

ASHLAND BUDGET COMMITTEE

APRIL 4, 2025

Members present: Hughes, Ruell, Roloff, Angell, Fitch (alt)

The meeting was called to order at 6:02 p.m. It was voted on a motion by Angell, seconded by Roloff, to call to order a public hearing on the proposed warrant article for a bond of up to \$2.2 million for the replacement of the electric substation, to be considered at a special deliberative session on Tuesday, April 8. Handouts were available, with an added page showing the impact of the estimated half cent per kilowatt-hour rate increase on various amounts of power used monthly.

The article will authorize borrowing \$2.2 million dollars, but that is the worst case scenario. Estimates now range from \$1.5 million to \$1.8 million. The entire substation would be replaced except for three transformers. Four bids have been received to date, with the \$1.5 to \$1.8 million bid being the lowest bid at this time. The work will bring the substation up to modern standards.

Superintendent Harry Gallien explained that the previous plan for the substation was the gradual replacement of all the equipment over time. Now, virtually everything will be replaced. When asked about outages during the work, he said that there would be no interruptions in service, just flickers of the lights. Notice will be given when those charges are made. Citizens are urged to sign up for the messages. When asked about the costs of ongoing work on the entire system, Gallien said that there will be increases for line maintenance. When asked about the transformers on the poles, he explained that they were tested every five years and replaced as necessary. Gallien said that if the substation is not replaced, there will eventually be another

failure, as the substation is “old and brittle”. An insurance claim has been submitted, which could cover part of the repair costs. Grants are less likely, as they are usually made for new work, not for replacements and repairs. Asked about the impact on this year's budget, Gallien felt that the electric budget would be tight, but probably sufficient, depending in part on the insurance received.

On a motion by Ruell, seconded by Roloff, it was voted 4 to 0 to recommend the warrant article as presented. The bond hearing was closed at 6:25 p.m. The deliberative session was scheduled at 6:30 p.m. on Tuesday, April 8, in the school cafeteria.

Hughes noted that the school budget will be reviewed at the next committee meeting.

The meeting was adjourned at 6:27 p.m.

David Ruell, Secretary