

FRONT

FRONT

APRIL 12, 1968

A special meeting of the St. Michaels Utilities Commission was held of Friday, April 12, 1968.

Motion was made and carried to transfer \$7,300 to the town commissioners, as per their request.

Roberta H. Marshall
Roberta H. Marshall, Secretary



APRIL 24, 1968

The regular meeting of the St. Michaels Utilities Commission was called to order at 7:30 p.m. on Wednesday, April 24, 1968. All members were present.

The minutes were approved as read.

A letter was received from Mr. Harry Rash, State Roads Commission, stating that it will be some time in the future before they decide on the placement of the new Miles River Bridge. We will be contacted at that time.

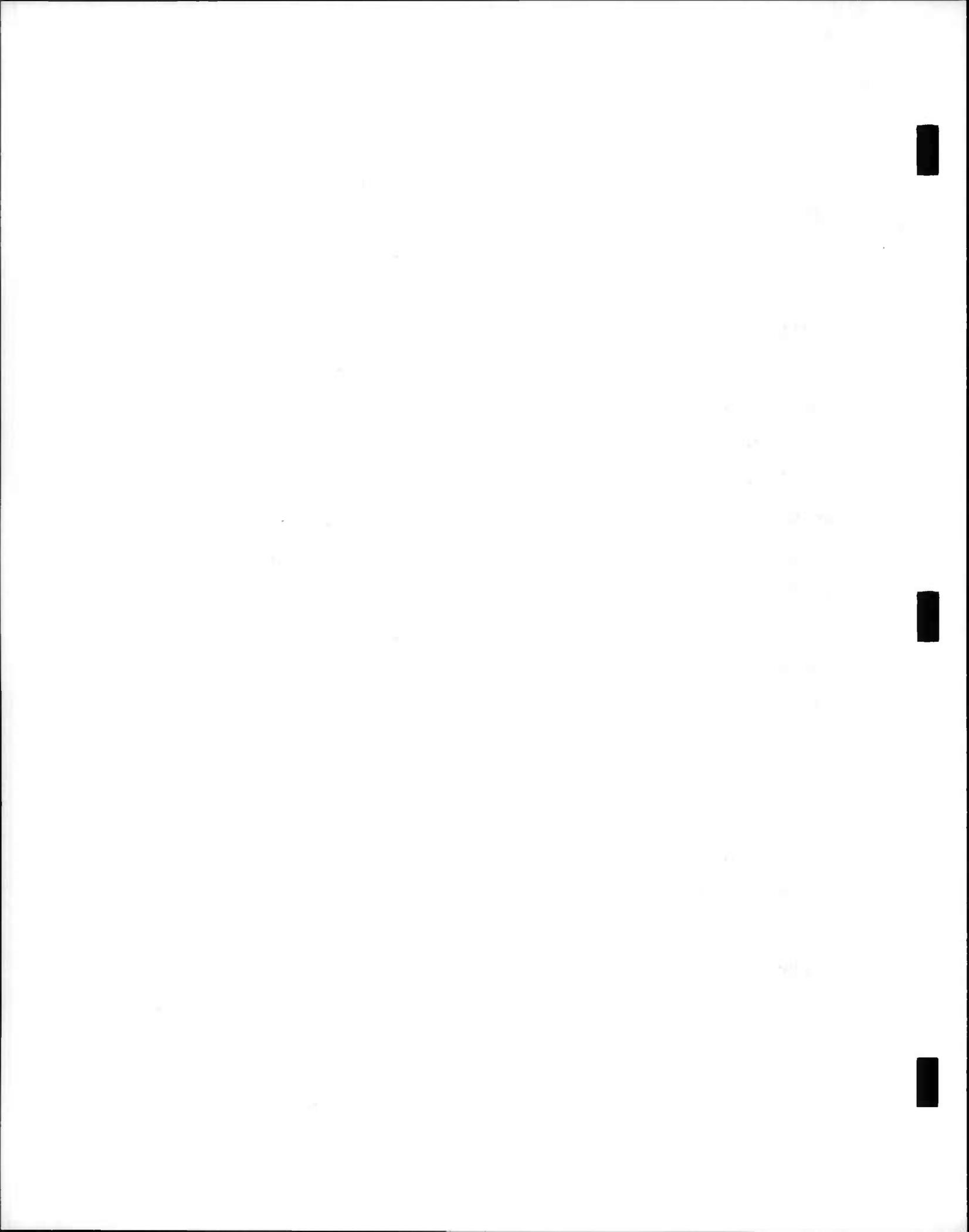
Mr. Fairbank announced that he has been contacted by the officials at Kirkland Hall College in regards to the type and cost of service we will furnish them. After some discussion, Mr. Fairbank was instructed to write them a letter concerning this. A copy of the letter is to be placed on file in the office.

Ray Kilmon and Stephen Greenhalgh, representing the employees, appeared before the commission to request that they be allowed to discontinue working on Saturdays. This would be more in line with other utilities in the area. Motion was made by Mr. Quillin and seconded by Mr. Eglseder that the regular work week for the men be changed to forty hours, with no work on Saturdays except during an emergency. There will still be a man on stand-by at all times on the weekend.

A letter was received asking for a donation for BASEBALL FOR BOYS. A check for \$10 will be sent to them.

There being no further business, the meeting adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



MAY 11, 1968

On May 11, 1968, a special meeting was called for the purpose of passing a resolution authorizing Mr. Spencer W. Reeder to write a letter regarding the Peach Bottom Atomic Power Station, Units 2 and 3.

This resolution was approved and adopted by all members of the Utilities Commission.

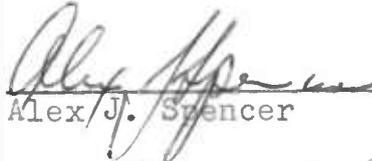
Roberta H. Marshall
Roberta H. Marshall, Secretary



RESOLUTION

Resolved, that Spencer W. Reeder be and he is hereby authorized to write on behalf of St. Michaels Utilities Commission the letter dated May 10, 1968, re Peach Bottom Atomic Power Station, Units Nos. 2 and 3, addressed to the Presidents of Philadelphia Electric Company, Public Service Electric Company, and Delmarva Power and Light Company, copy of which is attached hereto.

ST. MICHAELS UTILITIES COMMISSION



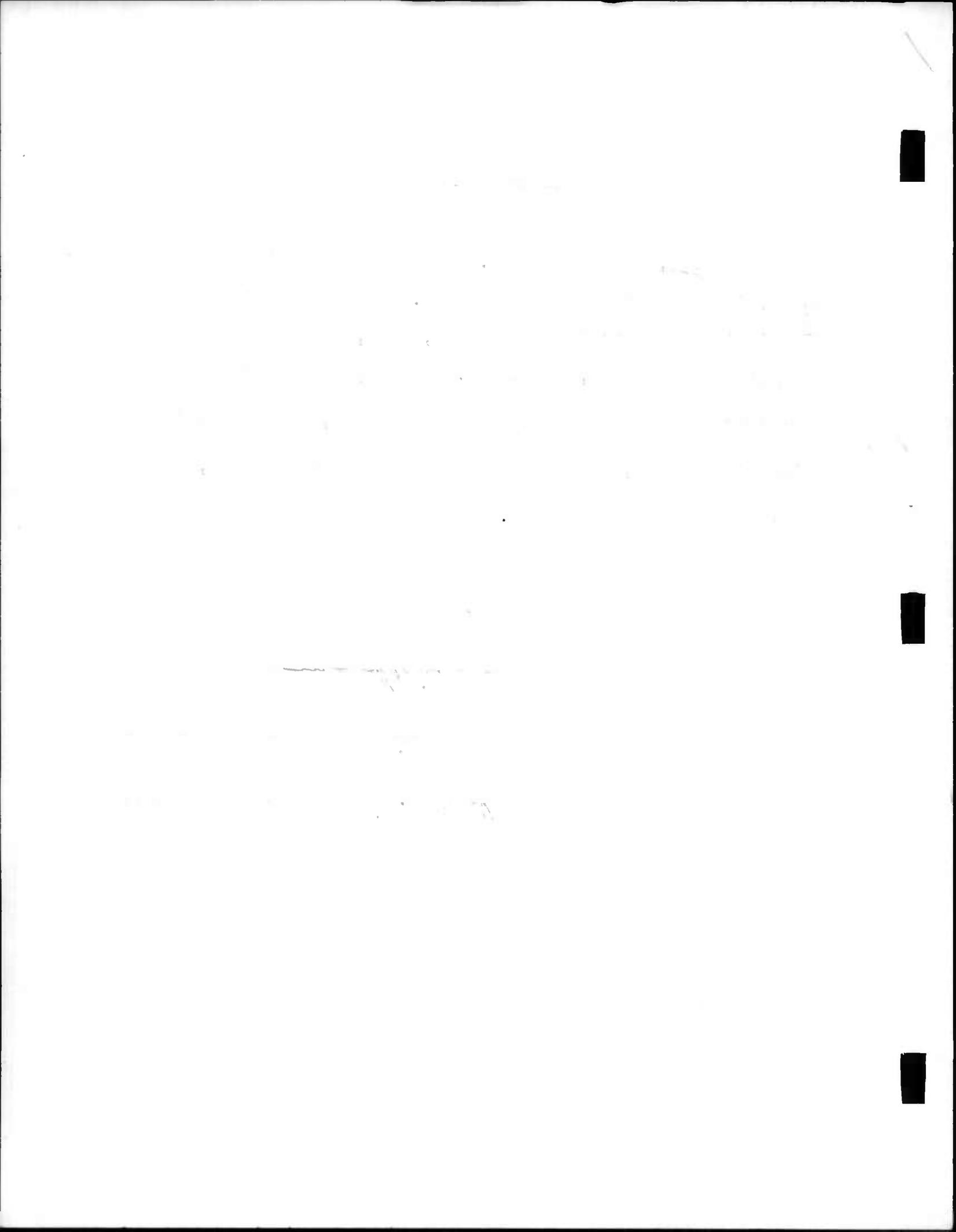
Alex J. Spencer



Walter A. Eglseder



Jennings B. Quillin



SPENCER W. REEDER
SPENCER BUILDING
ST. MICHAELS, MARYLAND

*Letter as
written and
sent on May 13, 1968*

AREA CODE: 301
745-5031

May 10, 1968

Mr. R. F. Gilkeson, President
Philadelphia Electric Company
1000 Chestnut Street
Philadelphia, Pennsylvania 19105

Mr. Edwin H. Snyder, President
Public Service Electric & Gas Company
80 Park Place
Newark, New Jersey 07101

Mr. James P. Hayward, President
Atlantic City Electric Company
Atlantic City, New Jersey 08401

Mr. A. T. Gardner, President
Delmarva Power and Light Company
600 Market Street
Wilmington, Delaware 19899

Gentlemen:

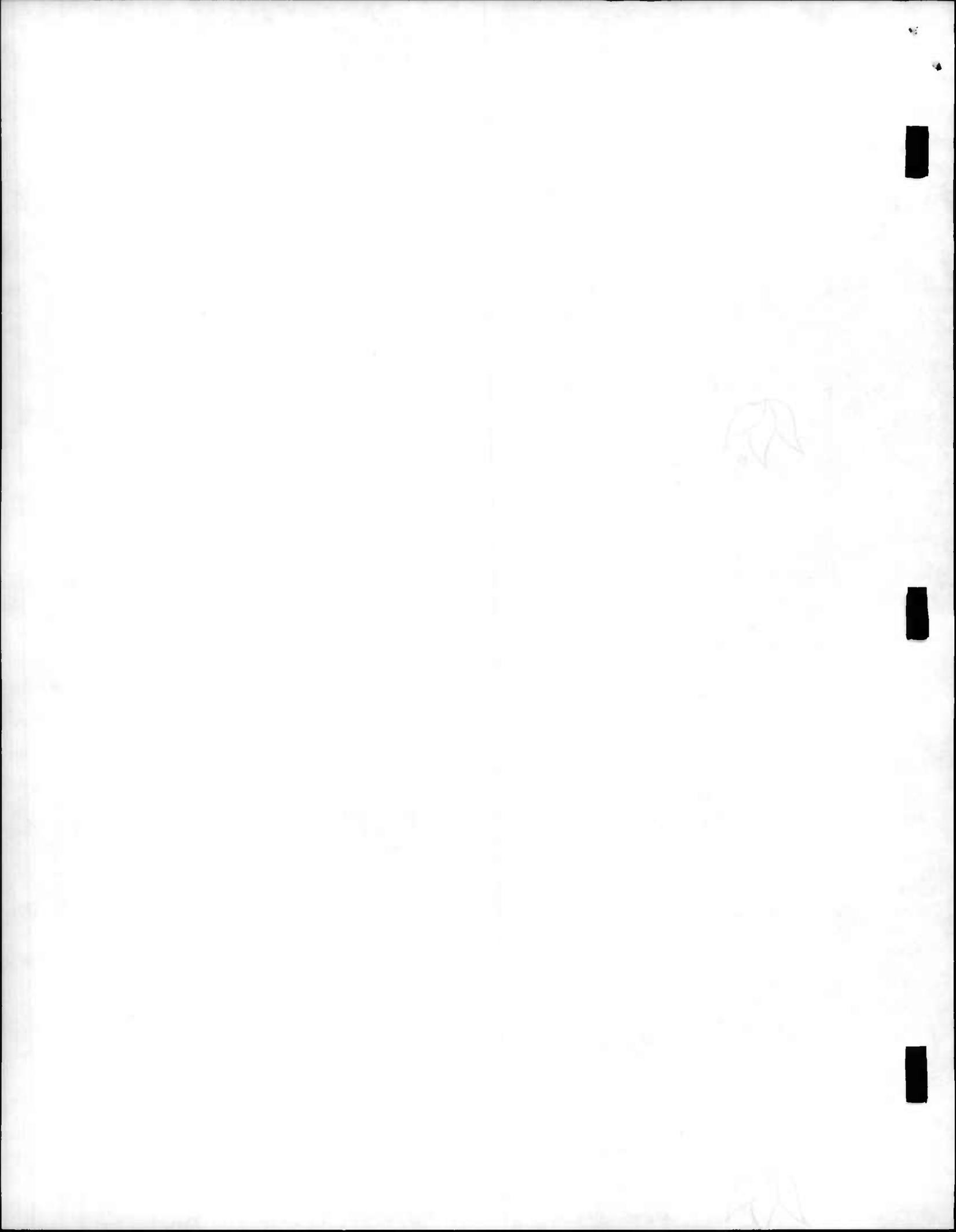
Re: Peach Bottom Atomic Power Station
Units Nos. 2 and 3

I am authorized to write this letter on behalf of The Easton Utilities Commission, Easton, Maryland and St. Michaels Utilities Commission, St. Michaels, Maryland, hereinafter referred to for brevity as "clients."

The Easton Utilities Commission ("Easton") operates an electric system owned by the Town of Easton, Maryland, a municipal corporation of the State of Maryland.

St. Michaels Utilities Commission ("St. Michaels") operates an electric system owned by the Town of St. Michaels, Maryland, a municipal corporation of the State of Maryland.

Clients are informed that your companies have entered into a certain combination, agreement, arrangement or understanding, dated November 1, 1967, apparently excluding clients and others similarly situated from the capacity and energy entitlement of the Peach Bottom Atomic Power Station, Units Nos. 2 and 3.



Clients are advised that said combination, agreement, arrangement or understanding is a "bottleneck" boycott" which restrains trade, contrary to the express prohibition of Section 10(h) of the Federal Power Act, which provides (16 U.S.C.A. Sec. 803(b)):

"Sec. 10. All licenses issued under this Part shall be on the following conditions:

* * *

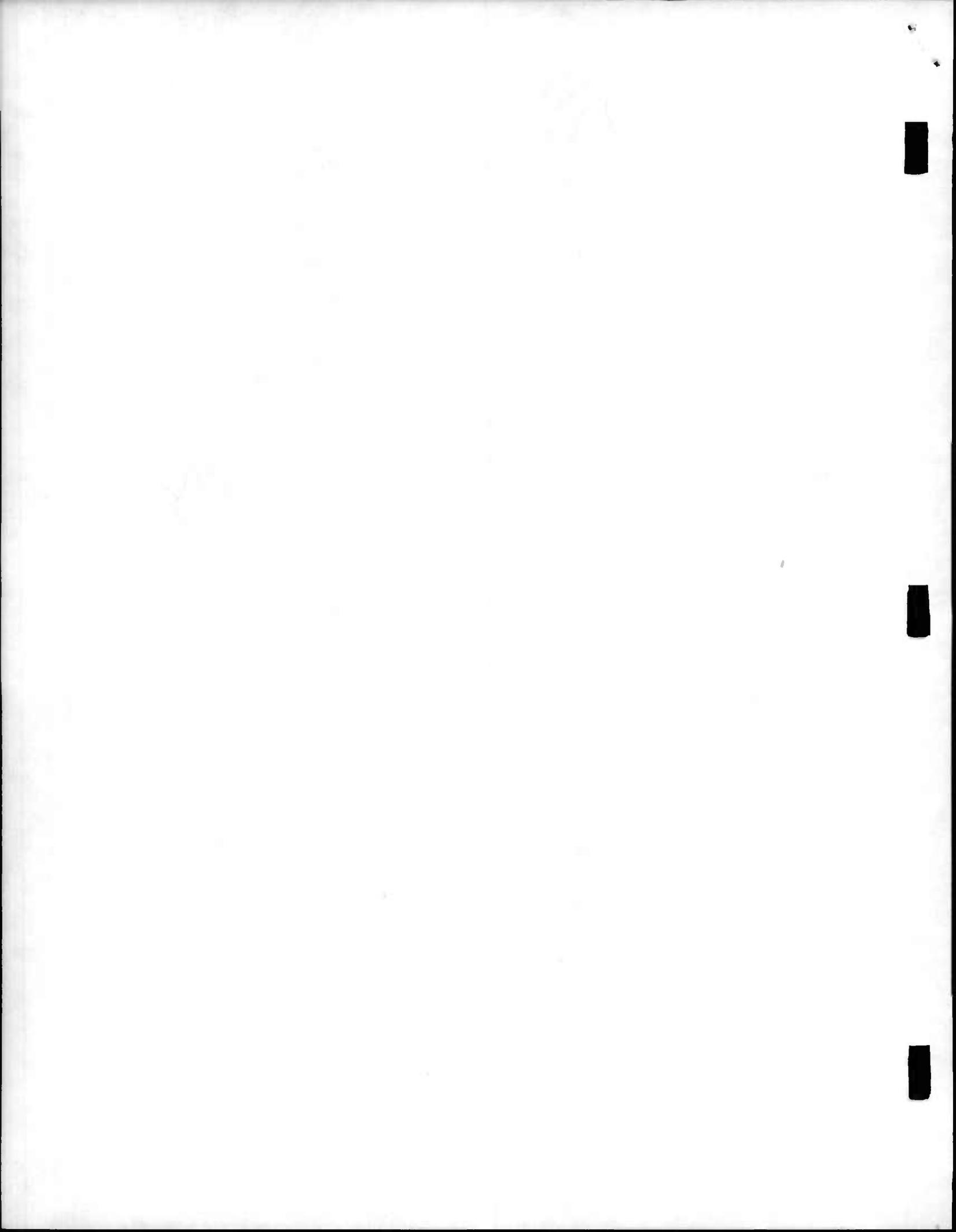
- (h) That combinations, agreements, arrangements, or understandings, express or implied, to limit the output of electrical energy, to restrain trade, or to fix, maintain, or increase prices for electrical energy or service are hereby prohibited."

Clients are further advised that said Section 10(h) of the Federal Power Act and its express prohibition of said combination agreement, arrangement or understanding in restraint of trade is a condition to each of the water power licenses hitherto granted by the Federal Power Commission to the Philadelphia Electric Company System to impound and regulate the flow of the waters of the Susquehanna River at and above the Conowingo Dam.

The purpose of this letter is to make formal demand upon you to modify said contract so as to enable clients to contract for their fair share of the capacity and energy entitlement of the Peach Bottom Atomic Power Station Units Nos. 2 and 3, in consideration of clients' making a corresponding financial contribution and assuming corresponding financial obligations.

As an earnest of the desire of the six members of The Easton Utilities Commission and St. Michaels Utilities Commission to open in good faith a new era of cooperation between the investor-owned and municipally-owned electric utilities for the benefit of all the ultimate consumers in this area, they and five other citizens of the United States, all acting individually and unofficially, have incorporated Peach Bottom Atomic Power Exchange, as a nonprofit corporation under the laws of the State of Washington. A copy of its Articles is enclosed. With the aid of this nonprofit corporation as a vehicle for cooperation, I stand ready to discuss this matter on behalf of my clients with a representative of your companies at any mutually convenient time and place.

If your companies, in turn, are willing to discuss this matter through a designated representative, in an effort to reach a negotiated settlement, kindly notify me by registered mail, sent in time to reach me on or before May 24, 1968.



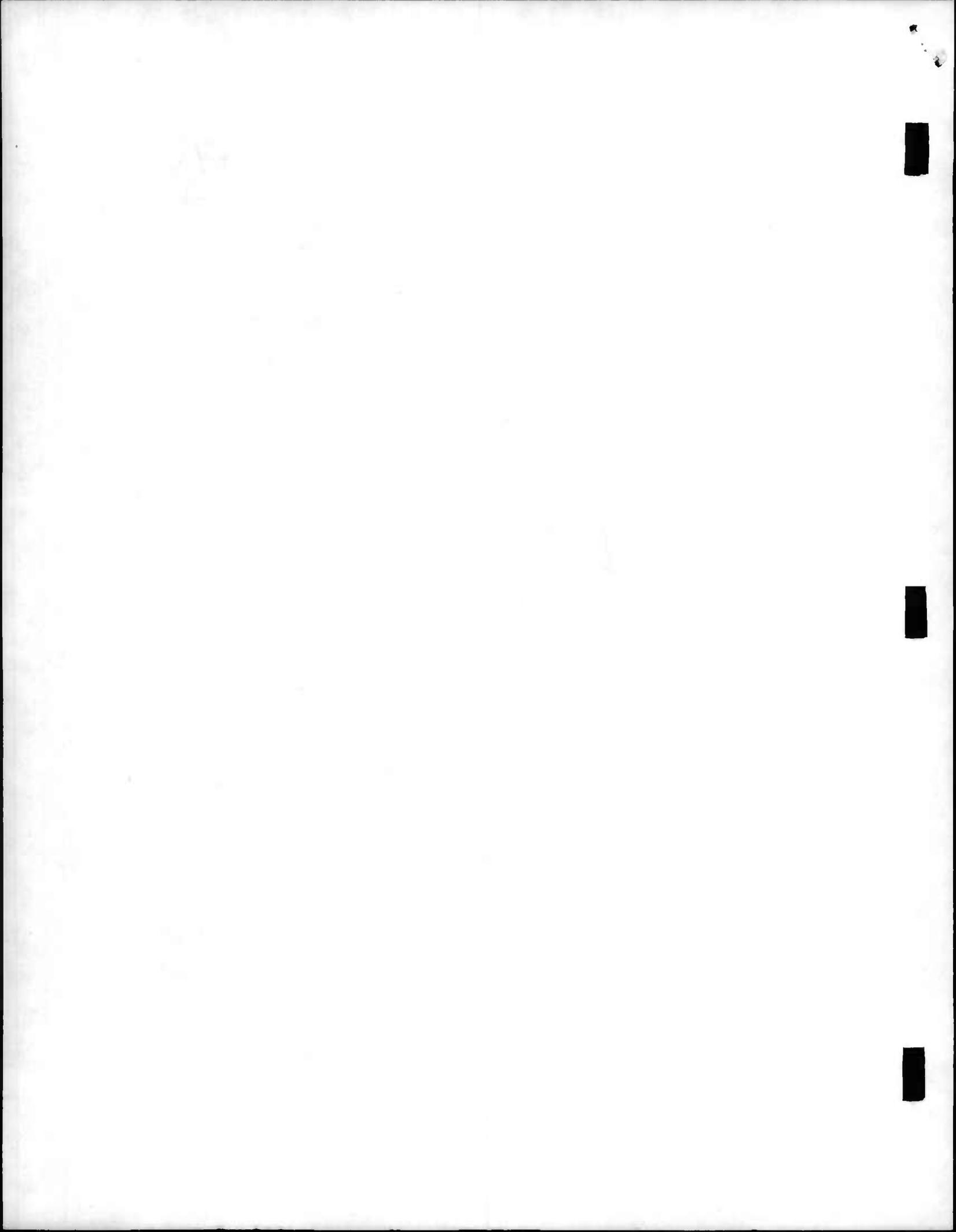
Otherwise, I regret to inform you that a Petition will be filed, shortly after May 24th with the Federal Power Commission, for a determination that the Philadelphia Electric Company System as a multiple Federal Water Power licensee, is in violation of Section 10(h) of the Federal Power Act, by reason of having entered into the prohibited "bottleneck boycott" combination, agreement, arrangement or understanding in restraint of trade aforesaid.

Very truly yours,

The Easton Utilities Commission,
Easton, Maryland, and
St. Michaels Utilities Commission,
St. Michaels, Maryland

By: Spencer H. Reeder
Their Attorney

BY REGISTERED MAIL
RETURN RECEIPT REQUESTED



MAY 22, 1968

The St. Michaels Utilities Commission held their regular meeting on Wednesday, May 22, 1968, at 7:30 p.m. All members were present.

The minutes of the last meeting were approved as read.

A letter was received from the City of Newark, Delaware, expressing their interest in our case against Delmarva Power and Light, and offering their support.

The office is to be closed on May 30, Memorial Day.

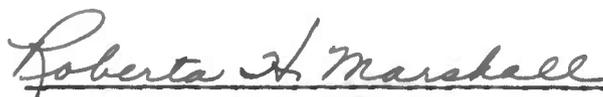
There was a request from the town commissioners for a payment on sewer bonds and coupons to be retired June 1. Mr. Quillin made a motion that we give them a check for \$9,392.00. Motion seconded by Mr. Eglseder.

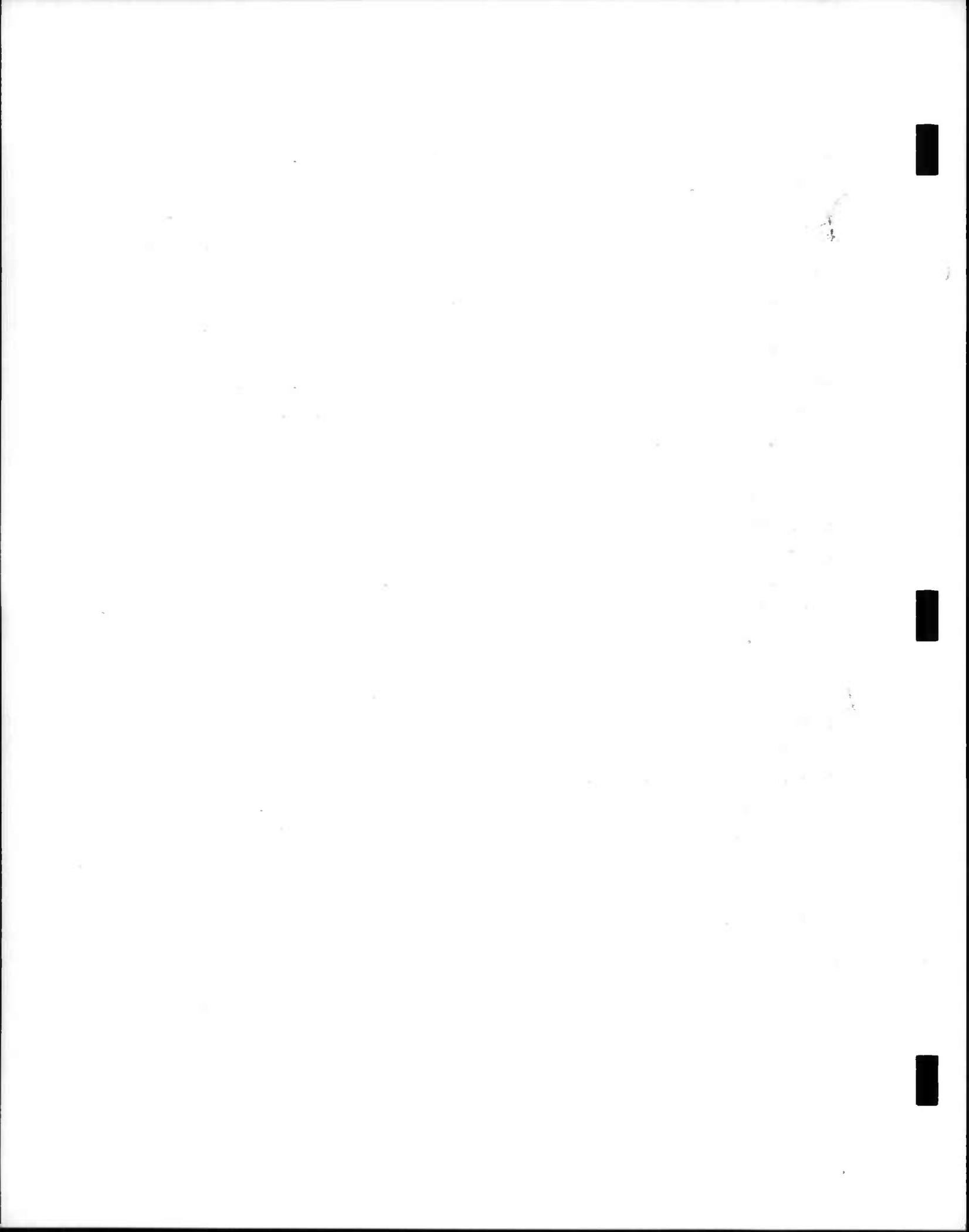
A motion was made by Mr. Eglseder, seconded by Mr. Quillin, that we close the office on Saturdays, after June 29. Cards are to be sent out to each customer, and an announcement will be placed in the Star Democrat for two weeks before this change. An answering service will be installed in the office. It will tell anyone who calls the name and telephone number of the person who is on duty.

Mr. Fairbank has contacted the officials at Kirkland Hall College, and they still have not made enough definite plans to be sure of the exact service they will need. Mr. Fairbank stated that with the amount of buildings needed for that size school, the Commission will have to consider installing another substation in the Kirkham area. Mr. Fairbank will contact Mr. Goldstein of the Maryland Public Service Commission concerning this.

Mrs. Carrie Fink appeared at the meeting, to have her picture taken as the Commissioners presented her with her retirement check.

After a short discussion about the demand rates, the meeting adjourned.


Roberta H. Marshall, Secretary



JUNE 26, 1968

The regular meeting of the St. Michaels Utilities Commission was held Wednesday, June 26, 1968, at 7:30 p.m. with all members present.

The minutes of the last meeting were read and approved.

Mr. Fairbank announced that he has still not been able to get any concrete plans from the Kirkland Hall College, regarding their electric requirements. It was decided that St. Michaels will run a line to some central point, and the electricity will be metered there, in a manner similar to Choptank's service. Kirkland Hall College will have to buy the transformer, and will receive a 5% discount on KWH.

There was a discussion on possible sites available in the Kirkham area, in the event that the commission installs a sub-station there. There is a low voltage problem in that area now, and this situation will be worse as soon as the college is in operation.

