said they all have their copies of the manuals
- RR. Pat Laverty said that 2 currently are going to programs. On-the-job training
- SS. Chris Recchia asked if he thought the apprentices were trained
- TT. Brett Sanderson said it's a wide variety and not repetitive
- UU. Sarah Buxton suggested one day per month dedicated to training- in-house
- VV. Brett Sanderson said they have pull-top rescue – yearly class and all of them have had it
- WW. Chris Recchia said to Pat Laverty– when you asked them, what did they say
- XX. Pat Laverty said pull tops and buckets- 3 said yes, 1 couldn't say
- YY. Shannon Stark said we are working on it

- ZZ. Chris Recchia said February would be a good time to work on job descriptions, structure and policy. He thinks he can have something put together for the February meeting/
- AAA. Shannon Stark said in the past, people were not getting trained. In the last 6 to 8 months, changes have been wildly impressive with teaching, training and getting their hours.
- BBB. Sarah Buxton said that the job descriptions for applicants must show proficiencies – there is a specificity lacking. They should work with the IBEW to work on the job descriptions and match the paper to the program
- CCC. Pat Lavery said for mutual aid response, others will ask for job descriptions. This should be incorporated into their contracts
- DDD. Chris Recchia said he will get some descriptions from the IBEW.
- EEE. Sarah Buxton said that the steps for pay raises need to meet the contract
- FFF. Chris Recchia said job descriptions that will be specific to the employer. We need to learn from other utilities in the state
- GGG. Sarah Buxton said that the IBEW is trying to standardize and need apprenticeship standards
- HHH. Chris Recchia said they need to have employee specific standards. We have training programs that enable employees to go elsewhere if there want
- III. Brett Sanderson asked about page 4 and the comment “After the severe incident, the Department attempted to address these gaps by acquiring new safety tools and equipment (i.e. load buster, cones, etc.) These attempts appear to be largely reactionary with little follow-through.
- JJJ. Pat Lavery said that after the incident new equipment was purchased.
- KKK. Brett Sanderson said we have plenty of cones and 3 load busters that are tested yearly
- LLL. Pat Lavery said there is an AED in the office and no one is trained on it. He said they have equipment that is not used.
- MMM. Shannon Stark asked if staff is trained on the load busters
- NNN. Brett Sanderson said the older guys are. He said training is a big expense and they test the equipment every year.
- OOO. Logan Nicoll asked about PPE on page 5 – “PPE was said to be in limited supply though generally available as needed if requested. Often times PPE was not stocked but purchased on an emergency basis.
- PPP. Brett Sanderson said we have to order enough, but not so much as we have too many and they expire.
- QQQ. Chris Recchia said Brett Sanderson and the team have done well managing that
- RRR. Jean Strong said that she thinks that Chris Recchia and Brett Sanderson should go through this report and see what has been done and what needs to get done
- SSS. Sarah Buxton said that should have responses for corrective actions
- TTT. Logan Nicoll said that Brett Sanderson and Chris Recchia should send responses to the board. Next month we can discuss planning and positions and fitting the organization into one organization
- UUU. Sarah Buxton said that the board sent a note to the employees saying this report is not a critique of them
- VVV. Shannon Stark said that Kim from the office has retired after 26 years in the office.
- WWW. Michael Gadway said they bought her a wind chime and engraved plaque
- XXX. Brett Sanderson said the shop did not know about this
- YYY. Logan Nicoll asked that a letter be drafted to employees thanking them for helping with the audit
- ZZZ. Shannon Stark said that the report was to inform the board about things they need to address
- AAAA. Chris Recchia said he will write the letter
- BBBB. Logan Nicoll said it was not to be critical of employees. They need to tell us what they need.

XI. EXECUTIVE SESSION

- A. Not needed

XII. ACTIONS FROM EXECUTIVE SESSION

- A. There were none

XIII. OTHER BUSINESS

- A. There was none

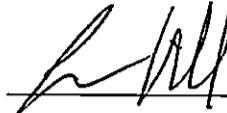
XIV. ADJOURNMENT

- A. **MOTION by Logan Nicoll and seconded by Jean Strong to adjourn. Motion passed unanimously.**
- B. Meeting adjourned at 6:44 p.m.

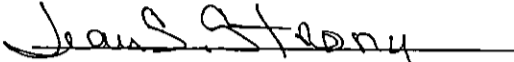
Respectfully Submitted
Lisha Klamber



Shannon Stark, Chair



Logan Nicoll, Vice Chair



Jean Strong