

Middleton Electric Light Commission  
Meeting Minutes  
March 30, 2017

The following individuals were in attendance:

Frank Twiss, Chairman  
Chuck Clinch  
Tim Houten  
Jim Kelley  
Michael Cloutier, Manager

Chairman Twiss called the meeting to order at 5:08 PM.

***Approval of Agenda:***

**Motion:**

**Tim Houten motioned to approve the agenda as written. Chuck Clinch seconded the motion. Motion carried 4-0.**

***Approval of Minutes:***

**Motion:**

**Tim Houten motioned to accept the minutes of February 16, 2017 as written. Jim Kelley seconded the motion. Motion carried 4-0.**

***Financial PPA:***

We are off to a good start for 2017. We have made money and have cash. Power supply is close to what it was in 2016. Interest income was \$34,618.97 but we did even better in February. Mr. Cloutier did not budget quite as much interest income as last year because 2016 did not reach the budgeted figure predicted. Power supply still on track and very similar to the 2016 numbers. Stonybrook did not run at all in January or February. It is very expensive when it does not run. Cost per KWH was \$0.098 a little less than 2016.

***LED Replacements:***

Things have changed since our last meeting. Mr. Cloutier met with Mr. Sheehan and Mr. Ferrera and explained the reason for the Commissioners' decision. They still wanted to revisit Remphos. Mr. Cloutier then met with Mr. Sheehan, Mr. Ferrera, Kenny, Bernie and representatives from Remphos. Remphos showed two new products. The warranty on one came up to 10 years and included fully enclosed fixtures. Mr. Cloutier told Remphos that he did not want them to tell MELD what we wanted to hear after questioning why these products were not shown previously. They assured him that this was not the case and further explained

that their paperwork was not up to date with what was going on in the industry. They went on to say the fixtures are now more efficient and generate less heat. Mr. Cloutier then requested a revised quote and spec sheets. Mr. Cloutier recommends the following:

Remphos LEDSSEXT-44L, 38W for the 150 HPS replacements for the developments and the Evluma Omni max 4K, 70W for Middleton Square.

**Motion:**

**Tim Houten made a motion to go with the Remphos LEDSSEXT-44L, 38W and with the Evluma Omni max 4K, 70W. Jim Kelley seconded the motion. Motion carried 4-0**

This results in a total cost of \$77,150.00 which is approximately \$9,289.00 over remaining budget. Mr. Cloutier recommends that MELD pay for the additional \$9,280.00 for the bulbs. Then MELD will withhold the savings until the \$9,280.00 is made in approximately six months.

**2017 Budget:**

Mr. Cloutier provided a copy of the 2017 budget to each commissioner. It showed the budget and actual revenues, expenses and net income for 2016 as well as the 2017 budget. Attached was also a color coded breakdown of the 2017 budget expenses and the budgeted revenues and net income (loss) for 2017. The Capital Budget shows the \$2,000,000.00 for the purchase of the Danvers ROW. The transportation account is for the new trucks. The next replacement will be for the 23 year old digger but it was not included in this year's budget. Because it took over a year to get delivery of the last two trucks in the future it is recommended that a penalty clause be added to any future truck orders. Altec gave Mr. Cloutier an auction site for the Hi-Ranger and estimated the value to be \$8K - \$12K. The communication account is for radios in the new trucks. Mobiles in the trucks had to be updated. The street lighting account may be a little higher than shown because of the \$9,280.00 over budget approved.

**Motion:**

**Jim Kelley made a motion to approve the 2017 budget. Tim Houten seconded the motion. Motion carried 4-0.**

Mr. Cloutier stated he based the bottom line on the fact that we would receive \$1,000,000.00 when the Seabrook bonds are retired. However, ENE just notified him that the benefit should be more than anticipated so the bottom line could be even greater.