The schedule on salary rates for the office personnel will expire on July 1. Mr. Eglseider made a motion, seconded by Mr. Quillin, to give both Miss Farmer and Mrs. Marshall a \$2.50 per week increase, as of July 1. Their salaries will be reviewed again in six months.

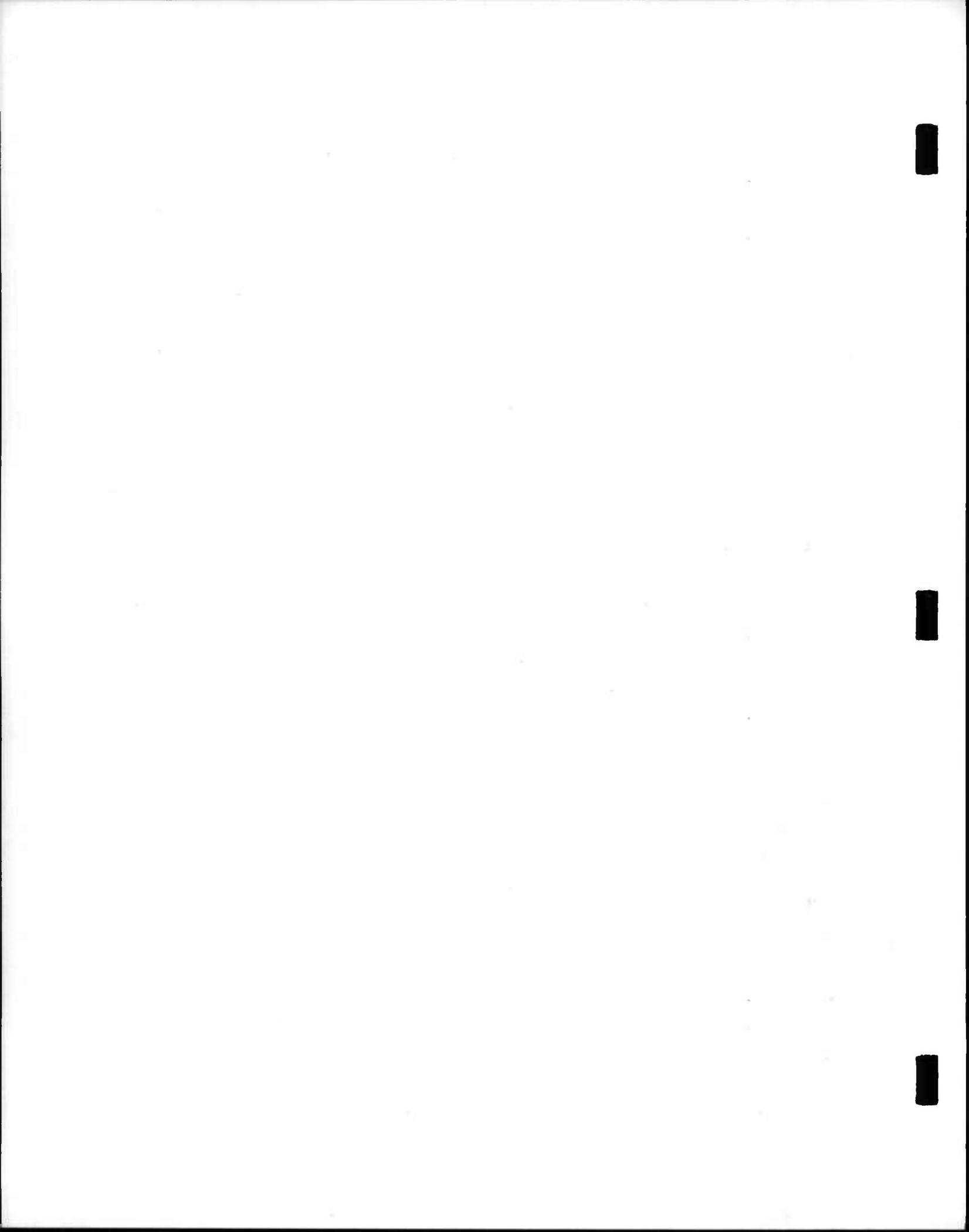
Mr. Fairbank announced that William Bradshaw of Claiborne has been in our service for three months, and has not paid his meter deposit. The secretary was instructed to send him a notice by certified mail with return receipt requested. If the meter deposit is not paid within the specified time, service will be disconnected.

A motion was made by Mr. Eglseider, seconded by Mr. Quillin, to adopt a resolution stating that Mr. Spencer W. Reeder was authorized to commit St. Michaels to pass on to Choptank any rate reduction received in FPC Docket E-7379. The resolution was duly adopted.

Mr. Reeder met with the commission to explain various aspects in the Co-Op case and the Delmarva case. He also reported on the recommendations of the staff of the Federal Power Commission, and gave his estimate of what will follow.

There being no further business, the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



RESOLUTION

RESOLVED, that Spencer W. Reeder, Special Counsel for St. Michaels Utilities Commission, was authorized to commit St. Michaels to pass on to Choptank Electric Cooperative, Inc. any rate reduction received in FPC Docket E-7379, and said commitment, as made in St. Michaels' Formal Complaint, as repeated on the record at the hearing, and as stated in St. Michaels' Brief in said proceeding, is hereby ratified and confirmed.

ST. MICHAELS UTILITIES COMMISSION

Passed
June 26, 1968

Attested:

Milton H. Fairbank
Milton H. Fairbank

Alex J. Spencer
Alex J. Spencer
Jennings B. Quillin
Jennings B. Quillin
Walter A. Eglseder
Walter A. Eglseder

JULY 24, 1968

The regular meeting of the St. Michaels Utilities Commission was held Wednesday, July 24, 1968, at 7:30 p.m. Those present were Mr. Spencer, Mr. Eglseider, Mr. Fairbank, and Mrs. Marshall.

A resolution was passed in honor of Mr. J. B. Quillin, who died on July 14, 1968. Mr. Quillin served on the commission for nine years.

The minutes of the last meeting were read and approved.

Mr. William Bradshaw paid his meter deposit by the specified time.

The Commissioners of St. Michaels have employed Granger Faw and Company to audit their books, and it was decided that it would be more efficient to use the same auditors as the town. The secretary was instructed to write a letter to the firm of Glen R. Eikenberry to that effect.

A letter was received from the Public Service Commission, asking for information on line miles by voltage according to urban, suburban, and rural territory. This information will enable them to set up some tentative plans for the undergrounding of lines. Mr. Fairbank will get the information together for them.

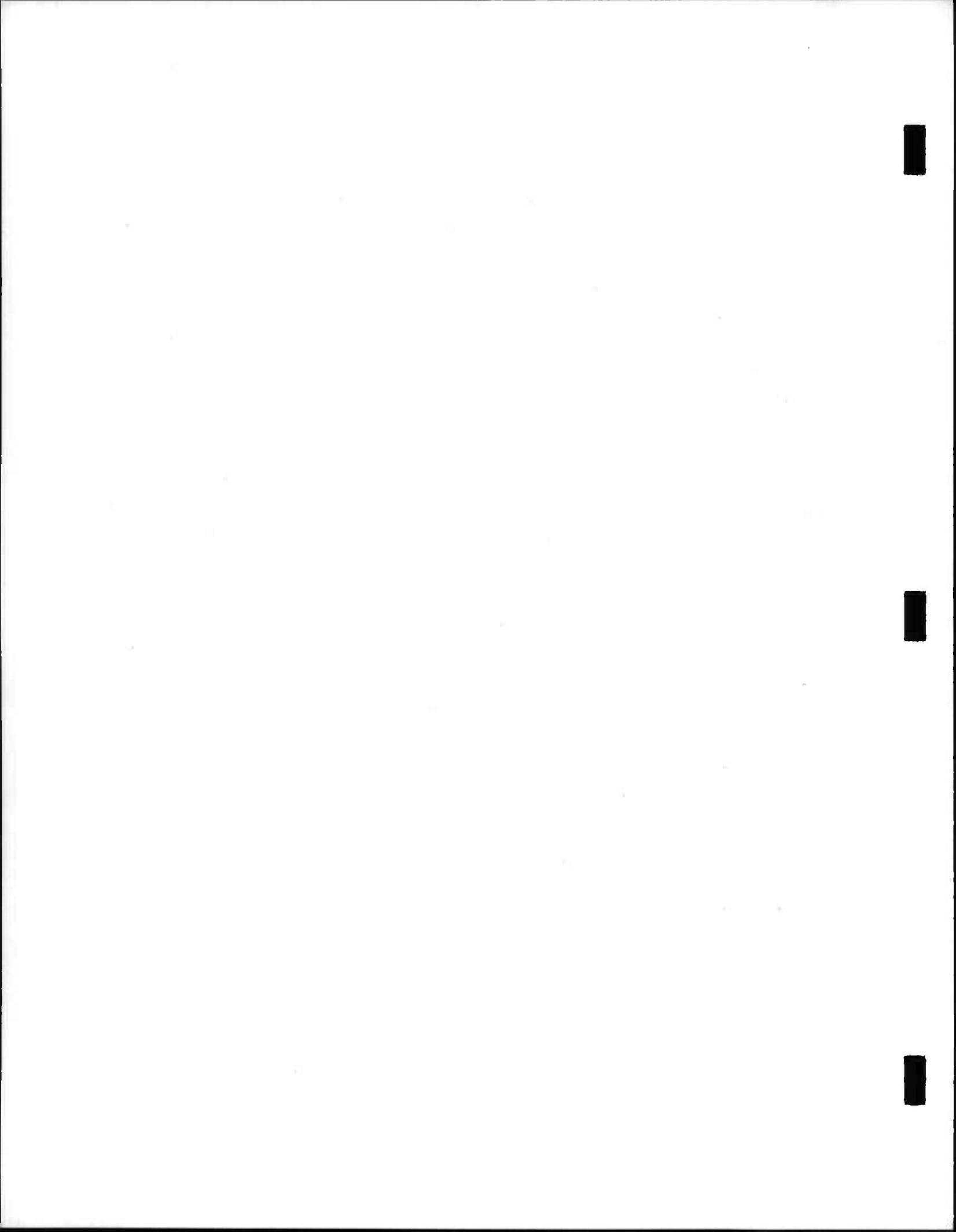
Also, a letter from the C. & P. Telephone Company, in which they asked to meet with the commission regarding joint use of trenching. Mr. Fairbank will contact them and set up a time convenient to both.

Kirkland Hall College is going ahead with the expansion of their property, but they still have not given Mr. Fairbank any actual plans or specifications on what type of service they will need. Mr. Spencer and Mr. Fairbank will meet with officials of the college to discuss service, and also to try to acquire a piece of land for a substation.

A letter will be written to Mr. Goldstein, of the Public Service Commission, to ask him what he thinks of St. Michaels building a substation in the Kirkham area.

The meeting was adjourned at an early hour.


Roberta H. Marshall, Secretary



RESOLUTION

WHEREAS, The Almighty Father of the Universe has seen fit to call from this life of labor to rest, Jennings B. Quillin, fellow member of the St. Michaels Utilities Commission of St. Michaels, Maryland, and

WHEREAS, By his passing, the Commission has lost a faithful and conscientious member, a true friend, a man of brilliant mind and one who had the interest of this community at heart,

BE IT THEREFORE RESOLVED, That an expression of our sympathy and regrets be spread upon the minutes of the Commission. His life's work is well worthy of emulation and he will be greatly missed in this community.

Passed: July 24, 1968

Attested:



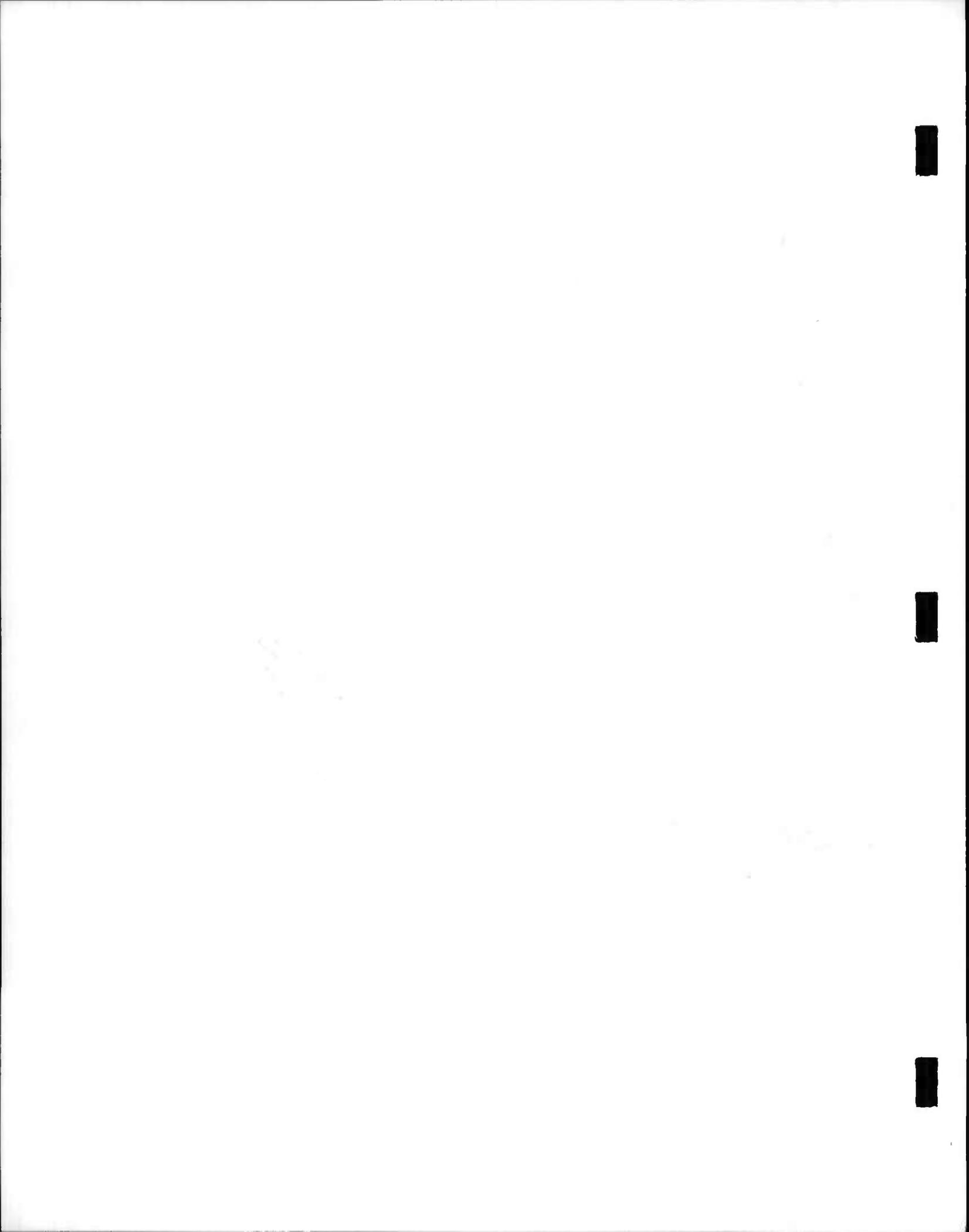
Alex J. Spencer



Walter A. Eglseder



Milton H. Fairbank



AUGUST 28, 1968

The St. Michaels Utilities Commission held its regular meeting on Wednesday, August 28, at 7:30 p.m. All members were present.

Mr. John T. Griffin was appointed by the Commissioners of St. Michaels to fill the unexpired term of Mr. J. B. Quillin.

The minutes of the last meeting were read and approved.

Mr. Spencer reported that he met with officials of Kirkland Hall College, and they will try to work with us in any way they could. Mr. Fairbank suggested that it may be possible to find suitable land near the Miles River Neck turn-off. This would be a better location than Kirkland Hall. Mr. Fairbank will look further into this possibility.

A letter was received from Delmarva Power and Light Company, stating that we could get conjunctive billing for another hook-up to their line, but a supplement to the present contract will have to be written.

Mr. Goldstein has given his O. K. to a new substation.

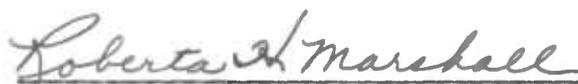
A bill for \$454.81 was received from Mr. Spencer Reeder, for his July expenses, and a bill for \$200.00 from Glen R. Eikenberry for the December 31, 1967 audit. Motion was made by Mr. Eglseder, seconded by Mr. Griffin, to pay these bills.

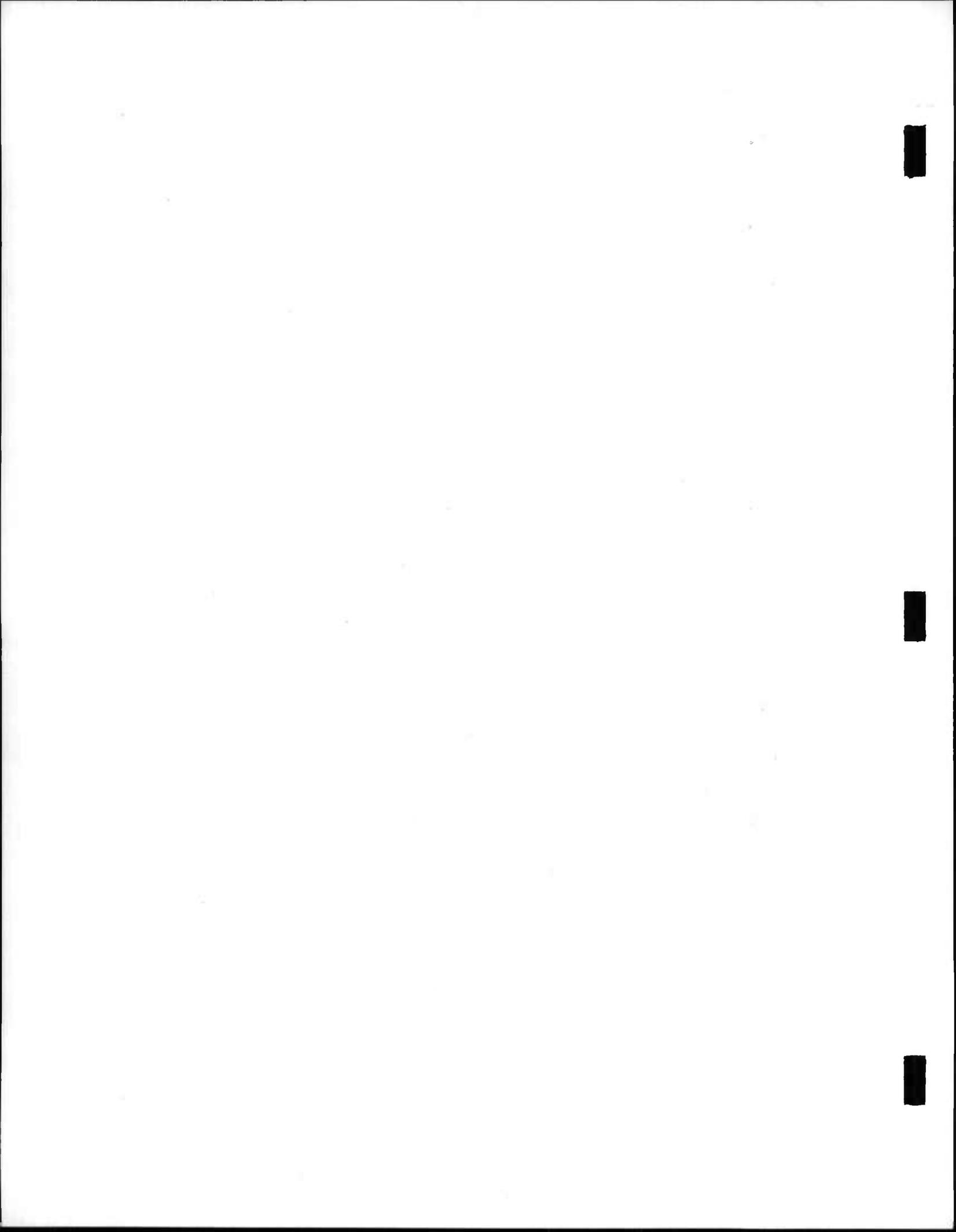
A letter was received from the Town Commissioners stating that a pole in front of Shannahan Artesian Well Company is a traffic hazard, and asking that it be moved. Mr. Fairbank reported that the pole belongs to the C. and P. Telephone Company, and he will take the matter up with them. Also, the Town Commissioners requested that the St. Michaels sign at the edge of town, which was damaged by vandals, be fixed as soon as possible.

The Town Commissioners appeared at the meeting, and after discussion about a new substation, gave their unanimous approval to the project. Details will be worked out at a later date.

A report was received from R. W. Beck and Associates, on their proposal to do an electrical system study and plan to place electric distribution facilities underground. Their estimate of the cost of such a study would be \$13,000, the price not to exceed 25% more than that figure. It was felt that the study will not now be needed, as the new substation will solve a lot of our problems.

There being no further business, the meeting was adjourned.


Roberta H. Marshall, Secretary



SEPTEMBER 25, 1968

The regular meeting of the St. Michaels Utilities Commission was held Wednesday, September 25, 1968 at 7:30 p.m. All members were present.

The minutes of the last meeting were read, and approved as corrected.

A letter was received from the Commissioners of St. Michaels, requesting that we pay \$600.00 per month rent for the buildings used by the Utilities. A motion was made by Mr. Eglseider, seconded by Mr. Griffin, that we pay this increase.

Another letter from the Commissioners requesting new street lights on Railroad Avenue, and again requesting the removal of the pole in front of Shannahan Artesian Well Company. Mr. Fairbank reported that he has already put in new mercury lights on Railroad Avenue. He has also removed all our equipment from the pole in front of Shannahan's, and is waiting for the C. & P. Telephone Co. to move the pole.

A memo was received from Yankee-Dixie Power, Inc., soliciting membership in their organization. This was tabled, for the time being.

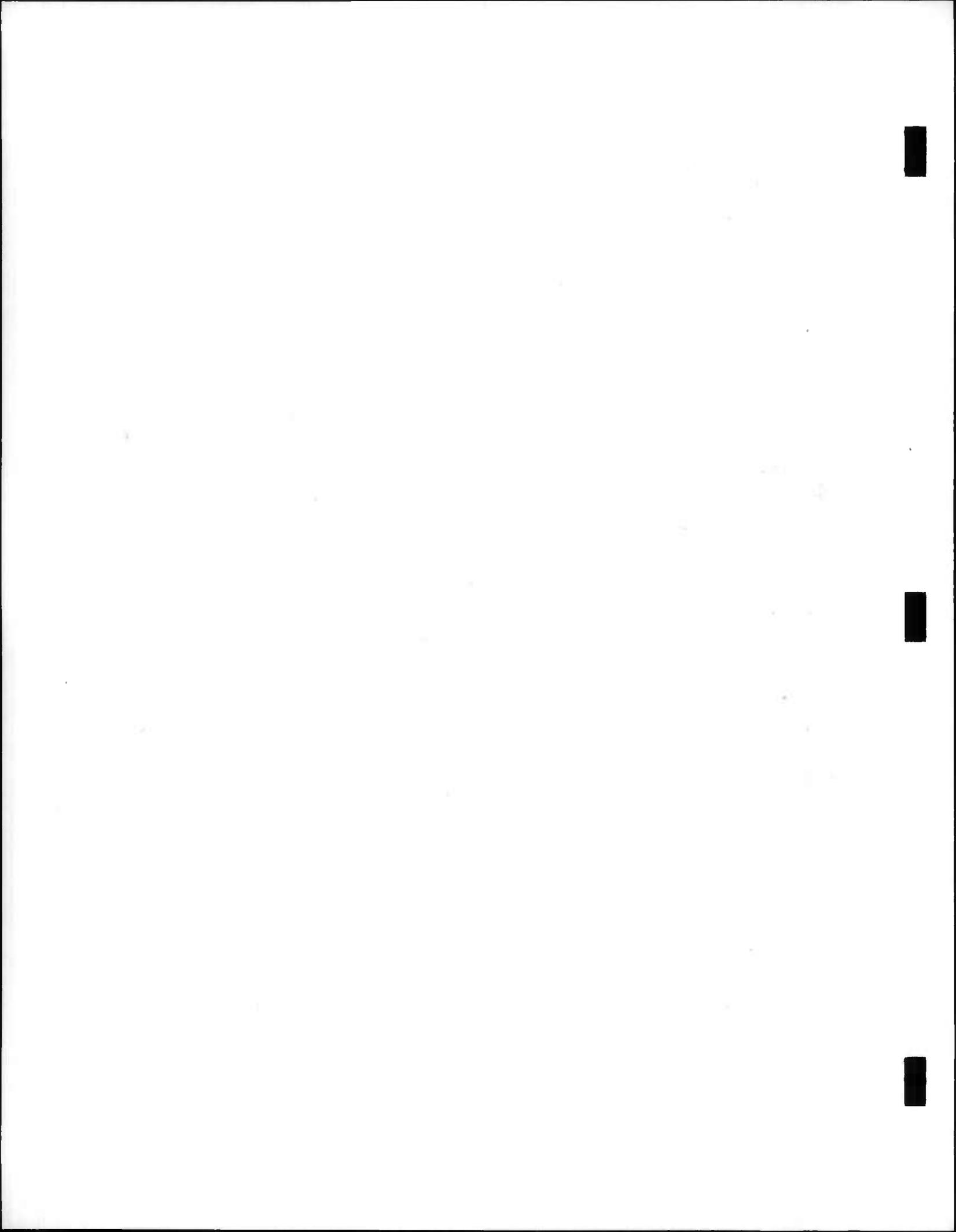
A proposal was received from Mr. and Mrs. W. H. Coleman, stating their price for a quarter acre of land bordering Bloomfield Station Road. This was \$4,000 for the land and vehicular right of way, plus \$1,200 for right of way of pole lines. The secretary was instructed to write to the Colemans and thank them. Their proposal will be considered along with other properties.

A letter from Mr. Robert G. Taylor, of R. W. Beck and Associates, saying he would like to meet with the Commissioners on his next trip to Easton. The secretary will write him that we are not in a position to use his services at this time, but we will be glad to have him visit whenever he is in this area.

Mr. Eglseider made a motion that a resolution prepared by Mr. Reeder in connection with FPC Docket # 7379 be entered in the minutes of the St. Michaels Utilities Commission as written. This was passed unanimously. A copy of the resolution will be given to the Town Commissioners immediately.

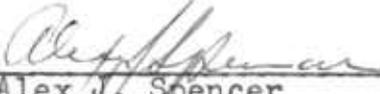
There was no further business, and the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



RESOLUTION

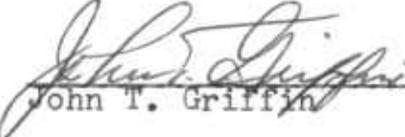
RESOLVED, that Spencer W. Reeder, Special Counsel for St. Michaels Utilities Commission in FPC Docket No. E-7379, is hereby authorized to make the attached Settlement Proposal on behalf of St. Michaels Utilities Commission.



Alex J. Spencer



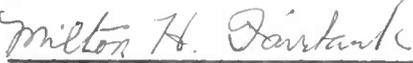
Walter A. Eglseider



John T. Griffin

September 25, 1968

Attested:



Milton H. Fairbank



ST. MICHAELS UTILITIES COMMISSION
St. Michaels, Maryland

September 25, 1968

Re: FPC Docket No. E-7379

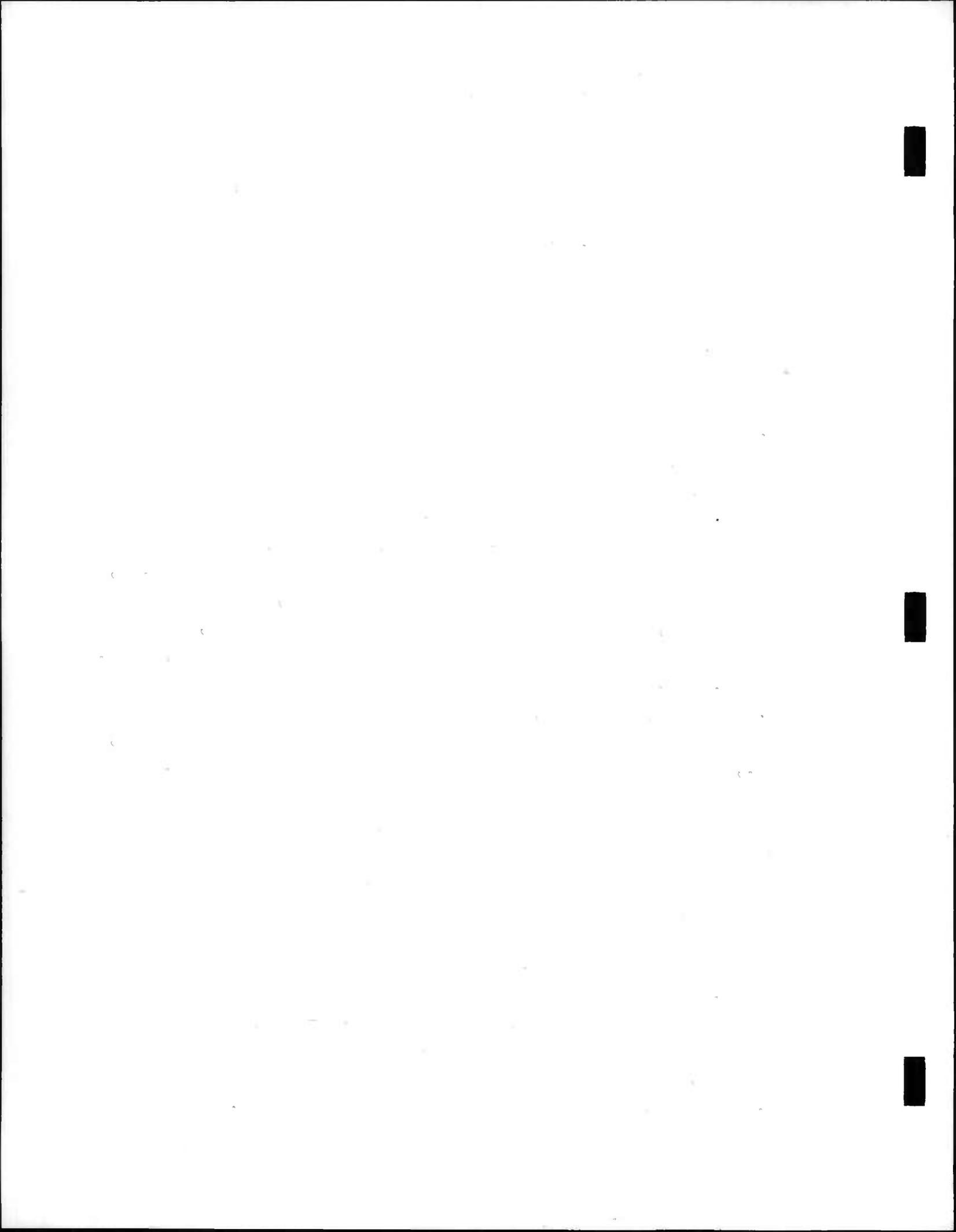
OUTLINE OF SETTLEMENT PROPOSAL

St. Michaels Utilities Commission submits the following proposal for the settlement of all outstanding matters in controversy before the Federal Power Commission between St. Michaels and Delmarva Power and Light Company of Maryland (Delmarva), this proposal to be accepted or rejected as an entirety, each paragraph being dependent upon the other two:

1. Delmarva to offer to St. Michaels Utilities Commission and the Town of St. Michaels, Maryland, forthwith a supplement to Delmarva of Maryland's Rate Schedule FPC No. 7, making provision for multiple delivery points, if requested by customer, in form and content satisfactory to FPC, pursuant to the Federal Power Commission's directive of April 26, 1968.

2. St. Michaels Utilities Commission and the Town of St. Michaels, Maryland, to consent to the direct sale of electric energy by Delmarva to Choptank Electric Cooperative, Inc., under Delmarva of Maryland's Rate Schedule FPC No. 8 at the new delivery point hitherto designated by Choptank between Newcomb and Kirkham in Talbot County, Maryland, and Delmarva to undertake to serve Choptank at said delivery point in lieu of the present service rendered by St. Michaels to Choptank at Royal Oak, as soon as Choptank can construct the necessary facilities to make the interconnection and accept service at said new delivery point.

3. All parties to agree to a dismissal without prejudice of the pending rate case, FPC Docket No. E-7379, involving the rate for sales by Delmarva to St. Michaels for resale to Choptank, which the Presiding Examiner decided in favor of St. Michaels, subject to review by the Commission.



OCTOBER 23, 1968

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, October 23. Those present were Mr. Spencer, Mr. Eglseder, Mr. Fairbank, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

There was a discussion on the progress of the new substation. Since time will be an important factor, Mr. Spencer reported that he has been checking to see if we can buy rebuilt equipment, with a new guarantee. This could be delivered to us at a much earlier date.

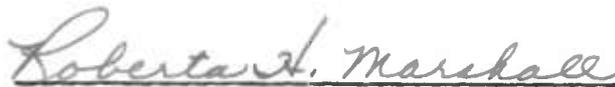
A letter was received from Maryland Hospital and Medical Service, stating that our rates on Blue Cross will increase at the time of the renewal of our contract. The Commissioners agreed we would pay this.

Mr. Fairbank received a letter from Mr. B. C. Voshell, chairman of the Talbot County Planning and Zoning Commission. Mr. Voshell was contacted by the Public Service Commission, concerning the undergrounding of electric and telephone lines and cables. The Public Service Commission recommended that each county planning and zoning commission set up an advisory committee to see that this is handled properly, and Mr. Fairbank has been appointed to that committee, to work with representatives of other utilities from the county.

The Commissioners feel that St. Michaels Utilities should have some specifications to apply to undergrounding for subdivisions, in compliance with PSC order number 57282. It was suggested that Clark Ewing be contacted to make the necessary additions to our electrical code.

Mr. Fairbank reported that the telephone pole in front of Shannahan Artesian Well Company has been removed.

There was no further business, and the meeting was adjourned.



Roberta H. Marshall, Secretary



NOVEMBER 27, 1968

The regular meeting of the St. Michaels Utilities Commission was held Wednesday, November 27, 1968. Those present were Mr. Spencer, Mr. Griffin, Mr. Fairbank, and Mrs. Marshall.

The minutes of the last meeting were approved as read.

Mr. Spencer reported that a contract of sale is being drawn up for one-third acre of land on the Bloomfield Station road from Mr. C. D. Chance. Cost of the land will be \$2,400, with an additional payment of \$450 to Mr. Geoghegan for right of ways.

A letter was received from the Chesapeake Bay Maritime Museum, thanking Mr. Fairbank for services rendered by the Utilities.

It was decided to donate \$10 to the Talbot County Tuberculosis Association for Christmas Seals.

A letter will be written to Bayshore Foods, Inc., stating that on and after January 1, 1969, the mill and the hatchery will be billed separately.

A letter was received from Rex Willing, general manager of Artcraft Electric Supply, promising delivery of the sub-station equipment by April 20, 1969. This letter is to be acknowledged, and a check sent with the letter as an advance payment.

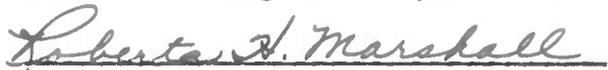
The following bonus checks are to be issued after all taxes are deducted:

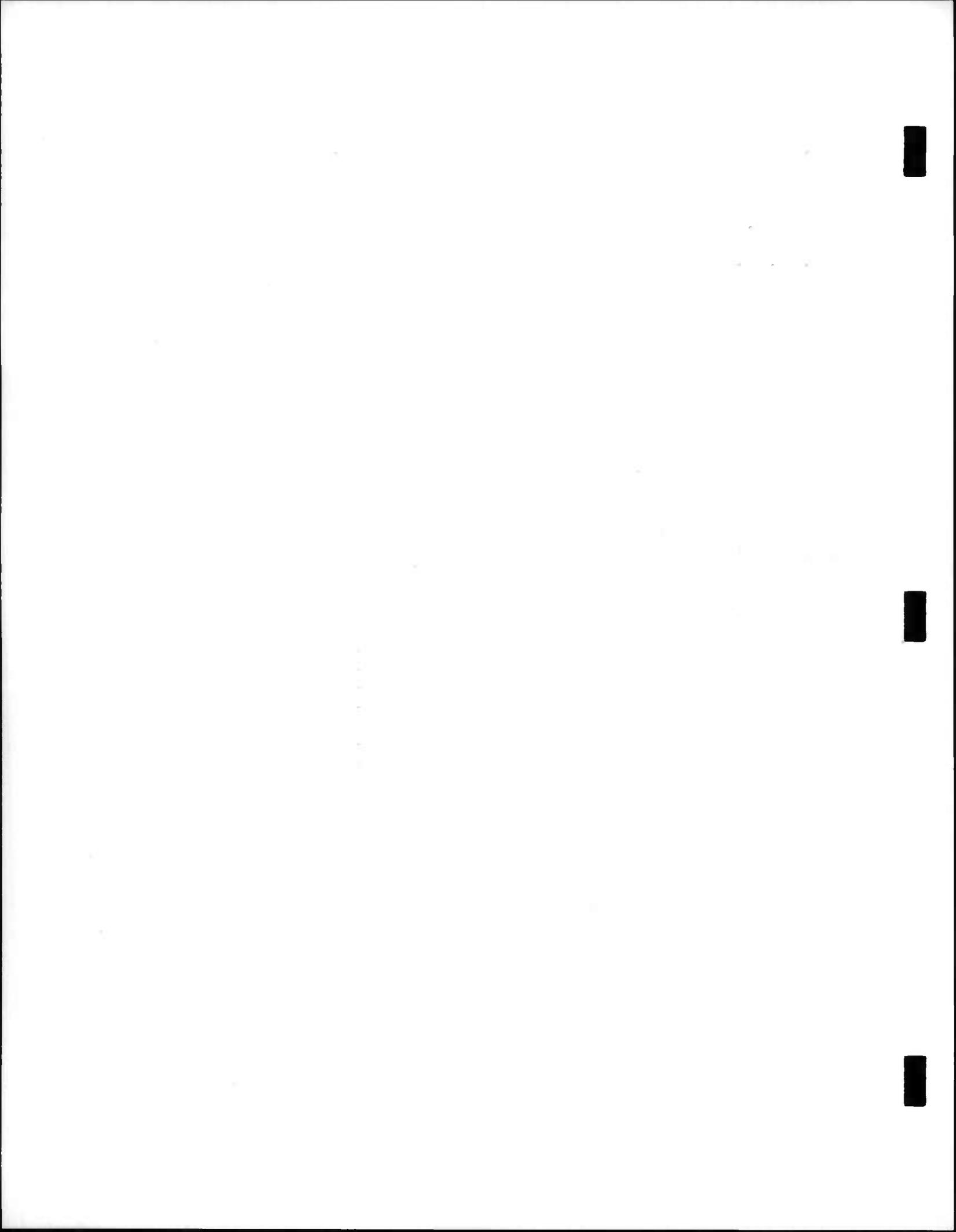
Milton Fairbank	\$375.00
Ray Kilmon	200.00
Ellis Lednum	150.00
Stephen Greenhalgh	120.00
George Ball	90.00
Madeline Farmer	110.00
Roberta Marshall	110.00

The next meeting will be held on Wednesday, December 18, since the regular meeting date would be Christmas Day.

There followed a discussion of the need of additional linemen. An ad will be run in the Star-Democrat. Mr. Fairbank will also try to hire someone on a part-time basis to read meters.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



DECEMBER 18, 1968

The St. Michaels Utilities Commission held their regular monthly meeting on Wednesday, December 18, with all members present.

The minutes of the November meeting were approved as read.

A note was received from Miss Farmer, thanking the Commission for her bonus. Mrs. Marshall and Mr. Fairbank also expressed their appreciation for themselves and the men.

Mr. Fairbank reported that he has had two applicants for lineman, as a result of the ad in the Star-Democrat. Herbert Floyd, who has had experience with communications work in the Army, will be hired. Mr. Fairbank has also hired Stewart Bell on a part-time basis, to read meters.

It was decided that the advance payment to Artcraft Electric, toward the cost of the sub-station, will be made at the end of the year.

A bill was received for \$500 from Granger & Faw, for their auditing services. Mr. Spencer will check with them before payment, to see just what period has been charged for.

Supplement No. 7 to the agreement with Delmarva Power and Light Company of Maryland was signed by the Commissioners.

Mr. Fairbank presented the new salary schedule for 1969, and this was approved by the Commissioners.

Mr. Fairbank also announced that he will definitely retire in December, 1969.

There being no further business, the meeting was adjourned.


Roberta H. Marshall, Secretary



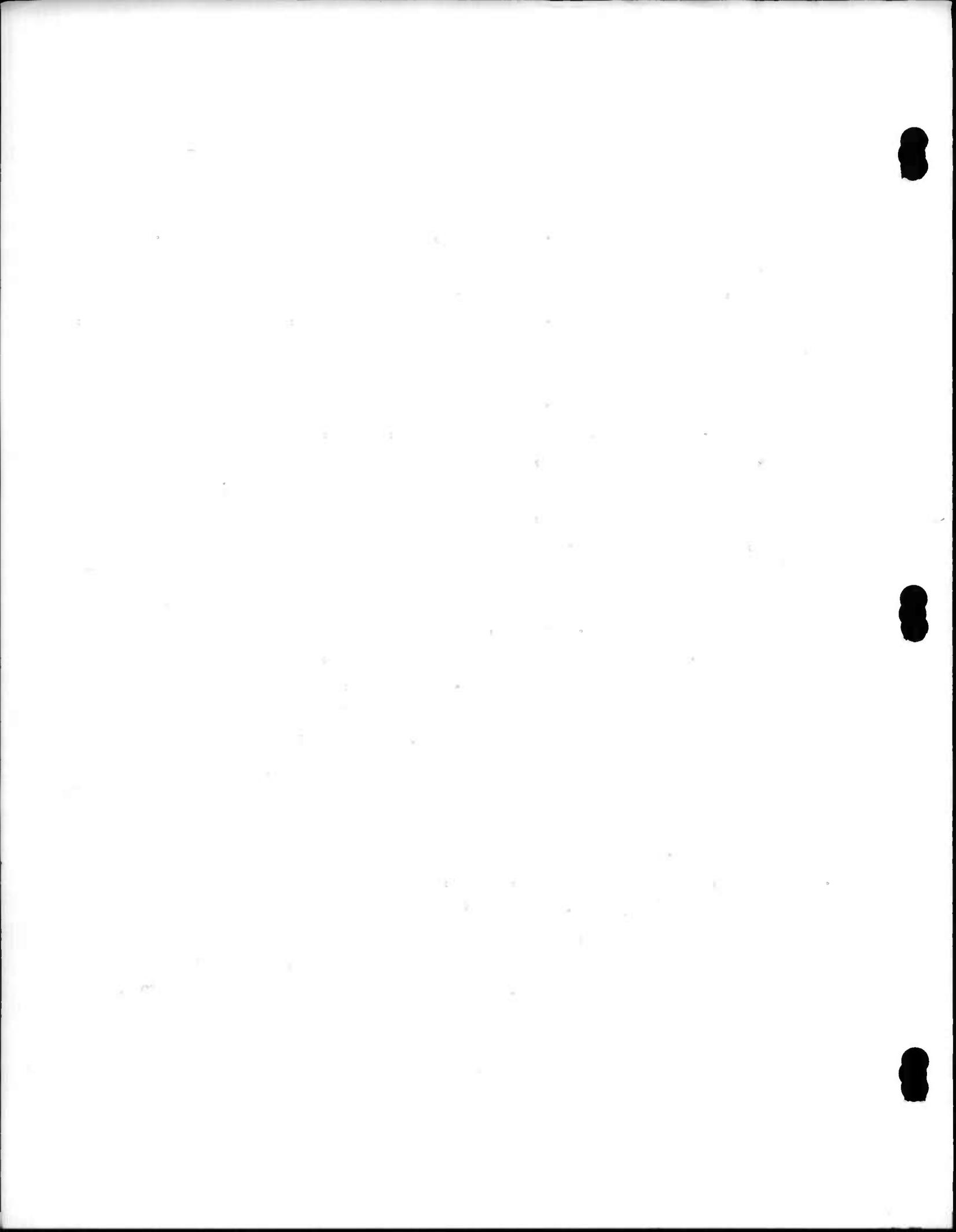
RESOLUTION

IMPLEMENTING AGREED TERMS OF SETTLEMENT OF FPC DOCKET NO. E-7379

RESOLVED that the Supplementary Agreement (providing for a second delivery point to St. Michaels, combined billing for St. Michaels, and other changes) between Delmarva Power and Light Company of Maryland, on the one hand and St. Michaels Utilities Commission and the Commissioners of St. Michaels on the other, dated December 18, 1968, amending and modifying a certain contract between the Eastern Shore Public Service Company of Maryland (now Delmarva Power and Light Company of Maryland) and St. Michaels Utilities Commission and Commissioners of St. Michaels, dated January 13, 1960, be and the same is hereby accepted and approved, and the execution of such contract on behalf of this body be and the same is hereby authorized; and

FURTHER RESOLVED that, upon execution of such Supplementary Agreement, counsel for St. Michaels Utilities Commission is hereby authorized to agree to a dismissal without prejudice of the rate proceeding presently pending before the Federal Power Commission, and designated FPC Docket No. E-7379, involving the rate for sales by Delmarva to St. Michaels for resale to Choptank, which the Presiding Examiner has decided in favor of St. Michaels, and which is now before the Federal Power Commission on Delmarva's Exceptions to the Presiding Examiner's said Decision in favor of St. Michaels; and

FURTHER RESOLVED that consent is hereby given, as provided under Article VIII of the aforesaid contract between the Eastern Shore Public Service Company of Maryland (now Delmarva Power and Light Company of Maryland) and St. Michaels Utilities Commission and Commissioners of St. Michaels, dated January 13, 1960, to Delmarva to serve Choptank Electric Cooperative, Inc. at a new delivery point to be established by Choptank near Kirkham, and to the direct sale of electric energy by Delmarva to Choptank at such new delivery point, in place of the present service rendered by St. Michaels to Choptank at Royal Oak, such delivery and sale to begin as soon as Choptank shall construct the necessary facilities to make the inter-connection and to accept service at the new delivery point; and



FURTHER RESOLVED that the appropriate officers, agents, and employees of this body are authorized and directed to do all things necessary to accomplish lawful execution and delivery of the aforesaid Supplementary Agreement and the aforesaid Consent.

Alex J. Spencer
Alex J. Spencer, President

Walter A. Eglseder
Walter A. Eglseder

John T. Griffin
John T. Griffin

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by St. Michaels Utilities Commission at a regularly called meeting on December 18, 1968.

Roberta H. Marshall
Roberta H. Marshall, Secretary

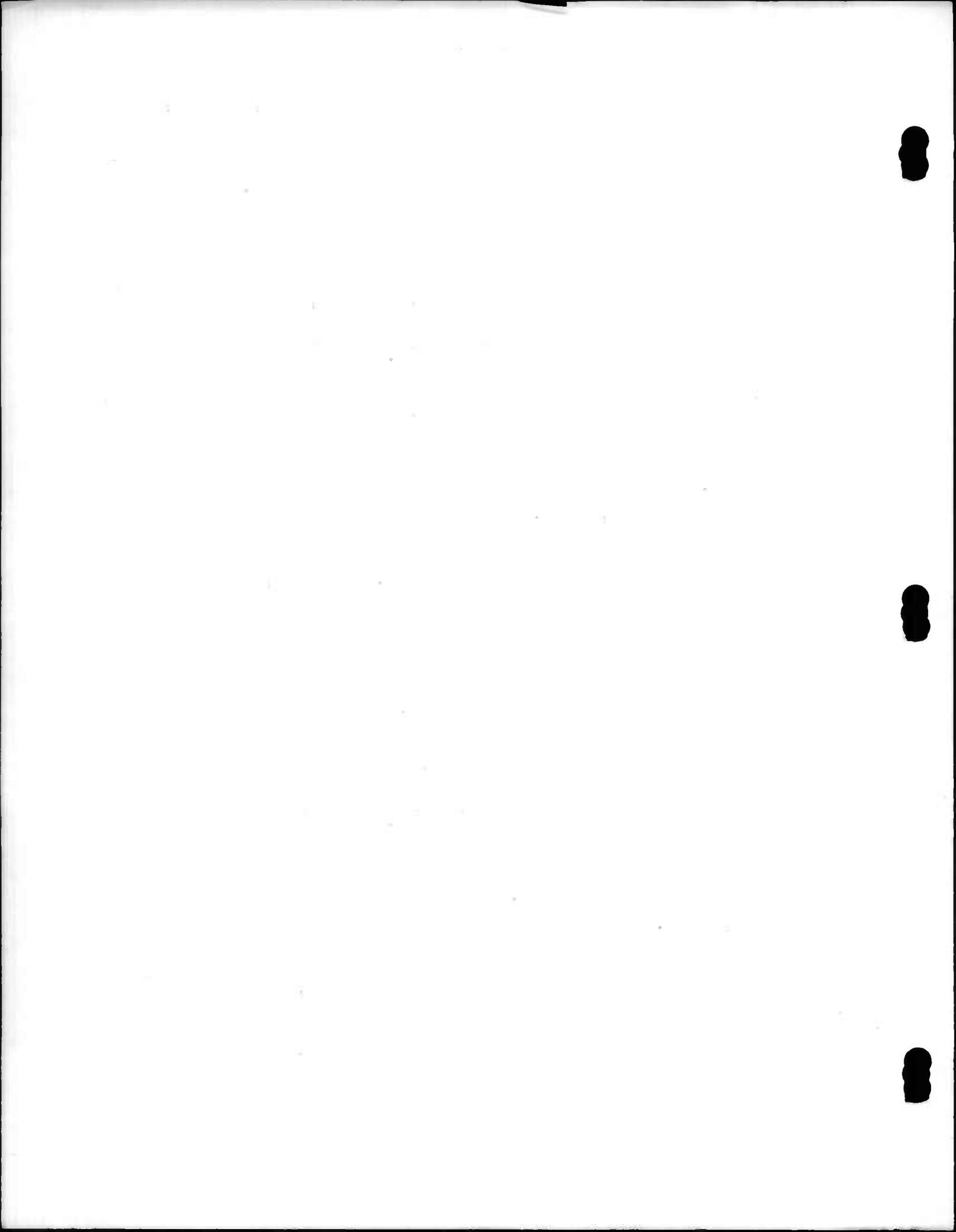
Helen K. Plummer
Helen K. Plummer

Guy W. Parks
Guy W. Parks

Virgil W. Maxwell
Virgil W. Maxwell

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by Commissioners of St. Michaels at a duly called meeting on December 18, 1968.

Mary Anne Sewell
Mary Anne Sewell, Clerk



JANUARY 29, 1969

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, January 29, 1969, at 7:30 p.m. All members were present.

The minutes of the last meeting were read and approved.

Mr. Fairbank reported that he still has not hired another lineman, since Herbert Floyd did not contact him again.

A bill was received from Burroughs Corporation in the amount of \$303, for renewal of our service contract to January 1, 1970. This was OK'd for payment.

A letter received from Mr. Perry Schofield, in which he complained about receiving a two months notice. Mr. Schofield also sent a check for \$200, payment of his account in advance. The secretary was instructed to write to Mr. Schofield and explain that his payment and the notice crossed in the mail.

Also, a letter from Mr. Henry M. Witt, of Timberlane Farm, complaining about the demand charges. After some discussion, it was decided to raise the free demand from the first fifteen to the first twenty KW, provided we can get permission from the Public Service Commission. Mr. Witt will be so notified.

Mr. Walter Eglseider has been reappointed by the Town Commissioners to serve on the Utilities Commission until December 31, 1971.

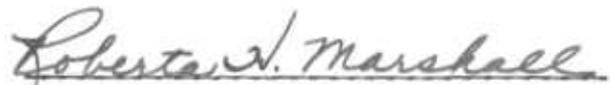
Mr. Reeder has filed for dismissal of FPC Docket E-7379, St. Michaels vs. Delmarva Power and Light.

A letter was received from the Public Service Commission, asking for information about our promotional practices and allowances. We will write to the Public Service Commission, and tell them that we do not offer promotions or allowances, since we feel our rate is low enough that we do not need to use this type of thing.

Mr. Fairbank has talked to Mr. Covey about the Utilities getting an old dump truck from the town, to use for hauling branches, etc.

Mr. Eglseider made a motion that Alex J. Spencer serve as president of the Commission for 1969, with Milton Fairbank as General Manager and Roberta Marshall as Secretary-Treasurer. Motion was seconded by Mr. Griffin, and passed.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



FEBRUARY 26, 1969

The St. Michaels Utilities Commission held its regular meeting on Wednesday, February 26, 1969, at 7:30 p.m. All members were present.

The minutes of the last meeting were read and approved.

On the basis of the new interpretation of the demand rates, the Commission has withdrawn the request to the Public Service Commission for the reduction in the demand rate. The secretary reported that twelve accounts were affected under the new interpretation, with a total of \$705.61 credited to these accounts.

There was a discussion of the fuel adjustment credit. It was decided that as soon as this gets to zero, the commission must act to prevent a loss of revenue.

A bill for \$68.50 was received from Mr. Clark Ewing, for expenses incurred for Rights of Way from Earle Robinson and wife, and also from Delmarva Power and Light. This was OK'd for payment.

The secretary was instructed to write to Mr. and Mrs. Earle Robinson, to thank them for their kindness in giving the right of way to use Bloomfield Station Road to get to the new substation.

Mr. Fairbank reported that the old truck belonging to the town is not worth the money it would cost to put it in shape. He was instructed to look around to see if he could find a used dump truck at a reasonable price.

The spare submarine line to the Miles River area will be tested. It will be put in service for at least a twenty-four hour period.

Following a discussion on hiring an electrical engineer to work for the Utilities after Mr. Fairbank's retirement, the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



MARCH 6, 1969

On March 6, 1969, a special meeting was called for the purpose of passing a resolution to accept the Addendum which amends the Supplementary Agreement dated December 18, 1968.

This resolution was approved and adopted by all members of the Utilities Commission.

Roberta H. Marshall

Roberta H. Marshall, Secretary



RESOLUTION

RESOLVED, that the Addendum which amends the Supplementary Agreement dated December 18, 1968, only to show a substitute location for the second delivery point provided for therein be and the same is hereby accepted and approved, and the execution of said Addendum to said Supplementary Agreement is hereby authorized, and the appropriate officers, agents, and employees of this body are authorized and directed to do all things necessary to accomplish lawful execution and delivery of the aforesaid Addendum.



Alex J. Spencer, President

March 6, 1969

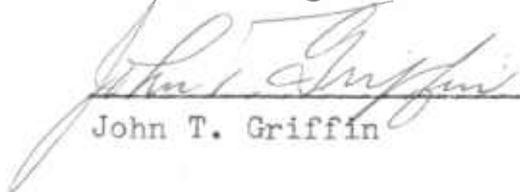
Attested:



Walter A. Eglseider



Milton H. Fairbank



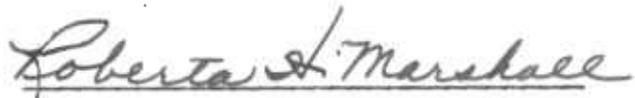
John T. Griffin



RESOLUTION

RESOLVED, that the Addendum which amends the Supplementary Agreement dated December 18, 1968, only to show a substitute location for the second delivery point provided ^{for} therein be and the same is hereby accepted and approved, and the execution of said Addendum to said Supplementary Agreement is hereby authorized, and the appropriate officers, agents, and employees of this body are authorized and directed to do all things necessary to accomplish lawful execution and delivery of the aforesaid Addendum.

I hereby certify that the foregoing Resolution was duly adopted by St. Michaels Utilities Commission at a duly called meeting on March 6, 1969.


Roberta H. Marshall, Secretary

I hereby certify that the foregoing Resolution was duly adopted by the Commissioners of St. Michaels at a duly called meeting on March 6, 1969.


Mary Anne Sewell, Clerk



MARCH 26, 1969

Members of the St. Michaels Utilities Commission held their regular meeting on Wednesday, March 26, with all members present.

The minutes of the last meeting were approved as read.

Mrs. Marshall reported that Mr. Goldstein, from the Public Service Commission, had been in on March 20 to check on the new interpretation of the demand rates. Mr. Goldstein advised that our complete rate schedule be rewritten and filed, and a clause added to reflect the fuel adjustment. Mr. Goldstein also said that the P. S. C. has OK'd our rescinding the decrease in the demand rate.

A motion was made by Mr. Eglseder, seconded by Mr. Griffin, to transfer \$658.73 to the town.

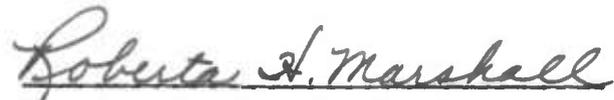
Mr. Fairbank has been working on the submarine line to Miles River Neck.

There was a discussion about the way to best serve our customers after the new substation is installed. The use of switching points wherever possible will aid in this.

Mr. Fairbank reported that he has hired John Voshell to work for the Utilities, beginning March 31.

Ads will be placed in the Maryland Municipal News and in Electric Light and Power, to seek applicants to take over the job of General Manager upon the retirement of Mr. Fairbank.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



APRIL 23, 1969

Members of the St. Michaels Utilities Commission held their regular meeting on Wednesday, April 23, 1969, with all members present.

The minutes of the last meeting were read and approved.

An order dated April 15, 1969, has been received from the Federal Power Commission Accepting supplementary rate schedules for filing and terminating proceedings on Docket E-7379. A letter was received from Delmarva Power and Light Company, reporting that the Federal Power Commission has accepted for filing their new delivery point to Choptank at Royal Oak.

A letter was received from Mrs. Schmidt from Miles River Neck, complaining about receiving a two-month notice. Mr. Spencer will call her and explain that this is a routine procedure.

The C. and P. Telephone Company has deeded eighteen poles on the properties of Harry Bayer and Paul Shortall to the Utilities.

A motion was made by Mr. Eglseider, seconded by Mr. Griffin, to turn over \$9,296.00 to the Town, to cover principal and interest on sewer bonds.

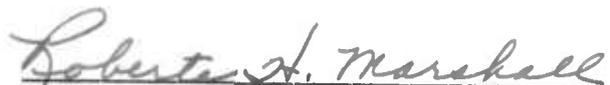
Mr. Fairbank gave a progress report on the new substation. Things are on schedule, and the new substation should be in operation before the onset of hot weather.

The need of a suitable vehicle for the meter reader was discussed. This was tabled for the time being.

There was a discussion on the domestic rate schedule. Mr. Fairbank and Mrs. Marshall will do some preliminary work on possible changes.

The Town Commissioners attended the meeting, and were given a report on the new substation. It was decided that \$30,000 will have to be borrowed to meet the cost that has not been paid out of working funds.

After a discussion of applicants for the job of General Manager, the meeting was adjourned.


Roberta H. Marshall, Secretary



MAY 28, 1969

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, May 28, 1969. All members were present.

The minutes of the last meeting were approved as read.

A final bill was received from Mr. Spencer Reeder for his services from January 1, 1968, to April 15, 1969, in connection with FPC Docket E-7379 and MD PSC No. 5885. This amounted to \$1,606.71. Also, a bill from Granger, Faw and Company in the amount of \$225.00, for examination and review of accounting records for the year ended December 31, 1968. Both bills were OK'd for payment.

Mrs. Marshall reported that the town has given us the electric typewriter that Mrs. Sewell has been using. A new filing cabinet is needed, and Mr. Spencer will check on the price.

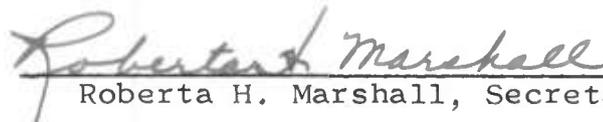
The C. & P. Telephone Company has deeded five poles to the Utilities, located on the north side of the Hope House road.

There was a discussion on the spare submarine cable to the Miles River Neck area. The possibility of a tie-in with Easton for a stand-by was brought up. Mr. Fairbank will get more information on various solutions to the problem.

The need of a new vehicle for the meter reader was again brought to the Commission's attention. Mr. Fairbank will get bids for a van.

It was noted that it would be best to get a budget made up, including the amount of money needed for the sub-station, the submarine cable, and the new truck. This would enable the Town Commissioners to know exactly how much money we will need.

Following a discussion on ways to speed up the installation of the new sub-station, the meeting was adjourned.



Roberta H. Marshall, Secretary



JUNE 26, 1969

Members of the St. Michaels Utilities Commission held their regular monthly meeting on Thursday, June 26, 1969, with all members present.

The minutes of the last meeting were approved as read.

Mr. Spencer announced that the new filing cabinet has arrived, and will be delivered at once.

There was a discussion about taking a physical inventory as of June 30. Since our men are so busy right now, and there was an inventory taken in December, Mr. Spencer will consult with our auditors to see if there is any way we can substitute the book figures for an actual count.

All the materials needed for the cable across the Miles River have been ordered, and work will be started as soon as they are in. The cost of a tie-in with Easton would be prohibitive at this time.

The automatic circuit recloser for the new substation is supposed to be shipped in June. As soon as it arrives, the new substation can be put into operation.

The problem of interruption of service in the Solitude area was discussed. The trees have been trimmed, but there is still a question of what to do if a car hits a pole on the turn. It is hoped that we can come up with a solution in the near future.

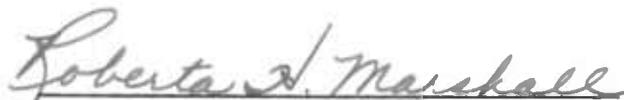
Bids for the new van for the meter reader were opened, and a van will be purchased as soon as permission is received from the Town Commissioners.

Mr. Fairbank noted that it is costing the Utilities a great deal of money to put up temporary services, with very little return. We will check with neighboring utilities to see if it is their practice to charge for temporaries.

A motion was made by Mr. Eglseider, seconded by Mr. Griffin, to give the office personnel a \$2.50 per week raise. John Voshell will be raised from \$85 to \$90 per week.

As soon as the substation and the Miles River cable are completed, Mr. Fairbank will be with the Utilities in an advisory capacity, and Ray Kilmon will be manager.

There was a discussion about different methods of doing the billing and other office work, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JULY 23, 1969

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, July 23, 1969. All members were present. The minutes of the June meeting were read and approved.