**Danvers ROW:**

Still working on the purchase and sale. Danvers sent over a Purchase and Sale and MELD engaged Deidre Lawrence and Jason Panos, a real estate specialist. The title work is difficult because of the involvement of the railroad, National Grid and the Essex Registry of Deeds historical records. Part of the deal is to clean up all the pole attachments and the easement which we need to have our infrastructure in Danvers. We have to also make sure that the Danvers Electric Light Department has the authority to grant us the easement. We want the

easement because we do not want to be taxed on the land. You cannot tax an easement. Mr. Cloutier gave commissioners a map showing poles with MELD attachments to show where the easements are needed. Mr. Cloutier would like to take \$900K or \$950K for the payment from the Wells Fargo account and the balance from cash as that money does not earn us any interest.

***In Lieu of Tax:***

KWH sales and net income are down from 2015. Using the formula of KWH sales x \$0.0015 and net income x 0.05 the figure will be \$203,262.70.

96,145,344 x \$0.0015 =	\$144,218.02
\$1,180,893.55 x 0.05 =	\$ 59,044.68
<b>Total</b>	<b>\$203,262.70</b>

**Motion:**

**Chuck Clinch made a motion to round the figure to \$204,000.00. Jim Kelley seconded the motion. Motion carried 4-0.**

Mr. Cloutier will prepare a letter to the Finance Committee letting them know the in lieu of tax figure.

***Manager's Report:***

The trucks have been delivered. The bucket truck had issues with a valve and the idle. First repair did not last and truck had to be brought back. The truck is now working after repair. The pickup truck is fine.

Wells Fargo Fund calling to get shareholder vote. Chuck and Jim are listed as trustees and they will only talk to them. Mr. Cloutier suggested he become proxy to their proxy so he can take care of the vote.

**DPU Report:**

Mr. Cloutier spoke with Jim Goulet and he is waiting for some OPEB and pension numbers from Bill Fraher. Bill Fraher wants to come out in April for the audit.

**Substation Meter Replacement:**

MELD replacing meters at substation on Sharpeners Pond Road. They are 24 years old. New meters will give better communication capabilities. The cost of the project is about \$20,000.00. UPG will be doing the installation. Jim Kelley suggested that someone from MELD should learn how to do these jobs. Mr. Cloutier felt this would be a good idea and will take the suggestion under consideration.

**Bostik:**

Bostik evidently signed a contract with EnerNoc to do demand response to shed load under high demand events. They are looking for the KYZ pulses out of the meter. Mr. Cloutier is

looking into what this would mean to us. One concern he has is that providing EnerNoc with the KYZ pulses would allow them to have more information than we would.

**Storms:**

No major issues in Middleton. Crews were sent to Groton and then to Littleton. It was mentioned that in the past we have written off money owed to us from mutual aid possibly West Boylston. Mr. Cloutier will follow up to see who owes us money from the past.

**Office:**

Cheryl had shoulder surgery and will be out of the office a few weeks. Mr. Cloutier does not anticipate any problems while she is out. She will be available by telephone if needed.

**Inventory System:**

New inventory system with tablets is up and running. Still working out some bugs but so far so good.

**Conferences:**

MMWEC Annual Conference is on May 4, 2017. If you are interested in going let Mr. Cloutier know. Jim Kelley said yes. Tim Houten will check.

MEAM Managers Conference is on May 18<sup>th</sup> and 19<sup>th</sup>. Let Mr. Cloutier know if you will be attending. Jim Kelley and Tim Houten said yes. Tim will let him know if he will be staying overnight. Frank Twiss will let him know.

**NEPPA:**

Kris resigned from NEPPA and took a position in Taunton. Dave White working on a replacement. Jeff Zahner is now working for 3M.

**Pay Schedule:**

Commissioners signed raise pay schedule effective March 12, 2017.

Next meeting April 27, 2017.

**Meeting Adjourned: 6:17PM**

**Respectfully submitted,**

**James Kelley  
Clerk**