Mr. Spencer reported that he had talked with the auditors about the inventory, and they are going to work things out.

Since nearby utilities do make a charge for temporary services, it was decided that St. Michaels Utilities will do the same.

A letter was received on June 30 from Mr. Chauncey Heikes, Mr. Arthur Albaugh, and Mr. James Heikes, requesting that their three homes be put on a separate line from the Solitude area. Mr. Fairbank noted that this was taken care of.

Permission to buy the new van was received from the Town Commissioners, and a GMC van has been ordered from Taylor GMC, Inc. Delivery is promised for the middle of August.

A letter from the Cancer Fund, asking for our contribution. It was decided to send them \$50 this year.

Mr. Kilmon has had a request from Mr. Garland Kendrick, of Church Neck Point, to put the lines that cross his property underground. Mr. Kendrick is planning on heavier usage in the near future, and the present line will not be adequate to handle him and Mr. Bechtel, who is also on that line. Since it is not the policy of the Utilities to pay for underground services, it was decided that the Utilities will rebuild the present line at the same location to give a heavier service, if he will give us a right of way. If Mr. Kendrick still wants his service underground, he will have to pay for it.

There followed a general discussion on underground practices, including maintenance problems, right of ways, mapping procedures, etc. Mr. Kilmon suggested that it would be good practice to have some concrete for transclosers made up and kept on hand. Specifications will be worked up, including a form for electricians showing that all specifications have been met, and requiring a map showing the location of the service. Mrs. Marshall was instructed to write letters to Mr. Corkran of Easton Utilities, and Mr. Hubbard of Delmarva, requesting copies of their rules and regulations concerning underground practices. This should be of help getting our rules in line with other companies.

Mr. Kilmon requested that George Ball be given a raise from \$2.65 to \$2.80 per hour. This was OK'd.

A motion was made by Mr. Eglseider, seconded by Mr. Griffin, and passed, that Mr. Kilmon purchase two light-duty chain saws for working in trees. These would help greatly in times of storms.

Word has been received from GE that the circuit recloser for the new substation is finished being tested, and will be shipped soon.

There was no further business, and the meeting was adjourned.

Roberta H. Marshall

Roberta H. Marshall, Secretary



AUGUST 27, 1969

The regular meeting of the St. Michaels Utilities Commission was held on August 27, 1969. All members were present.

The minutes of the last meeting were approved as read.

Delivery of the new van is promised for the first of September. Mr. Kilmon talked to Mr. Kendrick about his service, but no decision has been made yet.

The new substation on Old Bloomfield Station road was put in operation on July 31, 1969. This has helped the Miles River Neck area greatly, and has also helped the rest of the system.

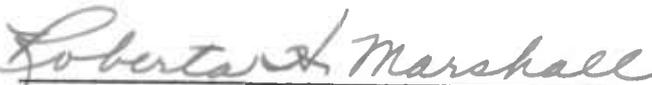
Members of the Utilities Commission will meet with Easton Utilities on Thursday, August 28, to discuss underground rules and practices. Copies of Delmarva's rules and procedures were received from Mr. Hubbard, and distributed to the Commissioners for their study. It is hoped that St. Michaels can have their rules in effect very soon.

A letter was received from Leonard S. Blondes, of the Maryland House of Delegates, requesting information on our costs for advertising and public relations. Mrs. Marshall was instructed to write to Mr. Blondes, advising him that rather than spend the money for advertising and public relations, we pass the savings on to our customers in the form of lower rates.

Work is still underway on the new submarine cable under the Miles River.

Progress on the construction of the public housing and the new high school is slow. However, in view of the need of heavier lines to serve these projects and future needs, a letter will be written to Delmarva requesting a right of way along the railroad tracks, from Pea Neck to North Street.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



SEPTEMBER 24, 1969

The regular meeting of the St. Michaels Utilities Commission was held on Thursday, September 24, 1969, with all members present. The minutes of the last meeting were read and approved.

Mr. Kilmon reported that the new van still has not been delivered. He has checked with Mr. Taylor, and it is hoped that we will receive it soon.

There was a discussion on the need for tree trimming around the lines before the winter sets in. Letters have already been written to some of the property owners, asking them to get a qualified company to do the work, and letters will be sent to the rest of the customers as soon as possible. It was decided to make a charge of \$15 per hour for the aerial truck owned by the Utilities, when it is necessary to use it for privately owned lines.

Mr. Kilmon pointed out the need of a trailer to be used to carry the heavy reels of wire used by the men. He will get more information on this.

The commissioners and Mr. Kilmon met with Easton Utilities to discuss underground rules and procedures, and our rules will be written up as soon as possible.

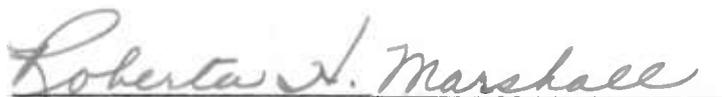
Mr. Kilmon reported on various methods of running the lines to the new High School.

A letter was received from Mr. Mortimer, of Delmarva Power and Light, regarding the right of way along the old railroad tracks. Mrs. Marshall was instructed to write to Mr. Mortimer, telling him that we would like to discuss it further, possibly along the lines of joint use of poles. Mr. Kilmon will contact Delmarva's operating people for further discussion.

The Public Service Commission has accepted for filing the rate increase for domestic customers, as of September 15, 1969. This increase will become effective on October 16, if the Public Service Commission passes favorably on it.

The submarine cable across the Miles River is nearly completed, and will be tested within two weeks.

After a discussion about the dinner in honor of Mr. Fairbank, the meeting was adjourned.



Roberta H. Marshall, Secretary



OCTOBER 22, 1969

Members of the St. Michaels Utilities Commission held their regular monthly meeting on Wednesday, October 22, 1969. Those present were Mr. Eglsteder, Mr. Griffin, Mr. Kilmon, and the secretary. The minutes of the last meeting were approved as read.

The van that came in at Taylor's GMC was not the one we ordered, and was not suitable for our use. Delivery has now been promised by November 8.

The tree trimming is being done as it can be fitted into the work schedule.

Mr. Kilmon reported that he is working with Delmarva on the right-of-way along the railroad tracks. Delmarva has promised we can use their poles jointly.

The Miles River submarine cable was put into operation on October 10, 1969.

The new domestic rates went into effect on October 16, since nothing to the contrary was heard from the Public Service Commission.

Mr. Kilmon reported that the State is widening the road in the Hopkins neck section, near the property of Mrs. R. R. Spring. He is going to rebuild that section of the line along the road, so he can avoid the bad tree situation in that area.

New colonial style street lights have been ordered for Chestnut Street, where curbs and gutters are being installed.

There was a discussion on new developments which are being made in the area served by St. Michaels Utilities, with an eye to how best we can serve them. Martingham Inn is expected to start construction soon, and also a smaller development in Traveler's Rest.

A letter was received from Blue Cross stating that their rates will go up slightly with the new contract. The commissioners agreed we would pay this.

A letter was received from Mr. Edward C. Hansen, complaining about the high cost of running the line to his new home. Mr. Kilmon will see Mr. Hansen, and explain that the estimate we gave him did not include the cost of clearing the right of way, and the bill also included charges for repairing our line broken by Mr. Hansen when he was clearing some brush.

Dr. Robert Allison has been in contact with Mr. Kilmon about other persons who want to hook up to the line that Dr. Allison built in 1961, at a cost of \$1,096.96. Motion was made by Mr. Griffin, seconded by Mr. Eglsteder, that the Utilities buy the line from Dr. Allison, at a depreciated value.

(continued)



Mr. Kilmon told the Commissioners that he needs another lineman, but at the present rate of pay it is almost impossible to get an experienced man. In order to bring our pay scale up, motion was made by Mr. Griffin, seconded by Mr. Eglseider, to give the men a 20¢ per hour increase as of January 1, 1970. The apprentice will receive the usual 10¢ per hour increase.

Mrs. Marshall announced that the Utilities now have a total of eighty-five all electric customers, and it might be a good idea to think about some form of budget billing. This was tabled for the time being.

There was no further business, and the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



NOVEMBER 26, 1969

The regular meeting of the St. Michaels Utilities Commission was held on November 26, 1969, with all members present.

The minutes of the last meeting were approved as read.

Motion was made by Mr. Griffin, seconded by Mr. Eglseider, to send a check for \$10 for Christmas seals.

Due to so many capital expenditures at the present time, our working capital is much lower than usual. It was decided that it is impractical to divide the money evenly between the two banks, as long as this condition exists.

The town has changed back to the auditing firm of Glen Eikenberry, but the Utilities will continue with Granger, Faw and Company.

There was a discussion about problems of giving electric service to the new High School. Mr. Kilmon has visited the all electric high school at Thurmont, Maryland, and showed pictures to the Commissioners of the type of installation he plans to make. He was instructed to get bids on the materials needed. A motion was made by Mr. Eglseider, seconded by Mr. Griffin, to authorize Mr. Kilmon to spend \$300 to purchase a right of way from Edward D. Willey, if he needs it.

Mr. Kilmon announced that he is working with Delmarva on plans for joint use of their poles from the old electric plant to Pole 43 at Oak Level. The cost of this will be on a fifty-fifty basis, and we will pay a rental of \$3 per pole per year. Delmarva will maintain the poles.

Mr. Kilmon has also negotiated with Mr. Hayes, of Oak Level, for a right of way from the Delmarva lines to the highway. In return, we will take over the maintenance of his private line.

Owners of the Martingham Inn development are planning on starting construction there very soon, and Mr. Kilmon will have to get more data on that as soon as possible.

The need for several new pieces of equipment was discussed, such as a trailer for carrying reels of wire and a new base radio. It was decided to table these until after the first of the year. A folder will be kept in the office containing information on these items, including their costs. In this way, we will be able to have on hand an idea of the total amount needed for capital expenditures.

Since the van still has not been received from Taylor GMC, it was decided that we will get bids from other companies.



After Mr. Fairbank goes off the payroll, he will continue to stay on our Blue Cross plan. Also, the Utilities will absorb the cost of his pension plan until May 1.

The bonuses will be decided on at a later date.

Roberta H. Marshall

Roberta H. Marshall, Secretary



NOVEMBER 28, 1969

A special meeting was held by the Commissioners of the St. Michaels Utilities on November 28, in order to decide the amounts of the Christmas bonuses to be given to the employees.

The following bonus checks are to be issued after all taxes have been deducted:

Milton H. Fairbank	\$187.50
Franklin R. Kilmon	\$500.00
Stephen Greenhalgh	\$120.00
George Ball	\$ 90.00
Donald Hunley	\$ 35.00
John Voshell	\$ 35.00
Madeline Farmer	\$110.00
Roberta Marshall	\$110.00
Stewart Bell	\$ 25.00

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



DECEMBER 22, 1969

The regular meeting of the St. Michaels Utilities Commission was held on Monday, December 22, 1969. Those present were Mr. Eglseider, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

A letter was received from the Town Commissioners, reappointing Mr. Alex Spencer for a three year term.

Mrs. Marshall reported on the cash situation, and it is felt that with the additional loan of \$10,000 that was just received, we will be able to get through the balance of the year.

The new truck for the meter reader has been received.

There was a discussion on wage rates for the manager and the office personnel. Mr. Kilmon will receive \$225 per week beginning January. The wages for the office will be decided on at a later date.

Motion was made by Mr. Griffin, and seconded by Mr. Eglseider to pay Mr. Fairbank through January 2, 1970, as a final pay check. A letter is to be written to Mr. Fairbank, thanking him for his long years of service and also for his present help to Mr. Kilmon as a consultant. It is the Commission's decision not to establish a retainer relationship with Mr. Fairbank at this time. It is very much the wish of the Commission that he will make himself available for emergency consultation; or, if required, general consultation needed to operate the utilities. Reimbursement for this type of consultation would be worked out at those times.

There was a short discussion on progress of the various projects we are working on.

The office will be closed Christmas Eve, Christmas Day, and the day after Christmas.

There was no other business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



DECEMBER 29, 1969

A special meeting of the St. Michaels Utilities Commission was called on Monday, December 29, 1969. It was decided that the office personnel would receive a \$5.00 per week raise in salary as of the first of the year.

There was no further business, and the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



JANUARY 28, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, January 28, 1970, with all members present.

The minutes of the last meeting were approved as read.

The cash balance was reported by Mrs. Marshall, and it is believed that it will be adequate for the time being.

Mr. Kilmon informed the Commission that he is working with C & P Telephone Company in regards to joint use of poles in the Kirkham area and the Hopkins Neck area. It is his understanding that we will furnish the poles, and C & P will furnish the labor and maintenance. This would move our lines out of the woods from the Kirkham pincushion to Bloomfield Road, a distance of nearly two miles, and also eliminate a bad tree situation in the Hopkins Neck area. Cost to the Utilities would be approximately \$2500 for the poles, plus the cost of the wire and hardware used.

There was a discussion of the low voltage problem in the Miles River Neck area.

It has come to the attention of the Commission that the men have been slow on answering trouble calls. Mr. Kilmon was instructed by the Commission to inform the men they would have to come as quickly as possible when called. Any infraction of this rule would be cause for immediate dismissal. A copy of this section of the minutes will be placed on the bulletin board at the shop.

Mr. Kilmon thanked the Commission for the help and cooperation they have given him since he was made manager.

Motion was made by Mr. Eglseider, seconded by Mr. Griffin, and passed, that the Utilities will take over ownership and maintenance of the Hansen line in Church Neck, for \$1.00.

There was a discussion of mapping procedures for underground lines.

A motion was made by Mr. Eglseider, seconded by Mr. Griffin, and passed, to buy a new gear box for the billing machine. Before the gear box is ordered, Mr. Eglseider will contact the Burroughs maintenance department to check on the condition of the machine, the service contract, etc.

An ad will be placed in the Miles River Yacht Club yearbook again this year.

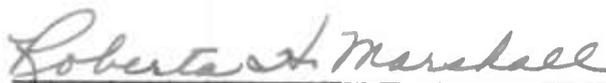
Mr. Griffin made a motion that Alex J. Spencer serve as president of the Utilities for the coming year, with Ray Kilmon as manager, and Roberta Marshall as Secretary-Treasurer. Motion was seconded by Mr. Eglseider, and passed.



The Public Service Commission proposed ruling on Customer Deposits was reviewed, and it was generally felt that we can accept and abide with the rules as written.

A discussion followed on the proposed revised rules of the Public Service Commission on Residential Electric Underground Extensions. Mr. Kilmon will contact Mr. Corkran, of Easton Utilities, to get a view on their thinking in the matter. A letter will be written to the Public Service Commission, before February 27, with our comments.

There was no further business, and the meeting was adjourned.



Roberta H. Marshall, Secretary



FEBRUARY 25, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, February 25, 1970. Those present were Mr. Spencer, Mr. Griffin, Mr. Kilmon, and Miss Farmer, acting Secretary.

The minutes of the last meeting were read and approved.

In reference to the proposed revised rules of the Public Service Commission on Residential Electrical Underground Estensions, Mr. Spencer asked whether a letter had been written to the Public Service Commission with our comments. This letter has not been written as yet, as we wanted to look into the matter further. Mr. Spencer suggested that Mr. Kilmon talk to Mr. Corkran of the Easton Utilities in regard to this.

The cash balance was reported by Miss Farmer.

There was a discussion of customers' complaints regarding high electric bills, and it was noted that there was an adequate reason for the recent higher bills with the very cold weather we have been experiencing.

There was a discussion of Choptank Cooperative's decrease in rates.

The decrease in cost of Meter Reading since Stewart Bell has been doing this work was mentioned. Mr. Griffin wondered whether we could use the meter reading method used by some other Utilities -- that is, having customer read his own meter and send in card. However, it was felt that the present system would be more satisfactory to everybody concerned.

Mr. Spencer asked about the status of the Kirkland Hall College account, and Miss Farmer reported that they owed us a two month bill at this time. Mr. Kilmon was instructed to call Captain Stencil in reference to this.

Mr. Kilmon reported that approximately \$70,000 for capital expenditures would be needed for the next twenty-four months.

Mr. Kilmon pointed out that he wants to be ready for the Irby Construction Company crew when they are ready to come. (This is in reference to power to the new High School.)

Mr. Kilmon was asked whether the men have been answering calls any quicker since notice was put on the bulletin board at the shop regarding this matter. He reported that he thought this matter was being taken care of satisfactorily.



There was a discussion about employing another man, and Mr. Kilmon said he had had about 15 applicants in reply to the advertisement in the Star Democrat. Lewis Plugge, who worked for Gunther Electric Company, was one of the applicants, and Mr. Kilmon was awaiting a doctor's report on him.

Mr. Kilmon brought up the matter of all the vandalism in connection with street lights and security lights. He said if these lights continue to be shot out as they are at present, the only solution to the problem he can see is not to replace them until the vandals are apprehended. This is costing the Utilities a considerable amount of money each month. Loss in bulbs in January exceeded \$200. Mr. Griffin said his Field Insurance man would go over the situation in regards to insurance on same. It was suggested that we call to the attention of the Town Commissioners this problem, and request they take corrective measures regarding street light loss due to various acts of vandalism including air rifles.

There was no other business, and the meeting was adjourned.

Madeline G. Farmer

Madeline G. Farmer, Acting Secretary



MARCH 25, 1970

Members of the St. Michaels Utilities Commission held their regular meeting on Wednesday, March 25. Those present were Mr. Eglseder, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were approved as read.

Mr. Griffin said his Field Insurance man has not been to see him yet, so he had no report to make regarding insurance on the street lights. Mrs. Marshall reported that the town attorney is working on a tighter gun law (including air rifles) for the town.

Lewis Plugge was hired on March 9, and Mr. Kilmon said that he hopes he will work out all right.

The Town office will be closed on Good Friday, March 26, and the Utilities office will be closed also.

Mr. Kilmon reported that Delmarva will make the change-over removing Choptank from our lines on Sunday, April 12. Current will be off at that time from 6 a.m. to 10 a.m. St. Michaels will take advantage of the outage to do some work on the Grace Street Substation.

Mr. Kilmon is still negotiating with Delmarva regarding joint use of poles to the Hayes property. The right of way is clear now to the new High School.

There was a discussion of expenditures needed to furnish service to the Housing Authority and to Martingham, Inc. St. Michaels Utilities is desirous of purchasing the materials necessary to furnish current to the Housing Authority and to Martingham; however, we must have concrete information relative to dates of need and quantities of anticipated electric consumption. A letter to this effect will be sent to the parties concerned.

Mr. Kilmon was authorized to buy materials necessary to furnish power to the new High School.

Word has been received from C & P Telephone Company that they are expecting delivery of the poles in a few days for the Hopkins Neck Line and the line in the Kirkham area. Work will begin as soon as possible on those lines.

Mr. Kilmon reported that he had discussed with Mr. Spencer the visit made to the Utilities by Mr. Dorsey, of the Maryland Public Service Commission. Mr. Dorsey mentioned that St. Michaels has the highest KWH consumption per customer in the state, and that our plant is practically depreciated and depleted. We would stand a chance of having to sell the operation unless improvements are made. Since Mr. Kilmon has been appointed manager, the president of the St. Michaels Utilities Commission has given him instructions to do everything possible to get our facilities to as near standard as time and money will permit.



There was no further business, and the meeting was adjourned.

Roberta N. Marshall
Roberta H. Marshall, Secretary



APRIL 22, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, April 22, 1970. All members were present.

The minutes of the last meeting were read and approved.

Mr. Kilmon brought up the matter of seasonal customers who use a large amount of the Utilities' equipment for a short period of time, and then have their current disconnected and pay nothing. Motion was made by Mr. Eglseeder, seconded by Mr. Griffin, and passed, that the Utilities file seasonal rates with the Maryland Public Service Commission as follows:

Domestic Service: \$2.00 per month minimum
General Service: \$2.00 per month minimum

There was a discussion on the joint use of poles with Delmarva Power and Light Company. Mr. Kilmon reported that Delmarva has still not been able to secure the necessary rights of way, and this has been holding things up. There is an urgent need to increase the line to Claiborne, but this cannot be done until the line is rebuilt as far as Martingham.

The St. Michaels Town Commissioners attended the meeting, to discuss the Utilities' and the Town's need for funds for capital expenditures. Mrs. Plummer reported that the town was given a line of credit of \$125,000 with Maryland National Bank, of which the Utilities had requested \$85,000. At the present time, the total amount borrowed is roughly \$67,000, including \$30,666.69 which was borrowed for the Utilities. The Utilities is paying \$16,000 per year on the principal, but the town is paying interest on the full amount of the indebtedness. Since the Utilities is not able to turn over as much of their profits to the town as in past years, the interest expense has put a pinch on the town's working funds. Motion was made by Mr. Griffin, seconded by Mr. Eglseeder, and passed, that the Utilities will pay the full amount of the interest on the loan to Maryland National Bank.

The Town Commissioners asked that a copy of the minutes of Utilities meetings be given to them each month, in order that the two boards can work together more closely.

The merit system that is in effect for key Town employees was discussed, and the Utilities asked that some of their employees be placed under the system. This would include the manager, secretary-treasurer, and the clerk. Town Commissioners said they would pass the necessary ordinance at their next meeting.



There was also a discussion about the retirement plan, but this was tabled until such time as Mr. Griffin can get more complete details.

There was no further business, and the meeting was adjourned.

Robert H. Marshall
Robert H. Marshall, Secretary



MAY 27, 1970

Members of the St. Michaels Utilities Commission held their regular meeting on May 27, 1970, with all present. The minutes of the last meeting were approved as read.

Mrs. Marshall reported that the seasonal rates had been filed with the Maryland Public Service Commission, and no official word has been received as yet. However, Mr. Goldstein has said he could see no objection to a seasonal rate.

Delmarva Power and Light Company has notified us that they will start charging a fuel adjustment charge with the May 30 billing. St. Michaels Utilities will pass the charge on to its customers starting with the billing for electricity used in June. It was decided that a calculator will be needed so that the office force can do this additional work more efficiently.

Mr. Spencer reported that the Housing Authority will soon be ready to break ground, and that the contract for the new High School has been let. Work is to begin on the new school as soon as weather permits.

The Martingham project is under way now, and it is possible that they may need service by the end of December. There was a discussion on various routes to get power to the project. It was decided that a meeting with the Public Service Commission and the architects for Martingham would be advisable before too many concrete plans are made. Mr. Spencer will ask Mr. William Corkran, Engineer for Easton Utilities, to look things over and give us his opinion on the service to the project, and then arrangements will be made for the meeting.

Mr. Kilmon brought up the matter of the salary of Stewart Bell, the meter reader. Motion was made by Mr. Griffin, seconded by Mr. Eglseder, and passed, to increase Mr. Bell's salary from \$2.00 per hour to \$2.25 per hour. It has saved the Utilities a considerable amount of time and money since they have been using a part-time employee to read meters.

Mr. Kilmon is getting information and quotes on a ladder and truck to replace the one which was destroyed when Mr. Kilmon was in his accident.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JUNE 24, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, June 24, 1970. Those present were Mr. Spencer, Mr. Griffin, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

The new rates on seasonal customers went into effect on June 15, since nothing to the contrary was heard from the Public Service Commission.

A new gear box has been installed on the billing machine, in hopes that it will hold out a little longer.

Since Mr. Kilmon was on vacation, a written report from him was submitted:

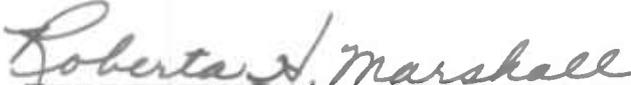
A new one-ton truck, with dual wheels, has been ordered to replace the one that was wrecked. Approximate price, including a 32 foot Keystone manually operated ladder, a Morrison tool body, and a new RCA mobile radio unit, is \$6,900. Delivery is to be made in sixty days.

Asplundh Tree Experts began trimming trees for the Utilities on Monday, June 22. Total estimated cost for their work will be approximately \$11,300. This will include work in Miles River Neck, Kirkham, Royal Oak, Pea Neck, and Claiborne.

Mr. Pierre Heroux, from R. W. Beck & Associates, has been hired on an hourly basis as a consulting engineer. He will send the necessary papers for the working agreement.

There was a discussion on the hardship caused by the loss of use of the ladder truck that was wrecked on May 5. Mr. Griffin will contact Mr. North, our attorney, to see what is being done by the insurance company.

Following a discussion on the financial situation of the Utilities, the meeting was adjourned.



Roberta H. Marshall, Secretary



JULY 22, 1970

Members of the St. Michaels Utilities Commission held their regular meeting on Wednesday, July 22, 1970. Those present were Mr. Eglseider, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were approved as read.

Permission has been received from the St. Michaels Town Commissioners to purchase a new truck to replace the one that was wrecked. Permission was also granted to buy a new billing machine, since the old one is completely worn out.

The resolution of the Town Commissioners, regarding the merit system for certain Utilities Commission employees, will become law on August 11, 1970.

Mr. Kilmon reported that Mr. Heroux, electrical engineer from R. W. Beck & Associates, is making good progress on the work for the High School. Letters have been sent to seven contractors for quotes, and by mid-August we should be able to contact contractors to start work. Estimated cost for the High School project, from our plant to the school property, is \$25,000. This includes approximately \$5,000 for engineering fees.

The tree trimming program is proceeding satisfactorily.

Mr. Kilmon reported that he has not heard from General Electric on the \$1,000 repair charge on the recloser at Miles River Neck.

Mr. Eglseider and Mr. Kilmon reported that they met with William Adams, Delmarva representative, regarding joint use of poles on the north end of town. At the present time Delmarva has one-third of the necessary right of ways, and will take no action until they have in excess of fifty per cent of the right of ways. Since Delmarva will make no commitment at this time, a decision will have to be made at the next Utilities meeting whether to proceed with joint use of poles with Delmarva, or to use another route to accommodate Martingham and the Housing Authority.

Mr. Adams said that Delmarva is going to have a general rate increase in the near future.

The Utilities has requested, in writing, that Mr. Latham furnish the necessary information to develop Right of Way Contracts for Martingham. As yet we have heard nothing from him.

Mr. Kilmon expects to have the Martingham layouts in two to three weeks. It is probable that Martingham will buy their own transformer, to meet Utilities specifications, and will then receive a five per cent discount on kilowatt hours.



R. W. Beck & Associates has been authorized, on a project basis, to design and give a cost analysis of the Martingham Project. This is to be based on the Maryland Public Service Commission ruling for undergrounding, using the Delmarva cost structure for cost estimates, including estimated cost of the line extension work necessary to supply power. The desire of the Commission is that the design give proper and adequate service, and show the total cost separated to show the responsibility of the Utilities Commission and that of the developer.

John C. North, II, will be retained as legal counsel for the Utilities Commission.

St. Michaels Utilities has contacted the C. & P. Telephone Co., with respect to joint undergrounding. A meeting has been set up for Thursday, July 30. Mr. Kilmon, Mr. Heroux, Mr. Davis of C & P, and Mr. Eglseider will attend.

A meeting with Delmarva has been arranged for July 29, to discuss another connection at the Gloria Avenue substation.

There followed a discussion on the increased loads on St. Michaels lines, and the best ways to give good service.

Mr. Griffin reported that a major medical insurance policy was authorized unanimously by the Town Commissioners at their last meeting. This will automatically cover the Utilities employees also.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall
Roberta H. Marshall, Secretary



AUGUST 26, 1970

Members of the St. Michaels Utilities Commission held their regular meeting on August 26, 1970, with all present. The minutes of the last meeting were approved as read.

Mr. Spencer reported that, at a meeting with Delmarva representatives, Mr. Adams said that Delmarva has notified Penn Central that they are planning to go ahead and pick up the right of ways at the north end of St. Michaels. Therefore, St. Michaels will use the poles jointly with Delmarva, to serve the Martingham Project and the Housing Authority.

Mr. Kilmon, Mr. Heroux, and Mr. Spencer met with Delmarva representatives for the purpose of discussing a new contract. Another major item under discussion was where Delmarva would supply power for our additional needs. Mr. Spencer has turned the new contract and a copy of the old contract over to Mr. David Mann, for his comments and recommendations.

C. W. Wright Construction Co., Inc., of Richmond, Virginia, has been selected to build the line to the new High School.

Mr. Spencer has talked with the Maryland Public Service Commission regarding the Martingham Project. He was advised by Mr. John W. Dorsey that we have relief under the P. S. C. orders on undergrounding where there is a large amount of capital outlay for minimal use. Mr. Dorsey indicated that the estimated proportionate costs may be less than we had originally thought. Mr. Dorsey will meet with the commission on August 27 to survey the project.

A meeting was held on August 13 with Mr. Seymour and Mr. Parks, representing the Town Commissioners, Mr. Morse of Maryland National Bank, the Utilities Commission, and Mr. Kilmon. At that time the Utilities outlined to the town our estimated needs for capital expenditures for the next eighteen months. The Utilities Commission made a formal request to the town for monies needed. The Town Commissioners agreed to present this to Maryland National Bank for a line of credit. Mr. Morse asked that the Utilities use Maryland National Bank principally for banking, in lieu of complete balance.

The new truck is due to arrive this week, and also the new billing machine. There was a discussion on the amount of money that will be needed to handle capital outlay in the very near future.

Mrs. Marshall pointed out the increase in the work load in the office, and it was decided to hire some part-time help until the schedule is back to normal.

A small refrigerator will be purchased for the office.

There was no further business, and the meeting was adjourned.

Robert H. Marshall
Robert H. Marshall, Secretary



SEPTEMBER 23, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, September 23, 1970. All members were present.

The minutes of the last meeting were read and approved.

The new billing machine has been delivered, and also the new truck. Both are working satisfactorily.

There was a discussion of the new Delmarva contract, and Mr. Mann's recommendations regarding it. Also brought up was the joint use of poles and St. Michaels future needs for electricity. It was decided that St. Michaels will request a meeting with William Adams and Tom Rowe, of Delmarva, to further discuss the contract.

Mr. Kilmon attended a meeting in Salisbury on September 18, at which Delmarva presented their proposed new rates for wholesale customers. The new rates would mean an increase of approximately ten per cent for St. Michaels.

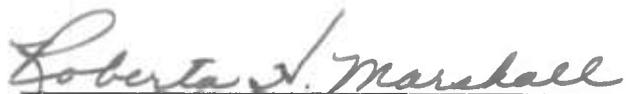
There was a discussion about the engineering services being furnished by R. W. Beck and Associates.

Mrs. Marshall reported that a total of \$19,000 would be needed by the end of September for capital expenditures. The balance that the Utilities now owes is \$24,000.21. This information will be given to the town commissioners so the additional money may be borrowed.

Mr. Kilmon reported that he has had to use his own car a good deal recently. He was instructed to use a company vehicle on Utilities' business whenever it is possible, but the Utilities will pay him ten cents per mile for use of his own car when it is necessary.

A letter was received from the Chesapeake Rehabilitation Center, and a check for \$10 will be sent to them.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



OCTOBER 8, 1970

On October 8, 1970, a special meeting was called for the purpose of passing a resolution regarding the agreement between Delmarva Power & Light Company of Maryland and St. Michaels Utilities Commission and the Commissioners of St. Michaels, regarding the contract for joint use of poles.

This resolution was approved and adopted by all members of the Utilities Commission.


Roberta H. Marshall, Secretary



RESOLUTION ADOPTED BY ST. MICHAELS
UTILITIES COMMISSION

RESOLVED, that the AGREEMENT between DELMARVA POWER & LIGHT COMPANY OF MARYLAND, on the one part, and ST. MICHAELS UTILITIES COMMISSION and THE COMMISSIONERS OF ST. MICHAELS on the other part, dated October 8, 1970, for the purpose of granting ST. MICHAELS UTILITIES COMMISSION permission to attach to DELMARVA'S poles with a nominal 12 KV distribution circuit from Pole Number 3/3 to Number 3/15 inclusive is hereby accepted and approved; and the execution of said agreement in behalf of ST. MICHAELS UTILITIES COMMISSION by the members constituting said ST. MICHAELS UTILITIES COMMISSION be and the same is hereby authorized.

As adopted on October 8, 1970

Roberta H. Marshall, Secretary

Roberta H. Marshall

Alex J. Spencer

Alex J. Spencer, President

Walter A. Eglseder

Walter A. Eglseder

John T. Griffin

John T. Griffin



THIS AGREEMENT made and entered into this 8th day of October, 1970, by and between Town of ST. MICHAELS, a municipal corporation of the State of Maryland, hereinafter referred to as "ST. MICHAELS", and DELMARVA POWER AND LIGHT COMPANY OF MARYLAND, a corporation of the State of Maryland, hereinafter referred to as "DELMARVA".

WHEREAS, ST. MICHAELS through its Utilities Commission operates and maintains an electrical distribution system serving and furnishing electric current to customers within and immediately adjacent to the corporate limits of the Town of ST. MICHAELS, and

WHEREAS, ST. MICHAELS desires a route for a nominal 12 KV distribution circuit by attaching to Delmarva's Poles Number 3/3 to Number 3/15 inclusive, which extends from Delmarva's Grace Street Substation along Right-of-Way known as Penn Central Railroad toward Tilghman, Maryland.

WHEREAS, DELMARVA is engaged in the manufacture, distribution and sale of electrical current within the State of Maryland and serves customers in areas adjacent to those now served by ST. MICHAELS, and

WHEREAS, the parties hereto believe it to be to their mutual advantage to avoid unnecessary duplication of lines and appurtenances.

WITNESSETH, that for and in consideration of the covenants, agreements, terms and conditions hereinafter recited to be mutually kept and performed by the parties hereto, it is agreed as follows:

1. ST. MICHAELS will attach to Delmarva's Poles Number 3/3 to Number 3/15 inclusive with a nominal 12 KV circuit consisting of 3 - No. 336.4 MCM - AAC conductors installed on 10 foot crossarms.



2. DELMARVA will make pole changes necessary to accommodate ST. MICHAELS circuit in compliance with National Electrical Safety Code. ST. MICHAELS will compensate DELMARVA for portion of cost of pole changes to be calculated as follows:

Undepreciated Life Value of existing poles
plus cost of Removal of Existing Poles
plus one-half cost of new poles installed,
less any salvage value of existing poles.

This cost is estimated to be \$2,177.92 to ST. MICHAELS.

Upon completion of the work DELMARVA will bill and ST. MICHAELS will pay to DELMARVA the actual cost calculated as outlined above.

3. ST. MICHAELS will pay to DELMARVA an annual rental of \$3.00 per pole occupied per this agreement. Bill to be rendered annually by DELMARVA and payment to be made within 30 DAYS.

4. Nothing herein contained shall be construed to confer upon ST. MICHAELS any rights of property in the poles of DELMARVA. ST. MICHAELS shall be responsible for any and all necessary permits and permission required from any public authority having jurisdiction in the premises and from all property owners affected by ST. MICHAELS use of DELMARVA'S facilities.

5. ST. MICHAELS shall indemnify and save DELMARVA harmless from and against any and all damages or loss that may result to the poles, plant or facilities of DELMARVA, or of any other utility or person occupying the poles of DELMARVA under present or future agreements with DELMARVA, and from and against any and all legal and other expenses, claims, costs, losses, suits, and judgments for damages or injuries to any persons or property, arising in any fashion from or related in any manner to the occupancy by ST. MICHAELS of the poles of DELMARVA hereunder, or by reason of the acts or negligence of the agents or employees of ST. MICHAELS while engaged in



the work of placing, operating, maintaining, relocating, renewing or removing the facilities of ST. MICHAELS hereunder, and such losses and damages shall include any claims for workmen's compensation or suits for damages brought against ST. MICHAELS by its own agents, officers or employees.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their proper officers and their corporate seals to be hereunto affixed the day and year aforesaid.

Attest:

L. L. Lindsey
Secretary

THE DELMARVA POWER & LIGHT
COMPANY OF MARYLAND

By *E. S. Mortimer* (SEAL)
President

Attest:

Mary A. Sewell
Clerk

THE COMMISSIONERS OF ST. MICHAELS

Walter K. Purness
Commissioner and President
Robert S. Seymour
Guy W. Parks
Commissioners

Attest:

Robert A. Marshall
Secretary

ST. MICHAELS UTILITIES COMMISSION

Walter A. Edgerton
Commissioner and President
John D. Smith
Commissioner



OCTOBER 28, 1970

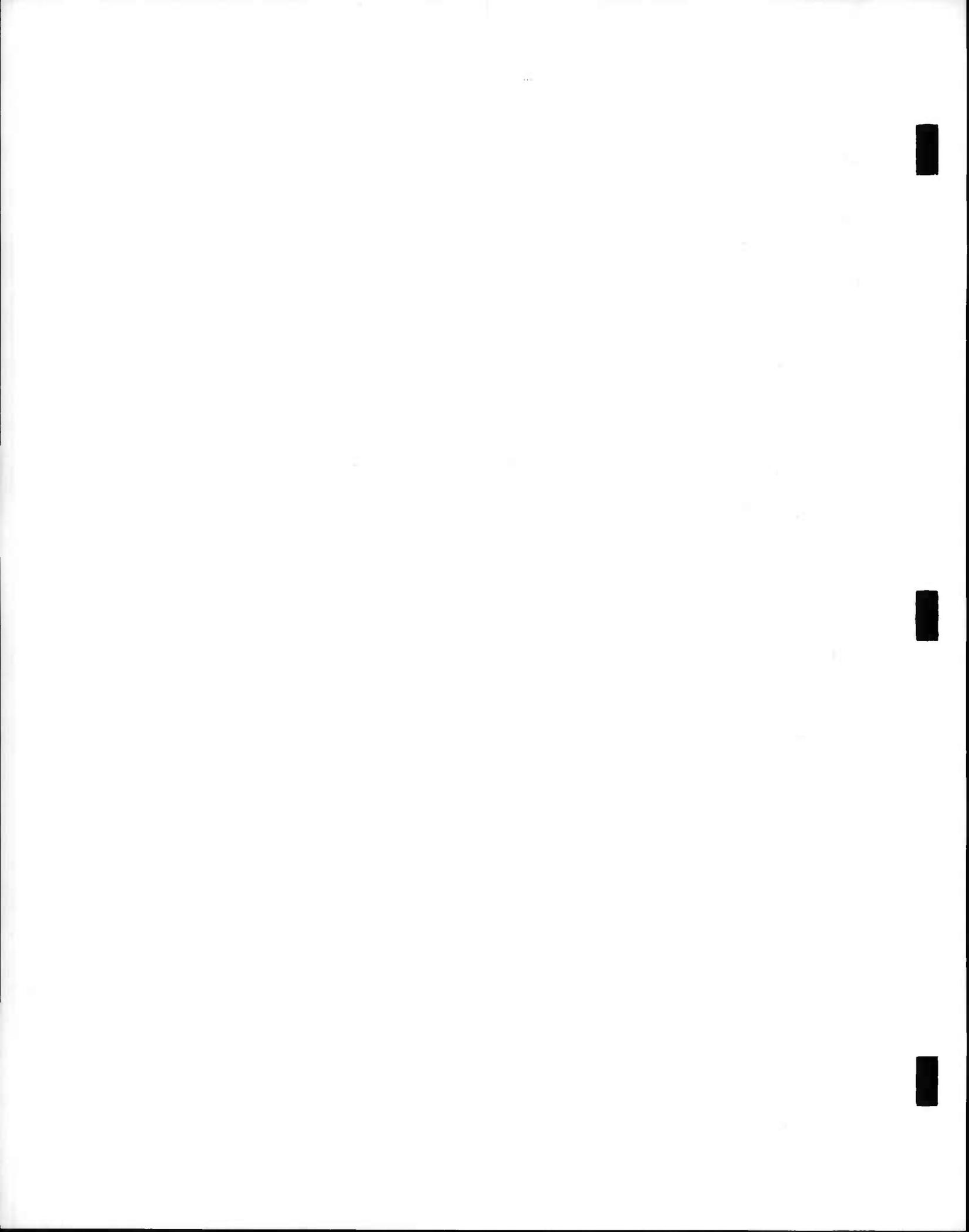
The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, October 28, 1970, with all members present. The minutes of the last meeting were approved as read.

Mr. Spencer reported that the Commissioners and Mr. Kilmon met with Mr. Mortimer, Mr. Adams, and Mr. Hubbard of Delmarva on October 8. At this time the new service agreement was discussed. An agreement was reached concerning the joint use of poles. The Commissioners had hoped for some relief from Delmarva on the cost of using poles MES/149 to MES/152, the poles which will be used to carry the new line to the High School; but they were unable to get it. Also mentioned was Delmarva's proposed rate increase. The Commissioners told Mr. Mortimer that we probably had no choice but to make some objection, and Mr. Mortimer replied that he felt we should and that all the other utilities involved probably would. The meeting was very pleasant, but nothing came of it.

Mr. Spencer also reported that he and Mr. Griffin and Mr. Kilmon met with Joseph Biro, of Joseph Biro & Associates, on October 16, to discuss the engineering needs for undergrounding at Martingham. Mr. Biro said that, based on average charges, it would cost about \$12,000 for engineering fees. At this time, Mr. Spencer called Beck and Associates and told them not to do any other work on the Martingham Project. Mr. Biro was advised that the Commission would consider a formal proposal from his engineering firm after they receive plans and specifications for the work done by Beck so far, and their bill for same is received. On October 19, Mr. Robert G. Taylor, manager of Beck's Boston office was contacted, and he was advised of the Utilities' decision concerning Martingham. He was told in no uncertain terms that the Utilities feels they have not been given the service we asked for and could expect on the Martingham Project. He was also told that the Commission feels that the engineering has been poor, and if the billing is too large we would have to do something about that. Mr. Taylor is going to be in this area in a few days, and will probably be in touch with the Commission then.

The Utilities still has not received the right of way deed from Martingham. It was felt that in the absence of concrete plans from Martingham, Mr. Kilmon should do nothing else until Martingham makes substantial commitments in the form of monies and right of ways. Motion was made by Mr. Eglseider, seconded by Mr. Griffin, and carried unanimously that all work on the Martingham Project has stopped and be held up pending formal notification from Martingham that work be continued and right of ways are deeded to St. Michaels.

There was a discussion of the meeting with the Town Commissioners on October 26. The Utilities requested that the town get information with the aim of passing an ordinance to enable the Utilities to handle large sums of money which may be deposited by customers. Under the present ordinance, the Utilities is required to turn over all but \$5,000 of the cash on hand at the end of December. The Town Commissioners were requested to pass an ordinance which would enable



the Utilities to hold monies deposited with us by customers for construction purposes. Also, the Town Commissioners were asked to look into the emergency sinking fund of \$50,000, to see if the Utilities could use it without having to replace the total amount before turning over any other monies to the town. Instead, a certain percentage of earnings per year would go into the sinking fund over a stipulated number of years.

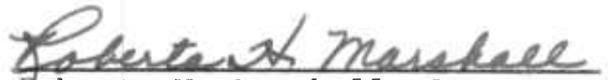
A letter has been received from Gordon Mears, general manager of Choptank Electric Cooperative, stating that they are going to file with the Federal Power Commission in protest to Delmarva's proposed rate increase. St. Michaels has already filed, and it is the thought of the Commission that we can work together and share the cost. A copy of Mr. Mears' letter, the Utilities answer to it, and a copy of St. Michaels' formal protest is included with these minutes.

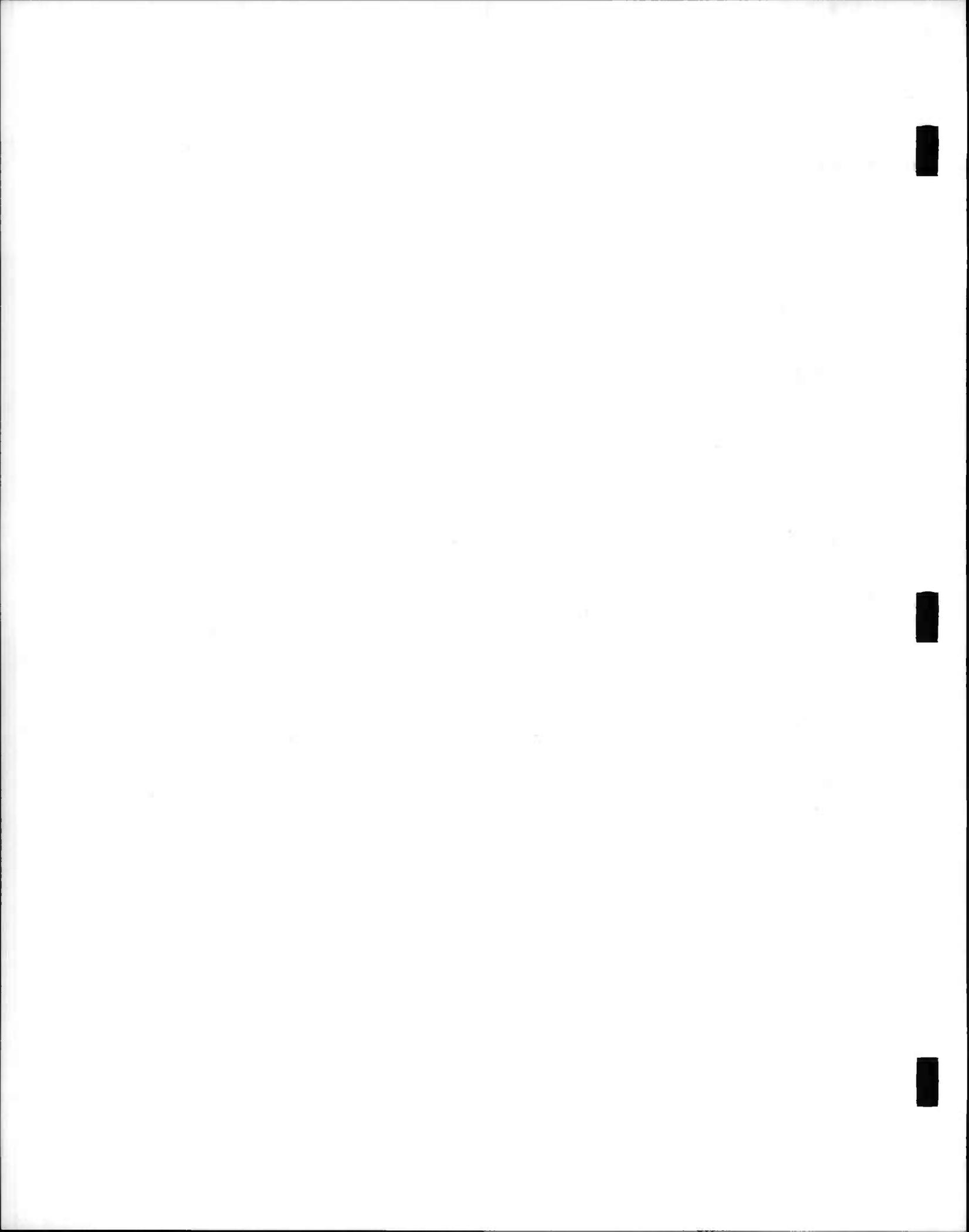
St. Michaels Utilities will need an additional \$16,000 to pay for line supplies within the next two weeks, and additional money very soon after that. Mr. Spencer will speak with Mr. Morse of Maryland National Bank to see what can be done.

There was a discussion on the men's wages, in comparison with wages paid by other Utilities in this area. It was decided to give the men a twenty percent increase at once, instead of waiting until the first of the year. The office personnel will also be given a \$5 per week increase at this time.

John Voshell's deferment from the draft will expire in December, and since there is more need for him now than before, the Utilities will contact the draft board as soon as possible.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



CHOPTANK
ELECTRIC
COOPERATIVE



BOX 430 - DENTON MARYLAND 21629 - TEL 474-0380

"OWNED BY THOSE IT SERVES"

October 22, 1970

Mr. Alex Spencer
St. Michaels Utilities Commission
St. Michaels, Maryland 21663

Dear Mr. Spencer:

I am enlisting support to get all who purchase wholesale power from Delmarva Power and Light to join in a united effort to fight the rate increase.

Would your company be willing to bear two to three percent of the cost of such a fight? That is all it would take if we can get all to join in.

The Cooperatives are filing to intervene in the case. I understand both Dover and Newark plan to intervene. If we all join together, we will have a much stronger case.

You purchase about two to three percent of the wholesale power Delmarva sells; therefore, if you would invest this percent in a united rate case, I think you can easily recoup your investment.

Will you please let me know what you think of this, and if you are interested, we will have a meeting to see what can be worked out. I do not need an official yes or no at this time.

Very truly yours,

CHOPTANK ELECTRIC COOPERATIVE, INC.

Gordon

Gordon L. Mears
General Manager

GLM:afb

That our answer and request to intervene after I write this. It is our thought that we could combine engineers and rate specialist but something else may have to be worked for the lawyers

Gordon



October 27, 1970

Mr. Gordon Mears, General Manager
Choptank Electric Cooperative
Box 430
Denton, Maryland 21629

Dear Gordon:

Have discussed your letter with our board, and find it of great interest.

Count us in.

Sincerely,

Alex J. Spencer, President
ST. MICHAELS UTILITIES COMMISSION

P.S. I happen to have a very close friend by the name of David Mann, who is a partner in the firm of Morgan, Lewis, & Bockius. They practice this kind of law in Washington, and I'm sure would be very interested in this case. I believe they would very ably represent us in this if we need help from a Washington firm.

AJS/m



I.

The name and address of Petitioner are:

The St. Michaels Utility Commission
and The Commissioners of St. Michaels,
Maryland
St. Michaels, Maryland 21663

The name and address of the person to whom it is
requested that communications in respect to this petition and
cause be addressed are:

Mr. Alex J. Spencer
President
The St. Michaels Utility Commission
St. Michaels, Maryland 21663

II.

Petitioner is engaged, inter alia, in the distribu-
tion and sale of electric energy to consumers within and near
the Town of St. Michaels, Maryland, and is a wholesale customer
of Delmarva Power and Light of Maryland, one of the applicants
herein, from which it receives all of its electric require-
ments.

III.

On September 18, 1970, the applicants, Delmarva
Power and Light Company, et al, tendered for filing proposed
changes in their existing electric tariffs and rate schedules,



MARCH 24, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, March 24, 1971. Those present were Mr. Spencer, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

Mr. Spencer reported that Maryland National Bank will have the money available for capital expansion as soon as the Town Commissioners can pass a resolution to raise their debt limit.

It has been decided that a mail drop in the door would not be practical at this time.

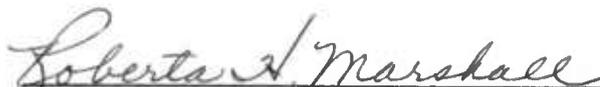
A letter was received from Mr. Taylor, of R. W. Beck and Associates, accepting the Commission's offer of \$2,500 as payment in full for all outstanding invoices. Payment was sent to them on March 23, 1971. Out of the total of \$13,591.95 that was paid to Beck, \$4,000 was for engineering services for Martingham.

It was decided to put Brenda Higgins on Blue Cross and Blue Shield, in lieu of giving her a raise in pay.

Martingham has asked for, and agreed to pay for, an extension of the present line to be used as a temporary service for construction of a model house and a pro shop on West Martingham. It is understood that this temporary service is to be used until a comprehensive underground electrical system is installed. Maryland National Bank has furnished the president of the Utilities with a copy of a \$1,500,000 commitment to Martingham ear-marked for a number of improvements, one being the underground electrical system.

Mr. Kilmon will look into the possibility of buying a used digger truck from Choptank Electric Cooperative.

There was no further business, and the meeting was adjourned.



Roberta H. Marshall, Secretary



APRIL 19, 1971

A special meeting was called on April 19, 1971, for the purpose of meeting with the Town Commissioners. Those present were Robert Seymour, Guy Parks, Mrs. Walter Harper, Alex Spencer, Walter Eglseider, John Griffin, Ray Kilmon, and Mrs. Marshall.

Mr. Spencer gave a background of the growth of the Utilities in recent years, and a projected need for expansion in the near future. He reported that the Utilities Commission will need \$91,500 for capital expenditures in the next few months. Of this amount, approximately \$25,000 will be needed almost at once.

A letter was read from Maryland National Bank, in which they stated that they have approved an increase of the Town's loan to \$234,000, at 5% per annum, to be repaid at \$25,000 annually. The letter stated that the loan was to be used exclusively by the Utilities for their expansion needs.

Following a discussion of possible ways to get the money, the meeting was adjourned so that the Town Commissioners could act upon the Utilities request.

Roberta H. Marshall

Roberta H. Marshall, Secretary



ST. MICHAELS UTILITIES COMMISSION

COMPARISON OF ASSETS: 1961 through 1970

<u>PROPERTY ACCOUNTS</u>	<u>AMOUNT</u>	<u>Increase over Previous Year</u>
1961	\$314,153.34	-
1962	377,262.04	\$63,108.70
1963	397,744.49	20,482.45
1964	416,226.90	18,482.41
1965	448,939.29	32,712.39
1966	484,065.95	35,126.66
1967	531,398.69	47,332.74
1968	578,026.34	46,627.65
1969	654,417.49	76,391.15
1970	731,807.86	77,390.37
TOTAL INCREASE IN TEN YEARS		\$417,654.52

INVENTORY

1961	\$ 26,956.61	-
1962	29,696.12	\$ 2,739.51
1963	23,491.12	(6,205.00)
1964	28,151.82	4,660.70
1965	32,148.76	3,996.94
1966	36,369.29	4,220.53
1967	39,005.00	2,635.71
1968	36,782.56	(2,222.44)
1969	49,588.56	12,806.00
1970	79,637.52	30,048.96
TOTAL INCREASE IN TEN YEARS		\$ 52,680.91



ST. MICHAELS UTILITIES COMMISSION

CAPITAL EXPANSION

1969	Bloomfield Substation	\$ 51,800
1969	Miles River Submarine Cable	7,600
1970	Street Lights for Chestnut Street	4,300
1970	Work at New High School	11,200
1970-71	2F1 Line to High School	19,900
1970	Line in Miles River Neck	1,200
1970-71	2F2 Line to Claiborne	6,900
1970	Engineering Fees for Martingham	4,000
1970	Increase in Inventory	<u>30,000</u>
		\$136,900

Above figure includes all bills paid to date on these projects.

Since July, 1969, St. Michaels Utilities has borrowed a total of \$105,667. Of this amount, \$25,331 has been paid back. The Utilities has also paid interest for both the town's indebtedness and its own, at a rate of 5 $\frac{1}{2}$ %. The status of the loan at the present time is as follows:

Utilities	\$80,336
Town	<u>62,999</u>
Total Loan	\$143,335

If Delmarva rate increase is OK'd by Public Service Commission, St. Michaels has already been granted a rate increase which will compensate for the increased cost of electricity from Delmarva. This is to go in effect at such time Delmarva's rate increase is granted.



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Roberta H. Marshall

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ST. MICHAELS UTILITIES COMMISSION

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ST. MICHAELS UTILITIES COMMISSION

COMPARISON OF TEN YEAR PERIOD: 1961 through 1970

YEAR	KWH SOLD	% OF INCREASE OVER PREVIOUS YEAR	NET PROFIT FOR YEAR	PAID TO TOWN		
				ELECTRIC AT COST	CASH	TOTAL
1961	6,780,118	6.4%	\$ 31,456.13	\$ 3,765.97	\$ 12,824.00	\$ 16,589.97
1962	7,892,148	16.4%	48,294.25	3,923.31	27,513.45	31,436.76
1963	8,272,817	4.8%	27,808.97	4,125.54	28,074.92	32,200.46
1964	8,621,424	4.2%	40,176.11	3,824.32	22,831.52	26,655.84
1965	9,783,950	13.5%	49,930.01	3,577.80	21,700.90	25,278.70
1966	11,465,109	17.2%	45,669.50	3,623.03	15,811.87	19,434.90
1967	12,624,751	10.1%	61,407.27	3,618.32	24,811.66	28,429.98
1968	14,802,092	17.2%	57,484.84	4,540.27	28,796.58	33,336.85
1969	17,507,040	18.3%	57,738.57	5,025.00	16,454.73	21,479.73
*1970	17,884,665	2.2%	67,856.83	4,666.36	17,025.55	21,691.91
TOTAL FOR TEN YEARS			\$487,822.48	\$40,689.92	\$215,845.18	\$256,535.10 (52.6% of profit)

*Choptank Electric was dropped on 4/30/70, and this is why there was no noticeable increase in KWH sold in 1970. Sales to Choptank in 1969 were 1,831,200 KWH, and probably would have amounted to over 2,000,000 KWH in 1970.

Note: Cash paid to town does not include rent paid for office and shop, or office fuel.



UNITED STATES OF AMERICA
BEFORE THE
FEDERAL POWER COMMISSION

In the Matters of:

DELMARVA POWER AND LIGHT
COMPANY, ET AL

)
)
)
)

Docket No. E-7560

ANSWER OF
THE ST. MICHAELS UTILITY COMMISSION
AND THE COMMISSIONERS
OF ST. MICHAELS, MARYLAND
AND
PETITION FOR PERMISSION TO INTERVENE

October 20 , 1970



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In the Matters of:)

DELMARVA POWER AND LIGHT)
COMPANY, ET AL)

Docket No. E-7560

ANSWER OF
THE ST. MICHAELS UTILITY COMMISSION
AND THE COMMISSIONERS
OF ST. MICHAELS, MARYLAND
AND
PETITION FOR PERMISSION TO INTERVENE

The St. Michaels Utility Commission and The Commissioners of St. Michaels, Maryland (St. Michaels or Petitioner), pursuant to the provisions of the Federal Power Act, as amended, and to the Rules of Practice and Procedure of this Commission, hereby respond to the Commission's Notice of Proposed Rate Changes, issued herein on October 7, 1970, and request (1) that the subject filing be suspended and subjected to hearing and (2) that Petitioner be authorized and permitted to intervene and to become a party to this proceeding. In support of such request, St. Michaels respectfully represents and shows to your Honorable Commission as follows:





to become effective December 1, 1970, which changes would result, inter alia, in increased charges for their jurisdictional sales and services of approximately \$897,000, annually, some \$21,000 of which would ultimately have to be borne by St. Michaels. Petitioner believes and here avers that such proposed changes and increased rates may be unjust, unreasonable, unduly discriminatory or preferential and that they should, therefore, be suspended for the full statutory period and made the subject of formal hearing.

IV.

Petitioner, who may be directly and materially affected by any order issued by the Commission in this proceeding, believes and, therefore, avers that, in order for the Federal Power Commission fairly and expeditiously to dispose of the issues presented in this proceeding in a manner best suited to protect the public interest, Petitioner, whose interests cannot properly be represented by any other party, should be permitted to intervene herein.

WHEREFORE, Petitioner respectfully prays that applicants' filings herein be suspended and subjected to hearing and that Petitioner be permitted to intervene in this



proceeding and be treated as a party hereto, with the right to have notice of and appear at the taking of testimony, to produce and cross-examine witnesses and to be heard in person or by counsel upon brief or oral argument if oral argument be granted, and that any orders entered by the Commission in this proceeding fully protect Petitioner's rights and interests; and for all other proper and needful relief.

Respectfully submitted,

THE ST. MICHAELS UTILITY COMMISSION
AND THE COMMISSIONERS OF ST. MICHAELS,
MARYLAND

By:

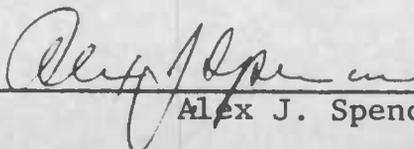


Alex J. Spencer
President

October 20 , 1970

STATE OF MARYLAND)
) SS:
COUNTY OF TALBOT)

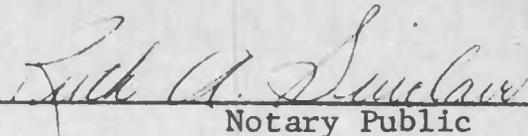
The undersigned, Alex J. Spencer, having been duly sworn, deposes and says that he is President of The St. Michaels Utility Commission of St. Michaels, Maryland, a petitioner herein; that he has executed the within Answer and Petition for and on behalf of said Commission; that he is familiar with said petition and the contents thereof; and that, to the best of his knowledge, information and belief, the facts set forth in said petition are true.



Alex J. Spencer

Sworn to and subscribed before me this 20th day
of October, 1970.

[SEAL]



Notary Public

My Commission Expires: *July 1, 1974*



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of §1.17 of the Rules of Practice and Procedure.

Dated at St. Michaels, Maryland, this 20th day of October, 1970.



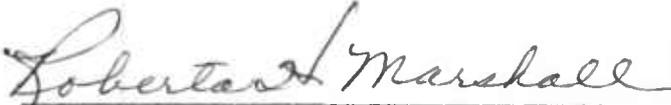
Alex J. Spencer



NOVEMBER 10, 1970

On November 10, 1970, a special meeting of the St. Michaels Utilities was called for the purpose of discussing a new contract with Delmarva Power and Light Company of Maryland. This contract is in conformance with the other contracts Delmarva has with its wholesale customers.

A resolution was approved unanimously to accept the new contract.


Roberta H. Marshall, Secretary



RESOLUTION ADOPTED BY ST. MICHAELS
UTILITIES COMMISSION

RESOLVED, that the CONTRACT between DELMARVA POWER AND LIGHT COMPANY OF MARYLAND, on the one part, and ST. MICHAELS UTILITIES COMMISSION and THE COMMISSIONERS OF ST. MICHAELS on the other part, dated November 10, 1970, for the furnishing of electric energy by DELMARVA POWER & LIGHT COMPANY OF MARYLAND to the ST. MICHAELS UTILITIES COMMISSION is hereby accepted and approved; and the execution of said contract in behalf of ST. MICHAELS UTILITIES COMMISSION by the members constituting said ST. MICHAELS UTILITIES COMMISSION be and the same is hereby authorized.



Alex J. Spencer, President

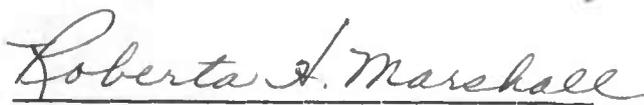


Walter A. Eglseider



John T. Griffin

As adopted November 10, 1970



Roberta H. Marshall, Secretary



RESOLUTION ADOPTED BY ST. MICHAELS

UTILITIES COMMISSION

RESOLVED, that the CONTRACT between DELMARVA POWER & LIGHT COMPANY OF MARYLAND, on the one part, and ST. MICHAELS UTILITIES COMMISSION and THE COMMISSIONERS OF ST. MICHAELS on the other part, dated Nov. 10, 1970, for the furnishing of electric energy by DELMARVA POWER & LIGHT COMPANY OF MARYLAND to the ST. MICHAELS UTILITIES COMMISSION is hereby accepted and approved; and the execution of said contract in behalf of ST. MICHAELS UTILITIES COMMISSION by the members constituting said ST. MICHAELS UTILITIES COMMISSION be and the same is hereby authorized.

As adopted on November 10, 1970

Roberta A. Marshall
Secretary



ORDINANCE TO BE ADOPTED BY THE COMMISSIONERS

OF ST. MICHAELS

AN ORDINANCE, approving and authorizing the execution of a contract between Delmarva Power & Light Company of Maryland, on the one part, and St. Michaels Utilities Commission and the Commissioners of St. Michaels, on the other, for the furnishing of electric energy by Delmarva Power & Light Company of Maryland to the St. Michaels Utilities Commission, and granting Delmarva Power & Light Company of Maryland the authority and power to use certain streets, squares, lanes and alleys in the Town of St. Michaels.

SECTION 1. BE IT ORDAINED AND ENACTED by the Commissioners of St. Michaels that the contract, dated Nov. 10, 1970, between Delmarva Power & Light Company of Maryland on the one part, and St. Michaels Utilities Commission and The Commissioners of St. Michaels on the other part, for the furnishing of electric energy by Delmarva Power & Light Company of Maryland to St. Michaels Utilities Commission, be and the same is hereby approved.

SECTION 2. AND BE IT FURTHER ORDAINED AND ENACTED that the President and Secretary of The Commissioners of St. Michaels be and they are hereby authorized, in behalf of The Commissioners of St. Michaels, to execute the aforesaid contract and to affix the seal of said town thereto.

SECTION 3. AND BE IT FURTHER ORDAINED AND ENACTED that said Delmarva Power & Light Company of Maryland, its successors and assigns, be, and it hereby is, authorized and empowered in perpetuity to erect, construct, reconstruct and maintain electric poles, lines, conductors and/or appurtenances under, along, upon, over or across the streets, squares, lanes, alleys and other public property in the Town of St. Michaels along or adjacent to the route of its existing transmission line from Easton to St. Michaels and from St. Michaels to McDaniel, which line extends through the Town of St. Michaels



in a generally northwesterly direction from the southerly to the northerly corporate limits of the town, closely paralleling the right of way of Penn Central Railroad through such town and lying adjacent thereto on its northeasterly side at varying distances therefrom; provided, however, that nothing herein contained shall, directly or indirectly, authorize or empower the said Delmarva Power & Light Company of Maryland, its successors and assigns, to distribute or sell electric energy to consumers within the service area of the St. Michaels Electric System as delineated on U. S. Geological Survey maps of Oxford, Claiborne, St. Michaels, Trape and Easton, all within the State of Maryland, on file in the offices of the Public Service Commission of Maryland, as prescribed by said Commission in its Order No. 56203 in Case No. 6017 (1966), Reports of the Public Service Commission of Maryland, Vol. 57, page 59, (except pursuant to authorization heretofore or hereafter granted by the Public Service Commission of Maryland), unless the consent of Utilities Commission and/or the Town thereto be first obtained.

SECTION 4. AND BE IT FURTHER ORDAINED AND ENACTED that this Ordinance shall take effect from the date of its passage.

As enacted on November 10, 1970

Mary A. Sewell
Clerk



SERVICE AGREEMENT

THIS AGREEMENT made and entered into on November 10, 1970, by and between Delmarva Power & Light Company of Maryland, a corporation duly organized and existing under the laws of the State of Maryland, (hereinafter called Seller), and Walter W. Eglseeder, John T. Griffin, and Alexander J. Spencer, constituting the Utilities Commission of St. Michaels, (hereinafter called Buyer), and the Commissioners of St. Michaels, a municipal corporation of the State of Maryland, (hereinafter called town).

WITNESSETH: WHEREAS, Buyer owns, maintains and operates an electric distribution system in and around the Town of St. Michaels, Maryland and

WHEREAS, Seller owns, maintains, and operates an electric system for the generation, transmission, and distribution of electric energy and, by reason of such system, is in a position to supply the electric energy requirements of Buyer.

NOW THEREFORE, the parties hereto, each in consideration of the agreements of the other hereinafter set forth, hereby mutually agree as follows:

Article 1. Electric Energy to be Sold and Purchased

Seller agrees to sell and to provide an adequate supply of electric energy to Buyer and Buyer agrees to purchase from Seller its requirements of electrical energy for distribution to its customers.

Article 2. Delivery Point

The electric energy to be furnished under this agreement shall be delivered by Seller to Buyer at two delivery points. Number 1 delivery point at Grace Street Substation in St. Michaels, Maryland owned by Seller as now existing. Number 2 delivery point at Buyer Substation off Seller's pole number 27A near Kirkham, Maryland.



Article 3. Rate Schedule

Electric energy delivered hereunder shall be paid for under Resale Service Schedule No. 1 of Seller on file with the Federal Power Commission or any effective superseding rate schedule. This Agreement in all respects shall be subject to the applicable provisions of such rate schedule and of the General Terms and Conditions attached thereto filed with Federal Power Commission, all of which are by this reference made a part hereof.

Article 4. Delivery Voltage

Seller shall maintain at Number 1 point of delivery a nominal potential of seventy two hundred (7200)/twelve thousand four hundred and seventy wye (12,470Y) volts. At Number 2 point of delivery a nominal potential of twenty three thousand nine hundred (23,900) Delta volts.

Article 5. Buyer's Resale Rights

All electrical energy purchased from Seller shall be for sales to ultimate consumers.

Article 6. Term

This Agreement shall be effective on Nov. 10, 1970 and to continue for initial term of five (5) years from said date and thereafter from year to year unless designated by either party giving to the other party twelve (12) months written notice of cancellation prior to any anniversary date of said Agreement.

Article 7. Cancellation of Previous Contracts

This Agreement supersedes and cancels, as of the effective date hereto, Sellers Rate Schedule F.P.C. No. 7 effective January 13, 1960 with Supplement No. 1 effective October 23, 1960,



Supplement No. 2 effective November 1, 1960, Supplement No. 3 effective May 1, 1963, Supplement No. 4 effective June 1, 1966, Supplement No. 5 effective February 1, 1967, Supplement No. 6 effective November 1, 1967, Supplement No. 7 effective May 1, 1969 with addendum thereto dated March 6, 1969.

Article 8. Successors and Assigns

This Agreement shall inure to and bind the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

Attest:

DELMARVA POWER & LIGHT COMPANY
OF MARYLAND

By _____
Secretary

By _____
President

Attest:

THE COMMISSIONERS OF ST. MICHAELS

By May A. Small
Clerk

Stewart B. Plummer
Commissioner and President
Robert S. Seymour
Sam W. Park
Commissioners

Attest:

ST. MICHAELS UTILITIES COMMISSION

Robert A. Marshall
Secretary

Robert A. Marshall
Commissioner and President
Walter A. Eglander
John T. Griffin
Commissioners



NOVEMBER 25, 1970

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, November 25, 1970. All members were present.

The minutes of the last meeting and the special meeting were read and approved.

Word has been received from the Selective Service Board that John Voshell has been deferred for another year.

Mrs. Marshall reported that \$46,333 was borrowed the first of October from Maryland National Bank. The total indebtedness of the Utilities is now \$87,000.

There was a discussion about the bills received from R. W. Beck and Associates. It was the decision of the Commission that Mr. Robert G. Taylor, manager of Beck's Boston office, be sent a certified letter asking him to meet with them to discuss the bill for engineering services.

A request for a donation was received from the Talbot County Tuberculosis Association, and a check for \$10 will be sent to them.

Mr. Kilmon will contact Biro & Associates as soon as possible to see if he can speed up Mr. Biro's estimate of costs that have been requested by Mr. Julian Miller for the Chance Hope Farm.

There was a discussion of the new tariff filed today with the Maryland Public Service Commission, pending the approval of the increase in rates filed for by Delmarva.

A letter was received from Kirkland Hall College, stating that due to their poor financial situation they would not be able to pay any money on their bills until late January. Mr. Kilmon was instructed to read the meters at the college on Friday, and send them a certified letter saying the current will be cut off unless the total amount is paid by noon Wednesday, December 2.

Mr. Kilmon reported that the Christmas decorations for the town have been put up, and that they will need replacing soon. A letter will be written to the town, so that they will be aware of this.

The December meeting will be held on Wednesday, December 16.

The Miles River Neck lines have been changed over to 12.4 KV, and are being fed from the Bloomfield substation.

Following a discussion on the Utilities financial status, the meeting was adjourned.


Roberta H. Marshall, Secretary



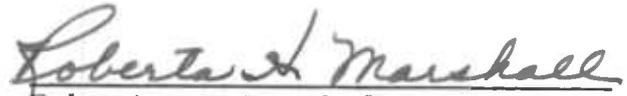
DECEMBER 8, 1970

A special meeting was held by the Commissioners of the St. Michaels Utilities on December 8, in order to decide the amounts of the Christmas bonuses to be given to employees.

The following bonus checks are to be issued after all taxes are deducted:

Franklin R. Kilmon	\$350.00
Stephen E. Greenhalgh	\$150.00
Donald M. Hunley	\$ 75.00
John L. Voshell	\$ 75.00
Lewis J. Plugge	\$ 50.00
Henry Miller	\$ 10.00
Madeline Farmer	\$110.00
Brenda J. Higgins	\$ 15.00
Roberta H. Marshall	\$110.00

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



DECEMBER 10, 1970

On Thursday, December 10, 1970, there was a special meeting of the St. Michaels Utilities Commission. Those attending were Mr. Spencer, Mr. Eglseeder, Mr. Kilmon, Mr. Robert G. Taylor of R. W. Beck and Associates, and Mr. Pete Heroux.

The purpose of the meeting was to discuss Beck's bill regarding the school project, line extension to Claiborne, and Martingham Inn.

It was Mr. Kilmon's contention that due to errors of planning by Beck, portions of the design of the school and the Claiborne project were unusable. It was the Utilities Commission's standpoint that due to the doubt that had been raised concerning these designs and the cost analysis and design of Martingham, they were of the opinion that they should not be used or paid for. Monies in question were \$7,745.68.

After lengthy discussion, Mr. Taylor stated that he was in agreement with the statements made by Mr. Kilmon, and that he accepted the thinking of the Commission. Mr. Taylor stated that the Commission would be notified in writing that the outstanding bills for all three projects would be cancelled with Beck's apologies.



Franklin Ray Kilmon, Acting Secretary



DECEMBER 16, 1970

Members of the St. Michaels Utilities Commission held their regular meeting on Wednesday, December 16, 1970. Those present were Mr. Eglseider, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last regular meeting and the special meetings were approved as read.

There was a discussion about the bill for Kirkland Hall College. Mr. Kilmon will check with the Public Service Commission to see if we have to repeat the cut-off notice each time the account is in arrears. If the current has to be cut off for non-payment, we will request a deposit before turning it back on again.

Mr. Griffin has been reappointed to the Utilities Commission for a period of three years, beginning January 1, 1971.

A note was read from Madeline Farmer, thanking the Commission for her bonus and recent raise. Mrs. Marshall and Mr. Kilmon also expressed their appreciation for themselves and the other employees.

Mr. Kilmon reported that C. W. Wright Construction Co., Inc., will be finished their present project by December 17, 1970.

There was no further business, and the meeting was adjourned at an early hour.


Roberta H. Marshall, Secretary



JANUARY 27, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, January 27, 1971, with all members present.

The minutes of the last meeting were approved as read.

A letter was received from Mr. Taylor, of R. W. Beck and Associates. Mr. Taylor insisted that the Commission pay \$4,792.15 to settle the account with Beck and terminate the agreement. The Commissioners decided not to accept Mr. Taylor's adjustment, since they feel they have already paid for the services that were rendered. It was decided to make an offer of \$2,500 to close out the account. A letter will be written to Mr. Taylor to this effect.

Motion was made by Mr. Eglseider, seconded by Mr. Griffin, and passed, that Mr. Spencer serve as president of the Utilities Commission for the coming year. Mr. Kilmon was reappointed as Manager, and Mrs. Marshall will serve as Secretary-Treasurer.

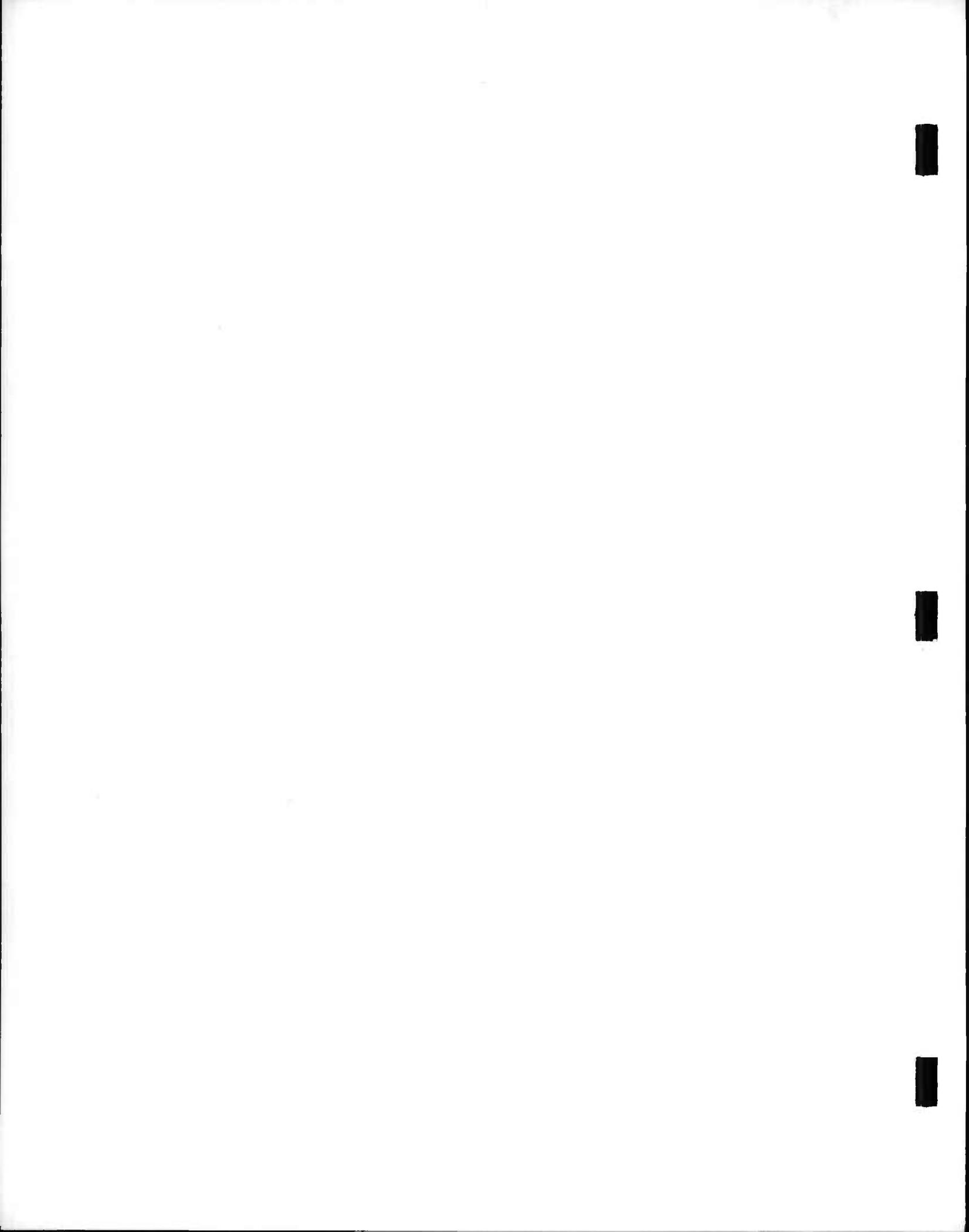
Mr. Kilmon brought up the matter of the bill from General Electric for the service engineering charges on the recloser which had to be repaired. A letter will be written to Mr. Ed Collins, of General Electric in Salisbury, asking for a corrected bill. Mr. Collins has said that they will bill us in the amount of \$450, instead of the \$995.46 they had originally asked for.

There was a discussion about the Utilities' financial situation at the present time. It is expected that monies will be very scarce for the next few months.

The new rates will go into effect when and if Delmarva gets their rate increase, since nothing to the contrary was heard from the Maryland Public Service Commission.

Following a discussion about new installations for the Miles River Neck area, the meeting was adjourned.


Roberta H. Marshall, Secretary



FEBRUARY 24, 1971

The regular meeting of the St. Michaels Utilities Commission was called to order at 7:30 p.m. on Wednesday, February 24, 1971. All members were present.

The minutes of the last meeting were approved as read.

Mrs. Marshall reported that several customers have suggested a mail drop for the front door. The Town Commissioners will be consulted for their views on this.

Another letter has been received from Mr. Taylor, of R. W. Beck and Associates. Mr. Taylor seems to have misunderstood the Commission's letter of January 28, and he will be sent another letter repeating the offer of \$2,500 to settle the account in full. This offer will only hold good until March 15, 1971. A copy of this letter will be sent to our attorney, John C. North, II.

Mr. Spencer reported a conversation he had with Mr. Sheldon Blades, of Maryland National Bank. It is possible that the Utilities may be able to get additional funds from them for capital expansion. Monies needed for the next twelve months would be as follows:

Working Capital for Martingham Project --	\$15,000
Outside labor for 20 weeks construction for running a 12.4 KV feeder to Martingham and Claiborne. This from our present plant to substation located at Bozman Road -----	\$51,000
Balance needed to complete High School Project, total cost of which will be \$35,100 -----	\$ 4,000
Underground line and transformer pad complete for Housing Authority -----	\$ 7,000
Cost of sharing pole line with Delmarva Power and Light Company. Line runs through Town of St. Michaels and on old Railroad right of way ----	\$ 4,000
Cost for joint use of poles with C & P Telephone Company from Kirkham to Doncaster -----	\$ 3,500
Transformers to increase the 3 KV lines in and near St. Michaels to 12.4 KV -	\$ 7,000

Total cost for these capital expenditures will be \$91,500. Mr. Blades will be given these figures as soon as possible.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



MONEY NEEDED FOR CAPITAL EXPANSION BY ST. MICHAELS UTILITIES COMMISSION

Working Capital for Martingham Project	\$15,000
Outside labor for 20 weeks construction work for running a 12.4 KV feeder to Martingham and Claiborne. This from our present plant to substation located at Bozman Road.	51,000
Balance needed to complete High School Project, total cost of which will be \$35,100	4,000
Underground line and transformer pad complete for Public Housing Authority	7,000
Cost of sharing pole line with Delmarva Power and Light Company. Line runs through Town of St. Michaels and on old Railroad right of way.	4,000
Cost for joint use of poles with C. & P. Telephone Company from Kirkham to Doncaster	3,500
Transformers to increase the 3 KV lines in and near St. Michaels to 12.4 KV	<u>7,000</u>
TOTAL NEEDED	\$91,500

Please Note:

Estimated additional revenue from the St. Michaels High School is \$25,000 per year, from the Housing Authority is \$4,000 per year. The Martingham Project is just starting, and we would be unrealistic to estimate revenue from it at this time. However, we know the building that is going on at the present time would generate \$10,000 within the next twelve months.

1/2



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ST. MICHAELS UTILITIES COMMISSION ----- CAPITAL EXPANSION

1969	Bloomfield Substation	\$ 51,800
1969	Miles River Submarine Cable	7,600
1970	Street Lights for Chestnut Street	4,300
1970	Work at New High School	11,200
1970-71	2F1 Line to High School	19,900
1970	Line in Miles River Neck	1,200
1970-71	2F2 Line to Claiborne	5,400
1970	Engineering Fees for Martingham	3,000
1970	Increase in Inventory	<u>30,000</u>
		\$134,400

Above figure includes all bills
paid to date on these projects.

Since July, 1969, St. Michaels Utilities has borrowed a total of \$105,667. Of this amount, \$23,998 has been paid back. The Utilities has also paid interest for both the town's indebtedness and its own, at a rate of 5 $\frac{1}{2}$ %. The status of the loan at the present time is as follows:

Utilities	\$81,669
Town	<u>62,999</u>
Total Loan	\$144,668

If Delmarva rate increase is OK'd by Public Service Commission, St. Michaels has already been granted a rate increase which will compensate for the increased cost of electricity from Delmarva. This is to go in effect at such time Delmarva's rate increase is granted.

ST. MICHAELS UTILITIES COMMISSION

VEHICLES OWNED, AND CURRENT USAGE:

- 1953 Chevrolet, 2 ton truck. Used for hauling brush.
- *1962 Ford, 3/4 ton pickup. This truck is currently retired. (It was the first line truck.) Used for general maintenance and by Ray Kilmon. The cost of getting it in shape again would be more than the truck is worth.
- *1965 Ford, 3/4 ton pickup, equipped with 1961 aerial ladder. Used for routine maintenance, new line construction, and trouble shooting.
- 1965 International line truck, equipped with 1940 tool body and boom. Used for line construction.
- 1966 Dodge truck, equipped with 1942 digger. Puts down anchors, digs holes for poles, etc. Parts for digger are now unavailable.
- *1968 International truck with aerial bucket. Used for maintenance of high voltage lines and tree trimming.
- *1970 Ford, 1 ton pickup, with tool compartments and aerial ladder. Used for line construction and line maintenance.
- 1970 Ford Club Wagon. Used for meter reading and by Ray Kilmon on Utility business. Also to be used by the Commission for transportation to various meetings.
- 1966 Chance Hotline tool trailer
1966 Homemade trailer, for hauling poles.

*These vehicles are equipped with radios.

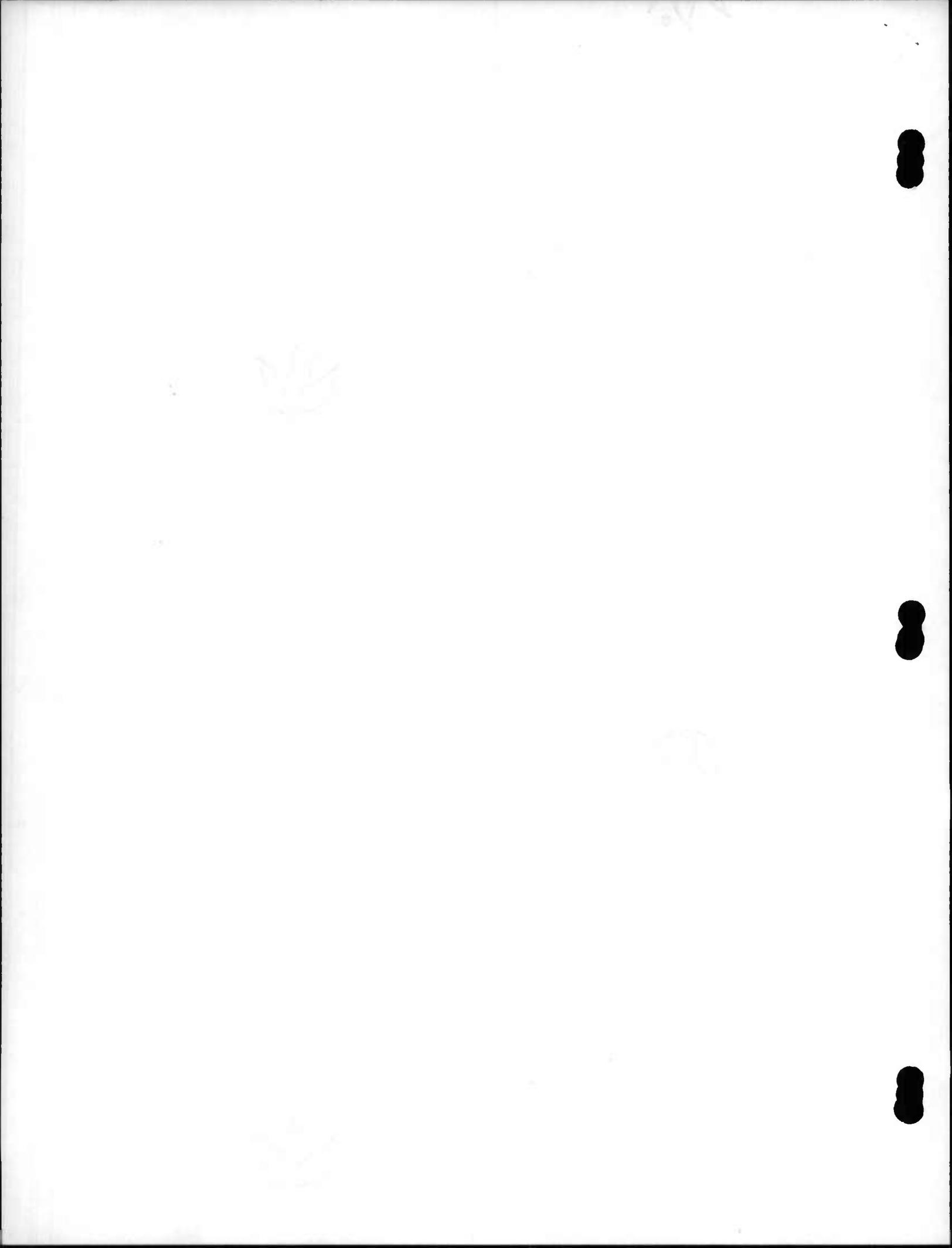


MONEY NEEDED FOR CAPITAL EXPANSION BY ST. MICHAELS UTILITIES COMMISSION

Working Capital for Martingham Project	\$15,000
Outside labor for 20 weeks construction work for running a 12.4 KV feeder to Martingham and Claiborne. This from our present plant to substation located at Bozman Road.	51,000
Balance needed to complete High School Project, total cost of which will be \$35,100	4,000
Underground line and transformer pad complete for Public Housing Authority	7,000
Cost of sharing pole line with Delmarva Power and Light Company. Line runs through Town of St. Michaels and on old Railroad right of way.	4,000
Cost for joint use of poles with C. & P. Telephone Company from Kirkham to Doncaster	3,500
Transformers to increase the 3 KV lines in and near St. Michaels to 12.4 KV	<u>7,000</u>
TOTAL NEEDED	\$91,500

Please Note:

Estimated additional revenue from the St. Michaels High School is \$25,000 per year, from the Housing Authority is \$4,000 per year. The Martingham Project is just starting, and we would be unrealistic to estimate revenue from it at this time. However, we know the building that is going on at the present time would generate \$10,000 within the next twelve months.





maryland national
bank

ST MICHAELS, MARYLAND 21663

April 14, 1971

The Commissioners of St. Michaels
St. Michaels,
Maryland 21663.

Gentlemen:

This is to inform you that the Officers Loan
Committee of the Maryland National Bank has
approved an increase of your loan to \$234,000.00
at 5% per annum to be repaid at \$25,000.00 annually.

This loan is to be used exclusively by the St. Michaels
Utilities Commission for their expansion needs.

Yours very truly,


William A. Morse
Branch Vice President

WAM:mb
c.c: Alex J. Spencer

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APRIL 28, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, April 28, 1971. Those present were Mr. Eglseider, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting and the special meeting were read and approved.

Mr. Kilmon has checked with Choptank Electric on the digger truck. It may be eight months or more until they will sell the truck. The matter will be held in abeyance pending sale.

A discussion was held relating to the current expenses of the Utilities in relation to the anticipated \$21,000 that is to be received from the Town Commissioners. At the present time, \$9,104 is being held in reserve for payment of the sewer bonds at the end of May. Anticipated expenses indicate that this reserve may be required to meet current expenses.

Mr. Kilmon reported that the permanent hook-up at the Public Housing Authority was turned on today. Mr. Kilmon was told that HUD officials, the Housing Authority representative, and the building contractor had a meeting concerning electrical inspection at the project. Mr. Kilmon met with Mr. Eirich of the Housing Authority, the Inspector of Public Housing, and Mr. Brohawn the contractor on April 26. All stated that HUD said it was proper that they would accept the Federal Inspection in lieu of Fire Underwriter's certificate. The Housing Authority will give the Commission a letter, through their lawyers, releasing the Commission from any liability for the electrical hook-up. The Commissioners instructed Mr. Kilmon to get the letter as soon as possible.

There was no further business, and the meeting was adjourned at an early hour.


Roberta H. Marshall, Secretary



MAY 26, 1971

The regular meeting of the St. Michaels Utilities Commission was held on May 26, 1971, with all members present. The minutes of the last meeting were approved as read.

After a discussion of the Utilities' present financial situation, a check was written for \$9,104 to pay the principal and interest on the Sewer Bonds. It was decided that the Utilities will set up a separate checking account for reserve deposits on long term indebtedness. This would include payments on the loan incurred by the Town, and on the sewer bonds.

Mr. Kilmon reported on the progress of the new line toward Claiborne.

Mr. Kilmon also reported that he has been in touch with W. Ben Wilson, the town's attorney, on the advisability of accepting the letter from the Housing Authority in lieu of the Fire Underwriter's certificate. He is waiting on the attorney's ruling on the procedure as to what we legally can accept.

Mr. Kilmon has talked to Mr. Goldstein, of the Maryland Public Service Commission, regarding the space heating rates for General Light and Power customers. Revised rates will be submitted to the Public Service Commission for their approval as soon as possible.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JUNE 30, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, June 30, 1971. All members were present.

The minutes of the last meeting were approved as read.

A letter has been received from W. Ben Wilson regarding the Fire Underwriter's Inspection at the Housing Authority. Mrs. Marshall was instructed to call him to clarify a few details in the letter.

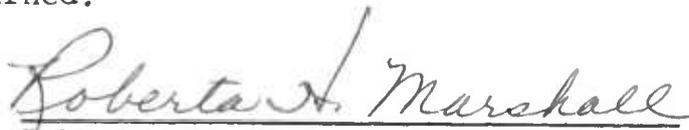
The rate increase for General Light and Power Space Heat customers was filed on May 27, to be effective with the July 15 billing.

The reserve account for long term indebtedness has been opened, with an initial deposit of \$3,000.

There was a discussion on the present financial standing of the Commission.

Mr. Kilmon reported that the new substation at the Bozman Road is now in operation.

Following a discussion on the progress of the Martingham Sub-division, the meeting was adjourned.


Roberta H. Marshall, Secretary



JULY 28, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, July 28, 1971. Those present were Mr. Eglseider, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the June meeting were read and approved.

W. Ben Wilson has sent another letter to the Commission regarding the Fire Underwriter's Inspection at the Housing Authority, and this letter is now on file at the office.

The Commissioners will meet with Mr. Biro, of Biro & Associates, and Mr. Latham, of Martingham, on Friday, July 30, to discuss the electrical needs for the Martingham Subdivision.

It was decided to make a \$15,000 partial payment on the past-due bill from C. W. Wright Construction Co., Inc. Total amount of Wright's bill is \$28,368.94. Past due bills from Westinghouse Electric Supply Company in the amount of \$5,185.93 will also be paid at once. There is an urgent need for additional monies due to the anticipated and promised capital expenditures fund that was shorted. An amount of \$22,000 is urgently needed to complete payment on in-hand bills. As of this date, in hand bills total \$48,122.93.

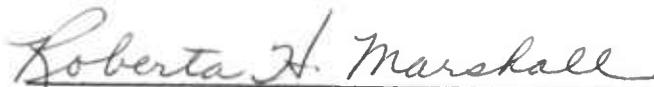
No additional money will be put in the reserve account in July, due to lack of funds. Balance in the reserve account is now \$1,561.11, since an interest payment of \$1,438.89 was made on July 8.

A letter of complaint about tree trimming was read from Mr. John Pharo, who owns property in Church Neck. Mr. Kilmon reported that he has spoken on the telephone with Mr. Pharo, and has resolved the problem.

Mr. Kilmon informed the Commissioners that Larry Baker has moved out on the Cordova Road. To save time in answering service calls, he will be allowed to take a truck home after a service call on duty nights, until another solution to the problem can be found.

There was a discussion regarding requests for shades on the Town street lights. It was felt that this is a decision to be made by the Town Commissioners, and we will await their word on this.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



AUGUST 30, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Monday, August 30, 1971, with all members present.

The minutes of the last meeting were approved as read.

Mrs. Marshall reported that an additional \$49,000 has been borrowed for the Utilities, and all bills have now been paid.

There was a discussion on the present rate of growth of the Utilities. The new High School, Martingham, and the Housing Authority are expected to increase sales by a considerable amount.

Mr. Spencer reported on the progress of the rate case with Delmarva that is before the Federal Power Commission. A settlement is expected soon.

Mr. Kilmon brought up the need of a few changes in our Rules and Regulations, to make them in accord with the present Maryland Public Service Commission rules. The changes will be filed with the Public Service Commission as soon as possible.

Burroughs Corporation has offered to extend the warranty period on the billing machine until December 31, 1971. At that time, St. Michaels will begin the maintenance contract.

A right of way has been received from Martingham, but the Commission feels that it is still not exactly what is required. The right of way will be sent to Mr. David Mann, for his approval.

Mr. Kilmon mentioned that Martingham's meter for their irrigation system has recently been destroyed by vandals. He has notified them of the fact, and it will have to be replaced.

The matter of the need for some kind of protective fence around the transformer pad at the Housing Authority was discussed.

Mr. Kilmon reported that some bush-hogging and tree trimming is needed on our system. It was decided that we would wait thirty days to get a more realistic picture of the money that will be available from current funds.

There was a discussion about the problem of securing competent linemen. With Larry Baker gone, Mr. Kilmon is again working short-handed. Ted Stacey is due to start work on August 31, and it was decided that Mr. Kilmon will hire a former employee of Wright Construction Company who has approached him for a job.

Mr. Kilmon reported that Choptank Electric Cooperative will sell their combination digger and line truck for \$4,000. Since it has been our practice in the past to buy good used equipment, it was felt



that we should try to get the truck. A letter will be written to the Town Commissioners, requesting permission to make the purchase.

A motion was made by Mr. Eglseider, seconded by Mr. Griffin, and passed, to send a letter to Martingham requesting a deposit of ten percent of their estimated construction cost, which is \$219,335.00. Upon receipt of \$21,933.50, St. Michaels will instruct Mr. Biro, the engineer, to ask for bids according to the plans and specifications to build the underground electrical system at Martingham.

There was no further business, and the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



SEPTEMBER 22, 1971

The regular meeting of the St. Michaels Utilities Commission was called to order at 7:30 p.m. on Wednesday, September 22, 1971. All members were present.

The minutes of the August meeting were read and approved.

The fence has been installed around the transformer pad at the Housing Authority.

A letter has been received from the Public Service Commission, stating that our request for a change in our rules has been accepted for filing. If there are any objections to the change, the Public Service Commission will contact us before the effective date of October 1, 1971.

Upon the advice of Mr. David Mann, the right of way for Martingham has been returned to their lawyer, Mr. Ewing, to be revised.

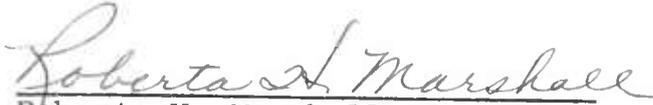
Permission was granted by the Town Commissioners to buy the truck from Choptank Electric Cooperative, and Mr. Kilmon has purchased it.

A bill was received from Biro and Associates for \$3,290.03 for engineering work done on the Martingham specifications to date. On the strength of this, the Commission changed the request for a deposit from the Martingham Developers to five percent of the total estimated cost, or \$10,966.75, instead of ten percent which was originally thought would be needed.

There was a discussion on the Commission's position on undergrounding. The Utilities must have control and full supervision of all underground work done. The Commission has agreed to hire outside equipment for the underground work, rather than make a capital outlay to purchase proper equipment at this time.

The Commission authorized Mr. Kilmon to have the 1968 International line truck remodeled as a trash carrier.

Following a discussion of the present financial status, the meeting was adjourned.


Roberta H. Marshall, Secretary



OCTOBER 27, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, October 27, 1971. All members were present.

The minutes of the September meeting were read and approved.

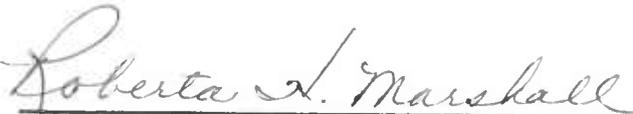
Mr. Kilmon informed the Commission that Mr. John W. Dorsey, Chief Engineer for the Public Service Commission, will be here on October 29 to go over our underground rules and make suggestions for possible changes.

The Right of Way Deed from Martingham has not been received. It was decided by the Commission that St. Michaels Utilities cannot accept less than an unrestricted right of way. A letter will be written to Mr. Peters, president of Martingham, advising him of this, and we will send a draft of the form we want to use.

A letter was received from Bayshore Foods, Inc., asking that their electrical usage at the mill, the hatchery, and the breeder farm be put on a combined billing. The Commission is unable to do this, since it is contrary to our rules.

Mr. Kilmon brought up the problem of the high cost of inventory items for underground installations, and also the length of time it takes to get them. There is a five month delivery date on some items. There is a boom in construction of private homes in our territory, and an inventory must be built up. It was agreed that we will space out our needs as much as possible, due to our financial situation.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



NOVEMBER 22, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Monday, November 22, 1971, with all members present.

The minutes of the October meeting were approved as read.

Mr. David Mann will contact the Martingham lawyer regarding the Right of Way Deed from Martingham.

It was decided to send the usual check for \$10 for Christmas Seals.

A bill has been received from W. Ben Wilson, for his legal services in the Alice Mae Moore case. A letter will be written to Mr. Wilson, stating that we feel the insurance company should pay for the legal costs.

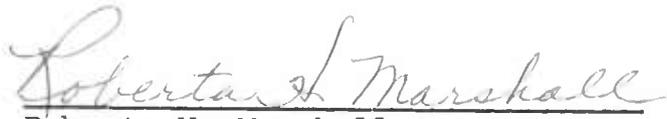
There was a discussion about the present financial standing of the Utilities. Regular payments are now being made to the Reserve Account, which was set up to meet the Utilities' long term indebtedness.

In order to stay in line with the wage and price controls, bonuses given this year will be the same as 1970.

There was a review of salaries paid to the employees, and the Commissioners will make their decision on any pay increases by the December meeting.

Mr. Kilmon reported that the installation of underground facilities is causing a delay in his work.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



DECEMBER 20, 1971

The regular meeting of the St. Michaels Utilities Commission was held on Monday, December 20, 1971. All members were present.

The Town Commissioners were present at the first part of the meeting, so that the Utilities could give them a brief summary for 1971, and an idea of what is expected for 1972.

It was also reported to the Town Commissioners that a refund of at least \$3,849 can be expected from Delmarva as soon as the Federal Power Commission sends them an official ruling of the rate case. This refund will be turned over to the Town.

The minutes of the November meeting were read and approved.

A note has been received from W. Ben Wilson, stating that we should disregard the bill for legal services in the Alice Moore case.

The Martingham Right of Way Deed has not yet been received, but Mr. Mann is expecting it shortly. Bids for the work at Martingham are supposed to be ready to put out the first part of January.

A letter was received from the Town Commissioners, reappointing Walter A. Eglseder to the Utilities Commission for three years beginning January 1, 1972. The Town Commissioners have asked that, in the future, they be notified of a needed appointment three months in advance.

The Utilities has been informed by the Public Service Commission that a surtax will have to be charged on all electricity generated in Maryland, beginning with meter readings taken on and after January 1, 1972. There was a discussion on the best and most efficient way to comply with this law. A letter was received from Miss Farmer, stating that she may be unable to continue in her job due to the strain of the additional work. It was decided that we will do whatever necessary to facilitate this work.

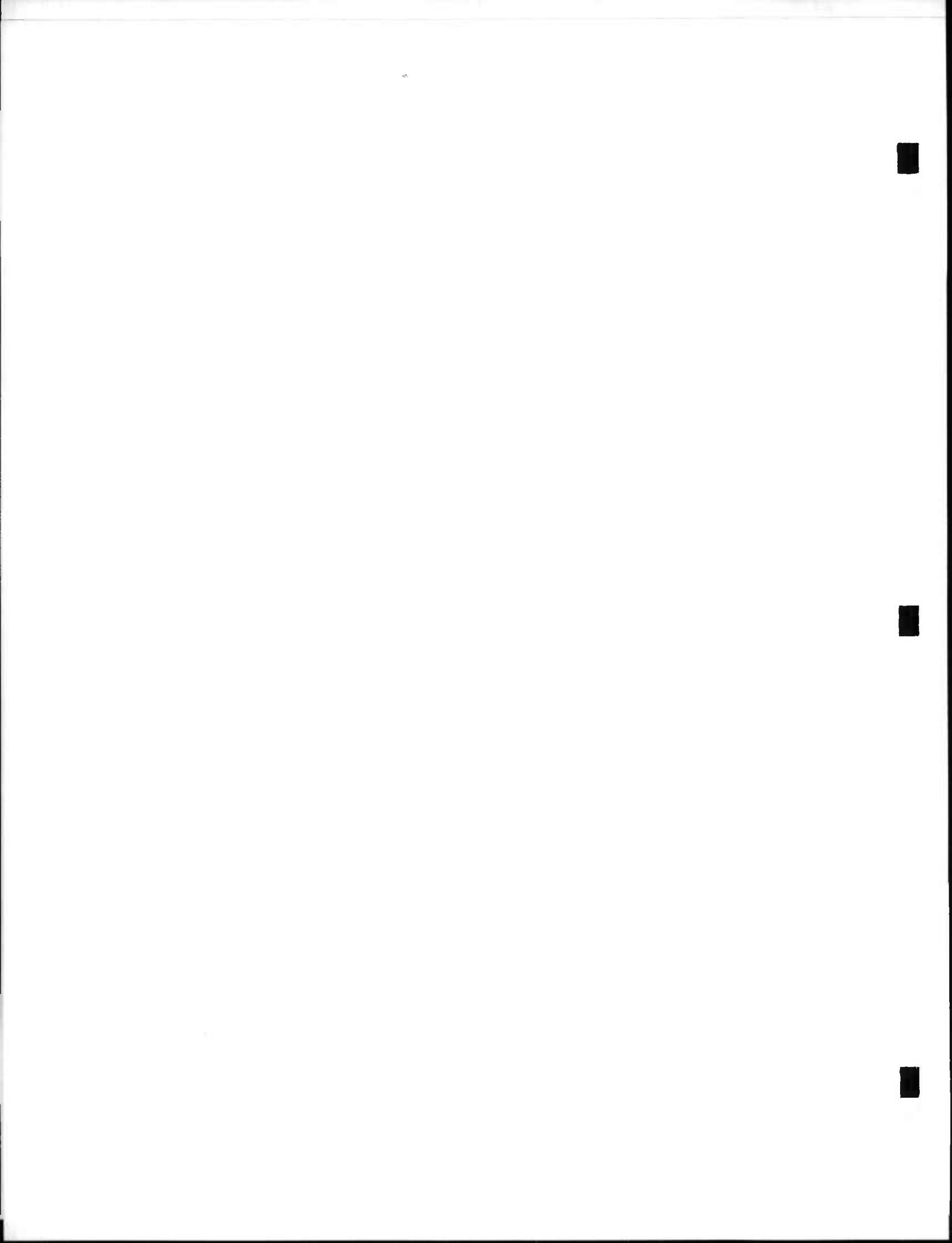
A request was received from James Barrow, Jr., through Mrs. Irma Harper, for a Power-Pak to be used for his children in case of power failure. It was decided that the Utilities will not be able to supply this service, since it would set a precedent, and would also conceivably hold us liable in case of power failure, either in our main plant or any standby plant.

Mr. Kilmon reported that Tommy Leonard was injured while on vacation, and has not been able to work since. It was decided that he will be paid full time until the first of the year.

The wage scale for 1972 was decided upon.

There was no further business, and the meeting was adjourned.

Robert H. Marshall
Robert H. Marshall, Secretary



FEBRUARY 28, 1972

Members of the St. Michaels Utilities Commission held their regular meeting on Monday, February 28, 1972. Those present were Mr. Spencer, Mr. Eglseider, Mr. Kilmon, and Mrs. Marshall.

The minutes of the January meeting were read and approved.

Mr. Kilmon reported that he will meet with a representative from Urban Path Finders, Inc., on February 29, to discuss their needs for the proposed subdivision on the McGirl property.

There was a discussion about various minor personnel problems. John Voshell has been reclassified to his 2-A status by the draft board.

Mr. Kilmon mentioned the problem of getting good radio maintenance at a reasonable price. It was decided that St. Michaels Utilities will use Quimby's Radio Service in the future.

A check for \$5.00 will be sent to the Heart Fund.

Following a discussion of the progress of the bidding for the Martingham lines, the meeting was adjourned.


Roberta H. Marshall, Secretary



MARCH 6, 1972

A special meeting of the St. Michaels Utilities Commission was held on Monday, March 6, 1972, for the purpose of opening the bids for the underground electrical distribution system at the Martingham subdivision.

The bids were opened and read publicly at the Town Office Building by Mr. Joseph E. Biro, President of the firm of Joseph E. Biro & Associates, Inc. All three Utilities Commissioners were in attendance, and also Franklin R. Kilmon, Manager of the Utilities.

The bids were as follows:

J. W. Teider, Inc., Cambridge, Md.	\$161,134.00
Mace Electric Co., Baltimore, Md.	\$221,100.00
Sligh Construction Co., Madison Heights, Va.	\$250,709.71
Satterfield and Ryan, Harrington, Del.	\$144,700.00
Henkels & McCoy, New Castle, Del.	\$285,086.00

The low bid was from Satterfield and Ryan, at a cost of \$144,700. Since this was well within the allocated funds, Mr. Biro was instructed by the Commission to prepare contracts in favor of Satterfield and Ryan.

There was no further business, and the meeting was adjourned.



Franklin R. Kilmon, Acting Secretary



MARCH 22, 1972

The regular meeting of the St. Michaels Utilities Commission was held on March 22, 1972. Those present were Mr. Eglseeder, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were approved as read.

Mr. Kilmon reported that he met with the representative from Urban Path Finders, Inc., and they have come to a mutual understanding as to who services the area, and what steps will need to be taken. It was indicated that it will be from twelve to twenty-four months before they will need service for the subdivision at the McGirl property.

Mr. Kilmon also reported that he has resolved his personnel problems. George Daffin has been hired to read meters. Ted Stacey will leave on March 24.

Bush-hogging the right of ways has been completed in the Miles River Neck and Kirkham areas. Some work still remains to be done in the Claiborne section.

Mr. Kilmon brought up the fact that lack of space is making it increasingly more difficult to run the office efficiently. He was instructed to make a rough sketch of design and counter changes for presentation to the Commissioners.

A request was received from the Woman's Club, through Town Manager Henry J. Miller, for the Utilities to consider paying half the cost of new Christmas lights for the Town. Our practice in the past has been to furnish maintenance on the lights, and to put them up and take them down. It was felt that we will continue to do this, but this is all we can afford to contribute.

Mr. Kilmon stated that he has talked to Mr. J. McKenny Willis in regard to building a new line for Mr. Willis on his property in Bloomfield. After Mr. Willis secures the necessary right of ways, the line will be engineered to work in with St. Michaels' system.

There was a discussion about the need to rebuild the Oak Creek crossing. This would involve placing two poles and three structures from the Newcomb side across the river to the corner of the property owned by J. Tyler Nourse. If this is done, the line will be able to be fed both ways, and a part of the load can be gotten off the St. Michaels substation. This is to be discussed further when all three commissioners can get together.

There has been numerous complaints about high bills since the March 15 billing, and this subject was discussed in detail. Mr. Kilmon reported that he had checked a good many meters, and also



rechecked many meter readings, but nothing out of line has been found. It was agreed that the cause is the increase in rates that went into effect May 31, 1971, combined with the rising fuel adjustment charges.

Mr. Griffin gave an informal presentation of the Maryland Municipal League's group hospitalization policy.

The commission will meet on Friday, March 24, with Mr. Biro and Satterfield and Ryan to discuss the contract for the underground distribution system at Martingham.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall
Roberta H. Marshall, Secretary



APRIL 26, 1972

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, April 26, 1972, with all members present.

The minutes of the special meeting and the last meeting were read and approved.

Mr. Kilmon reported that he may be able to postpone the work at the Oak Creek crossing, although he is still going to get the permit from the Department of Army Engineers to do the work. He has asked Delmarva to increase the load capacity in the St. Michaels substation, and if this is done it will enable the Oak Creek crossing work to be put off for a year or so. Mr. Kilmon was instructed to set up a meeting with William Adams, Director of Municipal Sales for Delmarva, to discuss St. Michaels' future needs in the St. Michaels to Claiborne area.

Mr. Kilmon met with the representatives from the State Roads Commission regarding the Miles River Bridge crossing, and is awaiting further word from them.

There has been an offer from C. & P. Telephone Company for St. Michaels to take over the line to the McCashin property. This has been tabled for the time being, until we hear again from C. & P.

Charles Lednum has been in the hospital due to a back injury. Since this may be a possible aggravation of a former injury, workmen's compensation forms will be sent in. It was felt that the Commission should pay an employee's salary for at least two weeks after an illness or injury that would keep an employee from working.

A note was received from Madeline Farmer, thanking the Commission for flowers sent to her while she was in the hospital.

A letter has been received from the Town Commissioners, requesting that they be notified sixty days prior to the date that an appointment is to be made to the Utilities Commission.

The Commission will meet with Mr. Biro as soon as possible, regarding his engineering services for the Martingham underground electric distribution system.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JULY 3, 1972

Members of the St. Michaels Utilities Commission held their regular meeting for June on Monday, July 3, 1972. All members were present. The original meeting had to be postponed due to the fact that two of the commissioners were out of town.

The minutes of the May meeting were read and approved.

The refund check from Delmarva was received on May 31. This was in the amount of \$7,593.94, including interest. A check for \$3,000 was turned over to the Town Commissioners, and the balance will be used to replace the obsolete street lights on Talbot Street and on a few residential side streets. The hazardous conditions at the old substation adjacent to the police office will also be removed.

Charles Lednum has been operated on, and is expected to return to work around the first of September. Mr. Kilmon will get a letter from Dr. Arnold before Charles comes back to work.

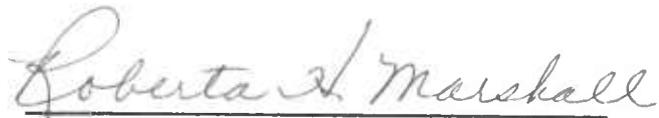
Mr. Spencer and Mr. Kilmon will meet with the Pelszar Land Company and William Adams of Delmarva on Thursday, July 6, regarding land acquisition for a future substation.

Mr. Kilmon gave a progress report on the underground distribution lines at Martingham. A letter will be written to Satterfield & Ryan, the contractors, asking that they do everything possible to have the work completed when it is needed. Copies of the letter will be sent to Sid Peters of Martingham and Joseph Biro, the engineer.

A meeting will be arranged between our lawyer, Mr. Ernest Thompson, and the Utilities Commissioners to make certain that the agreement between Maryland National Bank and Martingham will cover St. Michaels expenditures at Martingham.

The Utilities sign at Martingham will be moved back from the road to conform to state highway regulations.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JULY 27, 1972

The regular meeting of the St. Michaels Utilities Commission was held on July 27, 1972. All members were present.

The minutes of the previous meeting were approved as read.

Charles Lednum has asked Mr. Kilmon if he can come back to work on light duty. It was decided that he can come back for light work, provided a letter is received from Dr. Packard saying that this is all right.

The Commissioners have entered into a contract with Pelszar Land Company to purchase a piece of property at the junction of Route 33 and the Bozman-Neavitt Road to be used for a future sub-station. The final net cost to St. Michaels Utilities will be approximately \$1,500. A letter will be sent to the Town Commissioners, asking their approval.

A formal letter of committment regarding the Martingham project has been received from the Baltimore office of Maryland National Bank.

Mr. Kilmon brought up the serious need of having trees trimmed in the Kirkham, Hopkins Neck, and Traveler's Rest areas. There has been very heavy growth this year, due to the abnormal amount of rain. Mr. Kilmon will get an estimate of costs.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



AUGUST 23, 1972

All members were present at the regular meeting of the St. Michaels Utilities Commission held on Wednesday, August 23, 1972. The minutes of the July meeting were approved as read.

Mr. Kilmon reported that the work on the electrical underground distribution system at Martingham is progressing on schedule. The cable has arrived on the job site, and the contractor should be ready to start laying it the last week in August.

Charles Lednum came back to work on light duty on August 7, after a letter was received from Doctor Packard.

The letter of approval for purchase of the future substation site was received from the Town Commissioners. The property was surveyed on August 21. Settlement is expected in proper time.

Mr. Kilmon has talked with Asplundh Tree Experts about the tree trimming problem, and they will be able to do the job soon. It is imperative that this work be done before the winter, and with the decrease in the labor force at present, it is impossible for the Utilities to do the job. Approximate cost will be \$8,600.

A routine safety check was performed by Mr. Brown of the Maryland Public Service Commission, and all equipment was in order.

Melvin Darling, who has been in the hospital with a bleeding ulcer, is now at home, and hopes to be back at work the end of the first week in September. The Utilities will continue to pay him his full salary, less workmen's compensation payments.

A letter has been received from Delmarva Power and Light, asking if St. Michaels is interested in their future nuclear power plant. Mr. Kilmon will reply to the letter saying that we would be interested in attending any preliminary discussions that are held.

The low amount of profit for the month of July was noted, and Mrs. Marshall explained that there were two reasons for this. Tropical Storm Agnes caused damages of \$3,213.44 which had to be charged against maintenance. Also, the high amount of current used during the hot spell the end of July will not show up in the meter readings until the August billing in most of the bills. The Utilities has applied for Federal Aid for the storm damage, and this should also help the situation.

There was a discussion of the insurance carried on Utilities employees.



A resolution was passed in honor of Stephen E. Greenhalgh, who was killed while at work on July 31, 1972. Steve had been employed by the Utilities since January 4, 1960.

There was a discussion of St. Michaels future needs for labor, since the area is growing so. At the present time, Donald Hunley will be made foreman, and Mr. Kilmon will place ads in the Baltimore and Philadelphia papers for an experienced lineman.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



RESOLUTION

WHEREAS, The Almighty Father of the Universe has seen fit to call from this life of labor to rest, STEPHEN E. GREENHALGH, employee of the St. Michaels Utilities Commission of St. Michaels, Maryland, and

WHEREAS, By his passing, the Commission has lost a faithful and conscientious employee, a true friend, a man with a wonderful personality, and one who had the interest of this Commission at heart,

BE IT THEREFORE RESOLVED, That an expression of our sympathy and regrets be spread upon the minutes of the Commission, and a copy of this resolution be sent to his family to express the sorrow and sympathy of the St. Michaels Utilities Commission in this, the time of their bereavement. His life's work is well worthy of emulation, and he will be greatly missed in this community.

Passed: August 23, 1972

Attested:

Franklin R. Kilmon
Franklin R. Kilmon, Manager

Alex J. Spencer
Alex J. Spencer, President

Walter A. Eglseder
Walter A. Eglseder

John T. Griffin
John T. Griffin



SEPTEMBER 27, 1972

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, September 27, 1972. Those present were Mr. Spencer, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

Mr. Kilmon reported that he has had several applicants for the lineman's job that is open, but he has not yet hired anyone.

Melvin Darling is now back at work, with a clean bill of health from his doctor.

A letter was read from Madeline Farmer, stating that she will retire at the end of the year.

The need of another desk in the office was considered, and it was decided to purchase one as soon as possible.

Mr. Kilmon brought up the matter of the new salary scale for next year. This will be discussed at a future date.

The balance of the evening was devoted to a discussion of the application by Delmarva Power and Light for an increase in their wholesale rates, and possible changes in the St. Michaels rate structure to make up for the increase in cost. Since Delmarva is increasing the base rate for the fuel adjustment by nearly two mills, the effect on St. Michaels will be much more severe because this cannot be passed on to the customers without a rate change. Application for this rate change will be made to the Public Service Commission as soon as possible.

The meeting was adjourned at 10:20 p.m.


Roberta H. Marshall, Secretary



SEPTEMBER 27, 1972

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, September 27, 1972. Those present were Mr. Spencer, Mr. Griffin, Mr. Kilmon, and Mrs. Marshall.

The minutes of the last meeting were read and approved.

Mr. Kilmon reported that he has had several applicants for the lineman's job that is open, but he has not yet hired anyone.

Melvin Darling is now back at work, with a clean bill of health from his doctor.

A letter was read from Madeline Farmer, stating that she will retire at the end of the year.

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The meeting was adjourned at 10:20 p.m.


Roberta H. Marshall, Secretary



OCTOBER 24, 1972

The regular meeting of the St. Michaels Utilities Commission was held on Tuesday, October 24, 1972, with all members present.

The minutes of the September meeting were approved as read.

A letter has been written to Mr. Robert L. Sullivan, Jr., Chairman of the Maryland Public Service Commission, asking immediate permission to crank into our billing the two mills which will represent the fuel adjustment in the event Delmarva is granted their increase in wholesale rates. Mr. Kilmon is arranging a meeting with Mr. John Dorsey, Chief Engineer of the Public Service Commission, and the Commissioners so that we may get his views on our application for a rate change to cover the balance of the increase.

A request was received from the Town Commissioners for payment of the sewer bond interest, and a check in the amount of \$2,912 was written to cover this.

A check for \$10 will be sent to the Christmas Seal campaign.

There followed a review and general discussion of the auditor's statements for the fiscal year, and the financial report for the calendar year to date. Copies of both will be delivered to the Town Commissioners.

A replacement has not yet been found for Madeline Farmer, and we will contact Snelling and Snelling to see if they have any suitable applicants.

A letter was read from Thomas Keating, who with Mr. Kilmon attended the meeting held by Delmarva concerning participation in their nuclear power plant. Mr. Keating described the meeting in full detail.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



NOVEMBER 21, 1972

Members of the St. Michaels Utilities Commission held their regular monthly meeting on Tuesday, November 21, 1972, with all members present.

The minutes of the previous meeting were approved as read.

Mrs. Bernard Cummings has been hired to replace Madeline Farmer in the office, and will report to work on November 27.

A bill was presented for a new roof which was installed on the shop building. Since the building is owned by the town, funds will be turned over to the Town Commissioners so they can pay the bill.

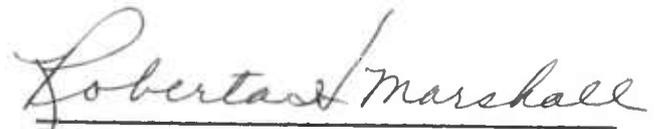
Mr. Kilmon reported on the progress of the underground distribution system at Martingham.

There was a short discussion regarding the pension plan.

Asplundh Tree Experts will be finished trimming trees and brush the end of November. Trimming has been completed in the Royal Oak, Thornton, Hopkins Neck, lower Traveler's Rest, and Doncaster areas, and a large part of Pea Neck.

Christmas bonuses for 1972 will be the same as last year, with a few minor changes for newer employees.

There was no further business, and the meeting adjourned at an early hour.


Roberta H. Marshall, Secretary



DECEMBER 20, 1972

The regular meeting of the St. Michaels Utilities Commission was held on December 20, 1972, with all members present.

The minutes of the November meeting were read and approved.

Eleanora Cummings seems to be doing very well in training for Madeline Farmer's job. Miss Farmer will leave on December 29.

Mr. Kilmon reported that the lawyer has promised the payment from Kirkland Hall College by December 29.

In reviewing 1972 operations, it was established that to date the Utilities has turned over to the Town monies for the following: \$11,920.00 for sewer bonds and interest, \$4,320.96 for interest on the town's indebtedness to Maryland National Bank, \$4,000.00 to cover the repairs to the roof of the building on Gloria Avenue, and \$3,000.00 in cash. The sum of \$25,000 has been paid on the principal of the loan at Maryland National Bank. At this time, improvements and additions to plant and equipment amount to \$61,891.62. Management feels that our plant is in better shape than it has been in years. Increase in kilowatt-hour sales in the past year has been approximately 19 percent over 1971; and it would appear that with the Martingham water, sewer and irrigation plants, the eighteen All Electric condominiums, and six All Electric residences, that growth in the coming year will be substantial.

Mr. Kilmon reported that the Maritime Museum is increasing their load, and has outgrown their present electrical system. It was decided that the Utilities will furnish service at one point convenient to both parties, with only one meter instead of the present six meters. A letter to this effect will be sent to the Museum.

Alex J. Spencer has been reappointed to the Commission for another three year term.

A letter was received from David Mann, informing the Commission of the progress of the Delmarva Rate Case.

Notes were read from Madeline Farmer and Minnie Parks, thanking the Commission for their Christmas bonuses. Mrs. Marshall and Mr. Kilmon also expressed their thanks for themselves and the men.

Following a discussion of the salary scale for 1973, and the approval of same, the meeting was adjourned.


Roberta H. Marshall, Secretary



JANUARY 24, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, January 24, 1973. All members were present.

The minutes of the December meeting were approved as read.

Mr. Spencer reported that he has been in touch with David Mann, our attorney in the rate case against Delmarva, and it is Mr. Mann's opinion that Delmarva will probably get the full increase of $12\frac{1}{2}$ percent.

The Kirkland Hall College accounts have still not been paid. Mr. Kilmon will see Ernest Thompson about this matter as soon as possible.

We have not received a reply from the Maritime Museum concerning the new service at Navy Point. Mr. Kilmon will contact them again as soon as possible.

The first order of new business was election of officers for the new year. Walter Eglseder made a motion that Alex J. Spencer serve as president of the Commission for 1973, with Ray Kilmon as Manager and Roberta Marshall as Secretary-Treasurer. Motion was seconded by John T. Griffin, and passed.

A check for \$10 will be sent to the March of Dimes.

Mr. Kilmon reported that he has connected two domestic and three commercial services in Martingham to date. Rebates must be made to Martingham on the domestic services as they are turned on. This will be done as soon as the contractor completes the job and the work is accepted by St. Michaels Utilities. There are plans under way now for motel units on the hotel site, and Mr. Kilmon will meet with the engineers to get more details.

A note was read from Madeline Farmer, thanking the Commission for the bracelet given her on her retirement.

At this point, the Utilities Commission was joined by the Town Commissioners for a joint meeting to discuss work in progress and plans for the coming year.

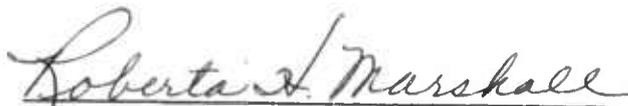
A written report was given to the Town Commissioners, containing information on the 1972 financial standing, and also an estimate of capital expenditures for 1973. It is hoped that in 1973 the Utilities will be able to turn over to the town approximately the same amount of monies as in 1972.

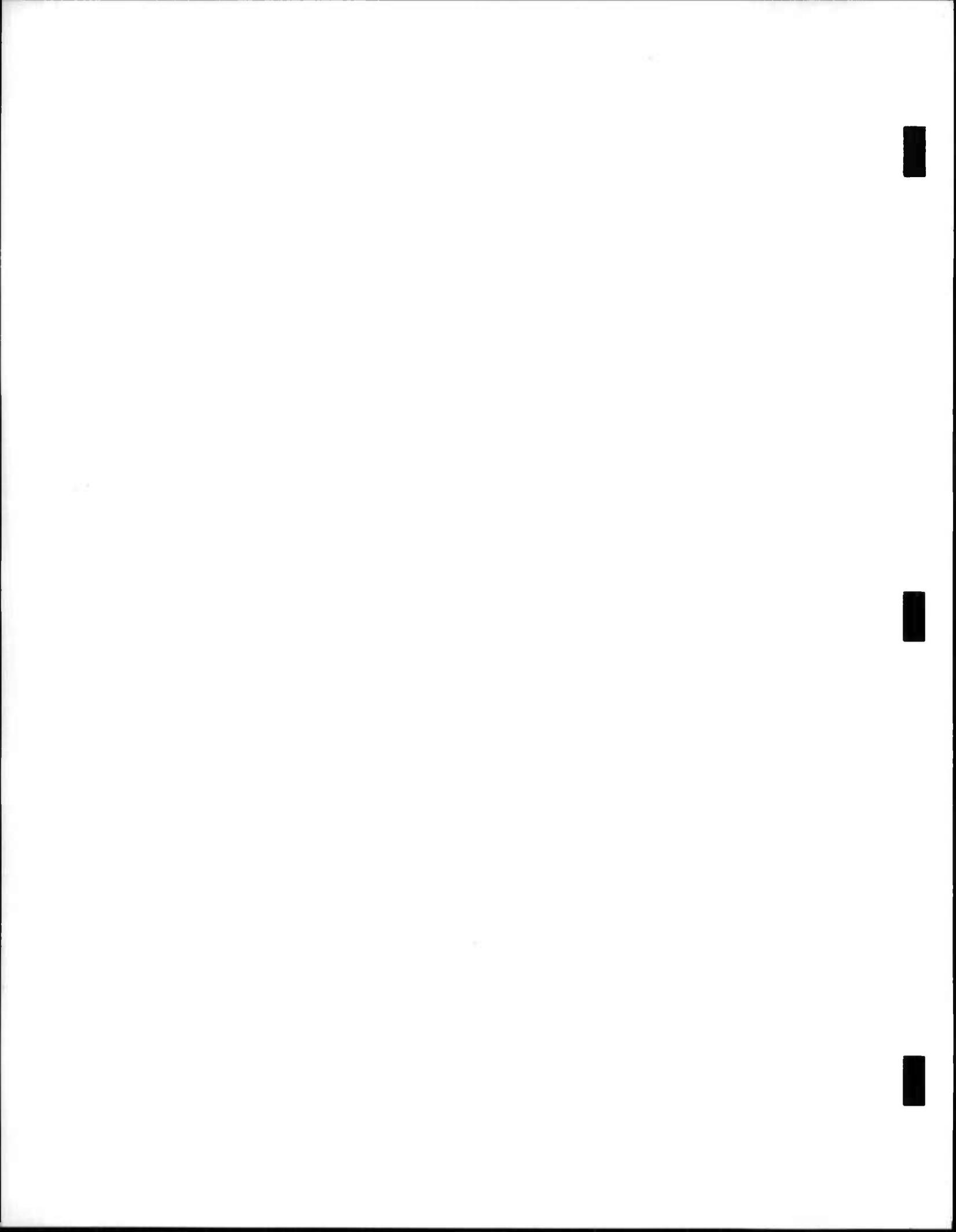


Mr. Spencer advised the Town Commissioners of the public hearing before the Public Service Commission, to be held in Centreville on February 2, regarding St. Michaels' application to the Public Service Commission to pass on the rate increase which will be imposed on us by Delmarva.

The increased use of current at the St. Mary's Square Museum was brought to the attention of the Town Commissioners.

After further discussion of the points mentioned above, the meeting was adjourned.


Roberta H. Marshall, Secretary



FEBRUARY 28, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, February 28, 1973, with all members present.

The minutes of the last meeting were read and approved.

Mr. Kilmon has still not heard from the Maritime Museum concerning their service, and a copy of the letter sent on December 21, 1972, will be sent to them.

A letter has been received from the Town Commissioners stating that they wish to put a ceiling of \$10 per month on their payment for electricity for the St. Mary's Square Museum, to be effective with the next meter reading. Any amount due over that will be paid by the Museum.

Mr. Kilmon has been told by Ernest Thompson that the money for the Kirkland Hall College bills will be paid, but not at this time.

Mr. Griffin presented the proposed revisions to the retirement and life insurance plans for employees.

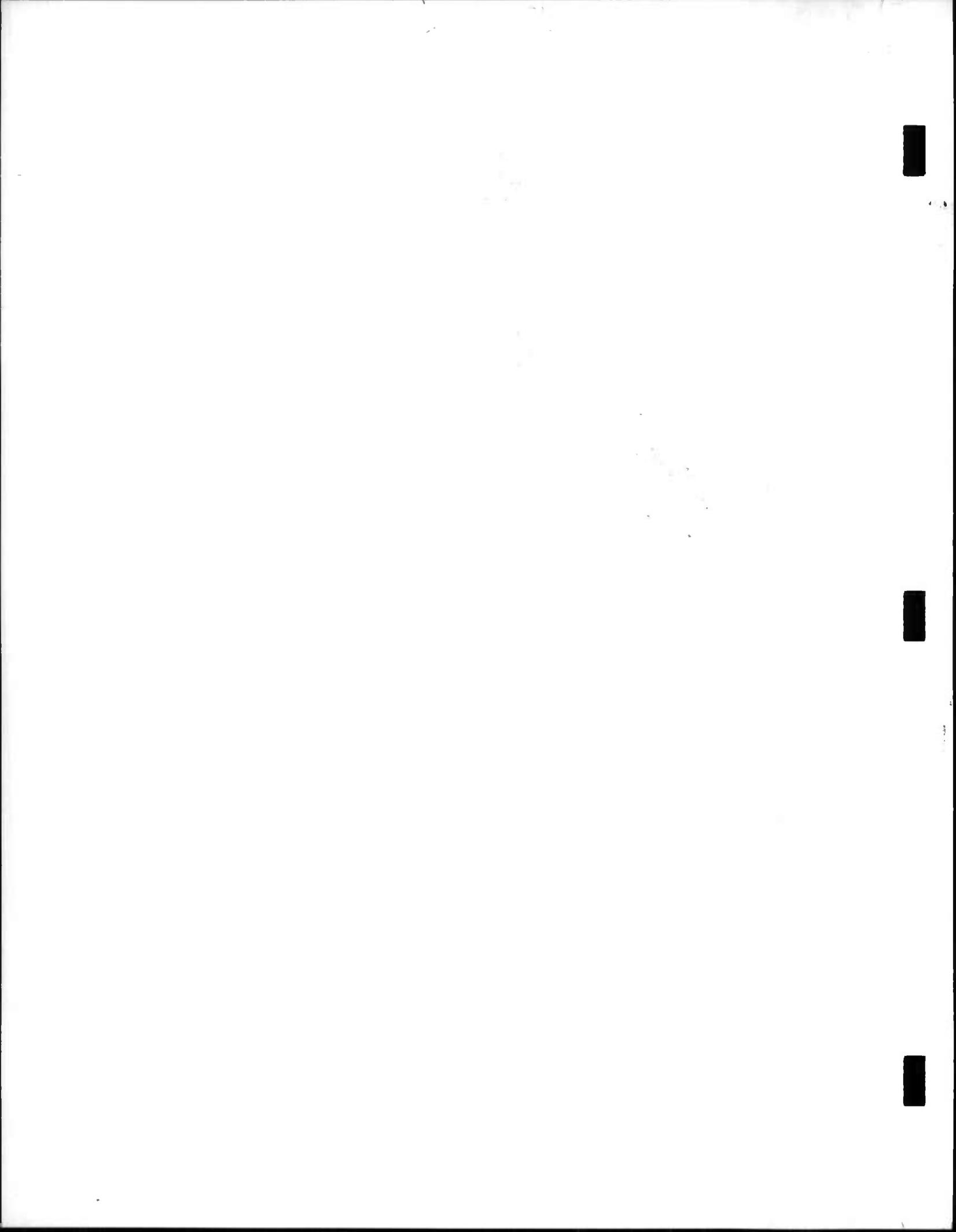
Satterfield & Ryan has been awarded the contract for the Oak Creek crossing, in the amount of \$7,300.49. Work is due to begin as soon as Satterfield & Ryan can get the materials, probably around June 1, 1973.

Mr. Spencer informed the Commission that Martingham Inn, Inc., will bill Satterfield & Ryan for the amount of \$3,000 for damage done to the roads in Martingham. St. Michaels Utilities will hold that amount out of Satterfield's payments.

The Maryland Municipal League has sent notice that the cost of their hospitalization insurance will increase as of May 1, 1973.

A letter was received from the American Public Power Association, asking for a donation for research. Since the amount donated is based on electric revenues, and in St. Michaels' case would amount to about \$2,400, it was agreed that St. Michaels can not afford to participate in this program.

Mr. Kilmon reported on the hearing before the Public Service Commission on February 2, regarding St. Michaels' application for an increase in rates to offset the increase in Delmarva's wholesale rate. The Public Service Commission has not approved the application for either the 12 $\frac{1}{2}$ percent or the 7 percent increase that was applied for after the hearing. Mr. Kilmon will work with



Delmarva's rate men to see if the problem can be resolved.

There was no further business, and the meeting was adjourned.

Roberta H. Marshall
Roberta H. Marshall, Secretary



MARCH 29, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Thursday, March 29, 1973. Those present were Mr. Spencer, Mr. Eglseider, Mr. Kilmon, and Mrs. Marshall.

The minutes of the February meeting were approved as read.

A check in the amount of \$2,253.16 has been received in payment of the Kirkland Hall College bills. In a letter accompanying the check, Mr. Thompson informed the Commission that in his view the bills constituted liens against the property and were necessary to be paid. In the event that he is proven wrong, Mr. Thompson shall expect the Utilities Commission to hold him harmless in the matter.

A letter was received from William Corkran, State Chairman of the American Public Power Association's drive for research funds. Mr. Kilmon will write to Mr. Corkran, and state the Commission's decision that they cannot participate, as was decided at the February meeting.

Maryland Public Service Commission approval has been received for the rate increase. The new rates will go into effect with meter readings taken on or about March 28. Also at this time, gross rates will change to a flat 5 percent of the net bill.

Mr. Kilmon reported that he now has the current available to the Maritime Museum when they are ready for it.

The matter of the workmen's compensation insurance with Penn National was brought up, but it was decided to wait until Mr. Griffin returns before making any decisions.

There was a discussion about transferring the lines to the other side of the road at the M.E.B.A. Training Center. Priority will also be given to the Kirkham and Hopkins Neck areas to get them in shape as soon as possible.

A request will be made to the Town Commissioners to increase the spending limit for capital expenses from \$500 to \$1,500.

Rebates have been made to Martingham on five lots which have been hooked up. At \$215.50 per lot, the total amount paid was \$1,077.50.

After further discussion on the progress of the work at Martingham, the meeting was adjourned.


Roberta H. Marshall, Secretary



APRIL 25, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, April 25, 1973, with all members present.

The minutes of the last meeting were read and approved.

The Town Commissioners have given permission to change the capital expense limit from \$500 to \$1,500.

Mr. Griffin attended the hearing in Baltimore concerning the workmen's compensation insurance on April 5. We can expect to have word on the ruling by the Insurance Commission within thirty days.

Mr. Kilmon reported that the final phase of the work on Route 33, near the M.E.B.A. Training Center, is due to be started on April 30. The Oak Creek crossing is supposed to be finished by June 15, 1973.

There followed a lengthy discussion on the progress of the underground distribution system at Martingham, and the additional work needed to be done to serve the cottages on the hotel site. Mr. Kilmon is expecting to receive a price from Satterfield & Ryan for closing the Martingham Drive residential loop. The commission will meet with Mr. Biro, engineer on the Martingham Project, as soon as possible to learn his opinion on the job in relation to the contract.

There was no further business, and the meeting was adjourned.



Roberta H. Marshall, Secretary



MAY 23, 1973

The St. Michaels Utilities Commission held its regular meeting on Wednesday, May 23, 1973, at 7:30 p.m. All members were present.

The minutes of the April meeting were approved as read.

Notice has been received from the Maryland Insurance Commission that Penn National must continue to carry the workmen's compensation insurance for the Utilities.

A payment of \$9,912 was made to the Town for sewer bonds and interest that are due June 1.

The Utilities Commissioners have received a letter from the Town, stating that it was their unanimous decision that Mr. Thomas Keating will no longer represent the Utilities Commission on any legal matters, and they have written Mr. Keating to this effect. The Utilities Commissioners question the way in which the matter was handled. The Town Commissioners will be contacted to see if this can be resolved.

Mr. Kilmon reported that the construction work on Route 33 near the M.E.B.A. Training Center has been completed, and the follow-up work by the Utilities will be done as soon as possible. First priority is being given to the Church Neck line, in order to have it completed before the hot weather.

The bucket truck is being repaired, and there was a discussion of the condition of the other Utilities' vehicles.

It was decided to give raises to Eleanora Cummings and Paul Schutz.

A letter was received from Sid Peters, president of SRP Development, regarding their plans in the Martingham subdivision. Thirty additional condominium units will be built almost immediately. Construction of the underground distribution lines in Martingham is nearing completion. Application has been made by SRP for service to the commercial site, where fifty motel units are presently under construction. Mr. Kilmon is in the process of getting contract prices to install power to the site. The commission has requested cost allocations on this project to the commercial site.

There was a discussion regarding the attachment made on payments to Satterfield & Ryan by the Maryland Sales Tax Division.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



JUNE 27, 1973

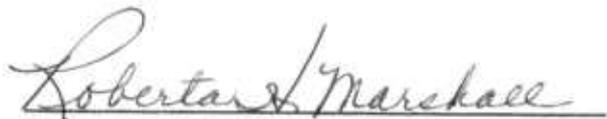
The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, June 27, 1973, with all members present.

The minutes of the last meeting were read and approved.

The major portion of the meeting was devoted to a discussion of the progress of the Martingham subdivision. The underground electrical system should be ready for acceptance very soon. Mr. Kilmon presented estimated cost allocations on the SRP project to the commercial site, and reported that the plans are in the hands of Joseph Biro & Associates. He will soon be ready to put out the bids for labor. The materials are on order, with an expected thirty-day delivery date. Condominium Units 2 and 3, which consist of twelve new All Electric units, were turned on in Martingham today, June 27.

It is understood that Satterfield & Ryan has been working with the Maryland Sales Tax Division, and they expect to settle for a lesser amount than was originally attached. The amount of \$6,301 was held from payments to Satterfield & Ryan, and delivered to the Circuit Court of Talbot County on Monday, June 4, 1973.

Mr. Kilmon reported that he has hooked up a total of twenty-four new accounts in the past week. Following a discussion of the rate of growth in the Utilities' system, and the capital expenditures required to keep up with the growth, the meeting was adjourned.


Roberta H. Marshall, Secretary



JULY 25, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, July 25, 1973. All members were present.

The minutes of the June meeting were approved as read.

Mr. Kilmon reported on the progress of work at Martingham.

A letter has been received from Bernard Daney, Vice President of Martingham Inn, Inc., stating that they will make the final payment on the electrical distribution system as soon as their executive committee feels that all work has been completed satisfactorily. Mr. Daney stated that they will withhold \$3,000 of the final payment so that it can be paid to Burton Hastings for repairs to the roadwork which was damaged by Satterfield & Ryan. A letter will be sent to Mr. Daney, asking him to write a letter to St. Michaels requesting us to hold the \$3,000 payment in escrow until the situation can be resolved. We will also ask that a copy of the letter be sent to Satterfield & Ryan.

Mr. Daney also questioned the amount of the rebates which are being paid to Martingham when properties are connected. The commissioners will meet with the engineer and then contact Mr. Daney on this matter as soon as possible.

A bill was received in the amount of \$317.57, for St. Michaels' share in the cost of engineering and legal fees in the Delmarva rate case. A check will be sent to Choptank Electric Cooperative, with a note emphasizing St. Michaels' termination of participation in the project.

There was a discussion on the present financial status of the Utilities. Mrs. Marshall explained that the June statements are not yet ready, since the books are not yet audited.

Mr. Griffin brought up the matter of the use of safety equipment by the men, and how best to make sure safety rules are enforced. A letter signed by the Commissioners will be posted on the bulletin board, stating that disciplinary action will be taken if safety rules are not obeyed.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



ST. MICHAELS UTILITIES COMMISSION
SPECIAL MEETING 8-2-73
8:00 p.m. St. Michaels Utilities Office

Present: A. Spencer, J. Griffin, F. Kilmon, W. Eglseider, J. Biro

Agenda: Conflicting interpretations - Refund structure
Martingham project

Per J. Biro. The Allocation of Underground Extension changes as formulated and presented in the May 8, 1972, Biro report is correct. The refundable portion as stated is \$64,650.00. He was unable to account for Mr. Daney's \$75,000 figure. The 300 residential distribution figure is correct and the \$215.50 unit figure is proportionate to the total number of residential units.

F. Kilmon presented a to-date cost and revenue summary of the project. There was discussion and concern expressed relative to the high cost of hooking up the residential areas with respect to the prospect of immediate return. Since there was no direct relationship between this present cost and the projected refund basis, the matter was postponed for discussion at a later date.

The question of 300 residential units vs. commercial condominiums is adding confusion to the refund structure. Biro agreed that on the basis of present interpretation of the PSC rules the condominiums as constructed constitute commercial units and not residential units. He pointed out that in the original and accepted version of the project there were no designs, no plans and no indication that the condominiums would be in excess of multiples of four. It was this fact that substantiated the 300 residential units.

Supplemental to the discussion of the commercial and residential units the cost of the tapping cabinets was determined to be improperly allocated.

It was also decided that the cost of closing the primary loop to connect the motel units was improperly allocated.

On the basis of decisions that were reached, Biro is to recalculate the cost distribution of the original contract.

- a. The condominiums will be classed as commercial and cost revenue calculations will be made.
- b. The cost of the tapping cabinets will be incorporated into the non-refundable portion of the contract.
- c. The St. Michaels Utilities portion of cost for closing the primary loop will be incorporated into the non-refundable portion of the contract. This



figure is presently estimated at \$12,000.00.

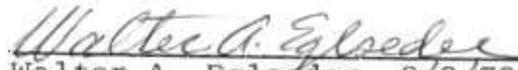
- d. Biro will present the recalculations for approval and then present them to Daney as coming from the Biro firm office, copies to all Martingham directors.

There was discussion of completion dates, cost and correction of unacceptable work for the overall project. Legal effort will be delayed by Biro until the St. Michaels Utilities has bills in hand from Satterfield for the additional work contracted in hooking up some of the residential and condominium units.

Specific legal responsibilities were discussed. Per Biro all complaints relative to installation are Satterfield responsibility. All complaints relative to design are Biro responsibility. It is J. Biro's opinion that his contract did not obligate his concern to a day-to-day, step-by-step, item-by-item site inspection.

Biro is to meet with F. Kilmon 8/4/73 for additional discussion of refund structure.

Adjourn.


Walter A. Eglseder, 8/3/73



AUGUST 27, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Monday, August 27, with all members present.

The minutes of the last meeting were read and approved.

The major portion of the meeting was devoted to discussion of the Utilities' present financial condition. Mr. Kilmon presented a list of inventory items needed in the next eight months. He was told to cut his orders to the bare minimum, since we cannot continue to use current working funds for capital expenditures. The order for materials to close the loop at Martingham will be cancelled, and the cottage units will be served with the existing facilities. Work can be started as soon as SRP Development completes the road crossing.

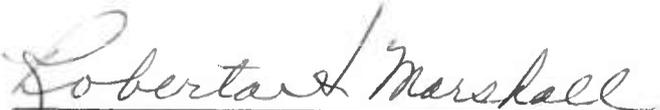
The matter of the amount of refunds to Martingham was discussed. At the special meeting with Mr. Biro on August 2, the Commissioners asked for a recalculation of the cost distribution of the original contract. Mr. Biro will be contacted and asked for his report as soon as possible. The Commission also decided to contact John Dorsey, Chief Engineer of the Maryland Public Service Commission, for his views on this matter.

A check in the amount of \$13,686.88 has been received from Martingham. This represents the final payment, less \$3,000 that has been deducted for damage done to roads and ditches, and \$1,000 deducted for work that has not yet been done. This check will not be accepted, and Mr. Daney will be contacted at once concerning the matter. St. Michaels will insist on full payment, and we will hold the \$3,000 in escrow until such time as the matter of damages to the road work and ditches is settled.

A bill in the amount of \$547.50 has been received from Thomas Keating, IV, representing charges for legal work done until his services were terminated by the Town Commissioners. Motion was made by Mr. Eglseder, seconded by Mr. Griffin, and passed unanimously to write a letter of thanks to Mr. Keating for the excellent work he has done for the Utilities Commission. Motion was made by Mr. Griffin, seconded by Mr. Eglseder, and passed, to retain Ernest M. Thompson as the Utilities' lawyer.

Mr. Kilmon remarked that some of his equipment is getting old, and he will have to start thinking about replacing it in the near future. This was tabled until such time as we have more cash on hand.

Donald Hunley has given notice that he is leaving his job as foreman on August 31. Following a discussion about the need of a lineman to take his place, the meeting was adjourned.


Roberta H. Marshall, Secretary



SEPTEMBER 6, 1973

A meeting was held on September 6, 1973, with Mr. James Latham, Vice President of Martingham, Inc., Mr. Clark Ewing, Attorney for Martingham, Mr. John Dorsey, Chief Engineer of the Maryland Public Service Commission, and Mr. Alex Spencer, Mr. Walter Eglseder, Mr. John Griffin, St. Michaels Utilities Commissioners, and Mr. Franklin R. Kilmon, Manager of the St. Michaels Utilities Commission.

The purpose of the meeting was to resolve the Martingham rebates.

Mr. Spencer began the meeting, stating that Mr. Bernard Daney had questioned the rebates in regard to the condominiums being zoned commercial. It was decided that no rebates were to be made to any developer of condominiums.

After a lengthy discussion, the final outcome and decision was as follows:

Mr. Latham agreed, and is going back to Martingham and recommend that all equipment to service condominiums will be furnished by the St. Michaels Utilities Commission on a no-charge basis and no refunds.

Also, every single individual residence built on a single lot will be subject to a refund of \$215.50, connected prior to end date. (January 12, 1983)

Meeting began at 1:30 p.m., concluded at 3:30 p.m.

Eleanora H. Cummings

Eleanora H. Cummings, Acting Secretary



SEPTEMBER 18, 1973

Members of the St. Michaels Utilities Commission met with the Town Commissioners on Tuesday, September 18, 1973. The meeting was conducted by Guy Parks, president of the Town Commissioners.

Mr. Parks explained that he had called the meeting in order to clarify the method of operating the Utilities for any board members who are new or unfamiliar with the Utilities operations.

Mr. Spencer stated that the Utilities are just as much at a disadvantage as the Town, since the charter under which the Utilities operates is obsolete. Because the Utilities does not know how much money will have to be turned over to the town, it is impossible to budget Utility funds. He suggested that the town look into the laws which govern the Utilities, with the idea of bringing them up to date. The sinking fund which is set aside for emergency use of the Utilities is invested in state bonds at a very low interest rate, and since the amount of \$40,000 is now a very unrealistic figure, it should also be done away with.

Mr. Spencer explained that the Utilities cannot keep up with the present expansion, with prices high and materials nearly impossible to get. Underground equipment is pushing costs from two to eight times as much as the overhead lines would cost. The Maryland Public Service Commission has ruled that all new work must go underground. These higher costs will pay off in the future, but are making things very hard for us now, and are also forcing the Utilities to spend more money on inventory items.

There was a discussion about the money being spent on Martingham. Mr. Eglseder emphasized that the money invested in Martingham is in direct relationship to every other customer on the lines. Martingham has paid the rest. No more than \$28,015 will be given back to Martingham over a ten-year period in the form of rebates. Mr. Eglseder explained that we are governed in this matter by the Maryland Public Service Commission Rules on Undergrounding. The St. Michaels system will double when Martingham is fully developed.

Mr. Spencer stated that the Utilities will continue to pay the principal and interest on the loan from Maryland National Bank, the principal and interest on the sewer bonds, and little else.

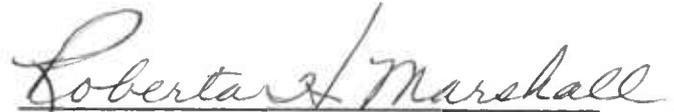
There followed a question and answer period, which dealt mainly with various Utilities operations under Maryland Public Service Commission rules.

It was recommended that the members of the Utilities Commission be bonded, and it was suggested that Town Commissioners be bonded also.



Mr. Quimby asked if he would be allowed to sit in on Utilities Commission meetings in the future, as an observer. Occasional informal meetings with the Town Commissioners were also suggested.

Before adjourning, Mr. Spencer stressed that the Utilities is not broke, and is not going broke. The Utilities is a great asset to St. Michaels. The Utilities will continue turning over to the Town the monies that they have been, and hope they will suffice.


Roberta H. Marshall, Secretary



SEPTEMBER 26, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, September 26, 1973. All members were present.

The minutes of the August meeting and the special meetings were read and approved.

In agreement with the special meeting held with the Town Commissioners on September 18, the secretary was instructed to arrange for bonding the three Utilities Commissioners.

A letter will be sent to Sid Peters, president of Martingham Inn, Inc., requesting payment of the \$4,000 balance on Payment Certificate No. 8 for the underground distribution system at Martingham.

There was a discussion about the need to hire additional linemen. Mr. Kilmon brought to the attention of the Commissioners the fact that the pay scale for St. Michaels linemen is very low, and asked them to consider raising the rate of pay. He was authorized to raise the starting salary, and salaries for the present employees will be considered at a later date.

A check will be sent to the United Fund of Talbot County.

Mr. Kilmon reported that the line owned by Thomas Bartlett, McKenny Willis, and John Schubert is in very bad condition, as well as needing the trees trimmed around it. Letters will be written asking them to get the line repaired and the trees trimmed as soon as possible.

A letter has been received from Delmarva Power and Light Company, concerning participation in their proposed atomic energy plant. This will be discussed with Ernest Thompson before action is taken.

Following a brief discussion of the growing needs of the Maritime Museum, the meeting was adjourned.


Roberta H. Marshall, Secretary



OCTOBER 24, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, October 24, 1973. Those present were Alex Spencer, John Griffin, Ray Kilmon, and Roberta Marshall.

The minutes of the last meeting were approved as read.

Mr. Kilmon reported that he has had quite a few inquiries regarding his ad in the paper for additional linemen. He expects to have one man start work the end of the week.

Mr. Spencer stated that a settlement has been made with Delmarva Power and Light Company, and we will have formal notification in the near future.

Mr. Willis, Mr. Schubert, and Mr. Bartlett have been notified of the problems with their line, and they have indicated that the trees will be trimmed and the work will be done.

A letter was received from Arthur Love, asking the Utilities Commission to take over ownership of the lines on his property. A reply will be sent to Mr. Love, explaining that due to the heavy capital outlay and the growth of the system, we cannot take over the line at this time. However, we may be able to consider this later.

The term of Commissioner John T. Griffin will expire on December 31, 1973. The Town Commissioners will be notified.

Mr. Kilmon brought up the matter of the Christmas lights. Due to the fuel shortage, power companies have been asked to conserve electricity wherever possible. Many of the towns and cities are cutting back on Christmas decorations, and it was suggested that St. Michaels do the same. The trees on Talbot Street would still be lighted, but the other decorations would not be used.

A letter has been received from Bernard Daney, Vice President of Martingham, Inc., regarding the balance of \$4,000 due on Payment Certificate No. 8. The Utilities will answer the letter, advising them they are subject to discontinuance of service at all the Martingham points of service, unless the bill is paid in full by December 3, 1973.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary



NOVEMBER 28, 1973

The regular meeting of the St. Michaels Utilities Commission was held on November 28, 1973, with all members present.

The minutes of the last meeting were approved as read.

Mr. Kilmon reported that he has hired two men, and they seem to be working out all right.

Mr. Spencer has been assured by Sid Peters, president of Martingham, Inc., that they will pay the balance due on Payment Certificate No. 8, as soon as settlement is made with Mr. Daney.

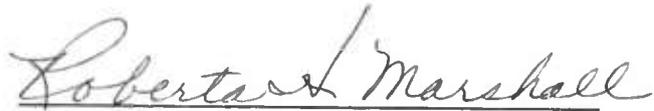
There was a discussion about the retirement insurance policy.

Mr. Kilmon attended the meeting for member-trustees of the Peach Bottom Atomic Power Exchange on November 7. A copy of the minutes were received for our files.

There was a discussion of the Utilities' financial standing.

Mr. Kilmon reported that he has had no information from Delmarva regarding the energy shortage. However, as soon as he can get together with their officials, St. Michaels Utilities will probably put an article in the local papers to keep their customers informed.

There was no further business, and the meeting was adjourned at an early hour.


Roberta H. Marshall, Secretary



DECEMBER 19, 1973

The regular meeting of the St. Michaels Utilities Commission was held on Wednesday, December 19, 1973. All members were present.

The minutes of the November meeting were approved as read.

The matter of the retirement insurance plan was discussed. This was tabled, since legislation is pending which will change the laws for retirement insurance.

William Bryan, of J. Marion Bryan & Sons, appeared before the Commission to deny responsibility for a bill for damages done to the underground distribution line in Martingham. The Commission will check into the matter.

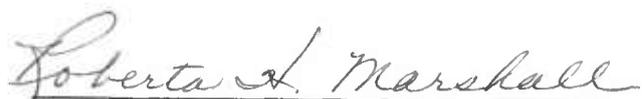
Sid Peters, President of Martingham, Inc., has requested additional temporary power for the golf cottages. Since installation of the permanent lines is nearly finished, everything possible will be done to hurry this along. Shipping date for the T-tap switch is December 20, and most of the work can be done as soon as the weather clears.

Mr. Spencer has been approached by Mrs. Helmut Lenske, in regards to putting her home on the All Electric Heat Rate. He will explain to her that since she is a commercial customer, she cannot be put on the heat rate without a separate meter for the heat. Her home will qualify at such time as she discontinues her business and uses current for purely domestic usage.

There was a discussion about the gasoline shortage.

Salaries of all Utilities employees were reviewed. Melvin Darling has been put on definite probation.

There was no further business, and the meeting was adjourned.


Roberta H. Marshall, Secretary





