

Middleton Electric Light Commission
Meeting Minutes
March 21, 2018

The following individuals were in attendance:

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

Chairman Twiss called the meeting to order at 5:10 PM.

Approval of Agenda:

Motion:

Tim Houten motioned to approve the agenda as written. Jim Carbone seconded the motion. Motion carried 4-0.

Approval of Minutes:

Motion:

Tim Houten motioned to approve the minutes of February 21, 2018 as written. Chuck Clinch seconded the motion. Motion carried 3-0.

Financial PPA:

Final 2017 Balance Sheet given to the Commissioners. A couple of adjustments were made yesterday. Our net income is up slightly from last meeting. Mr. Cloutier has not reported the "in lieu of tax" figure to the Town but it should be about \$1K more than the \$221K voted for approval last meeting. We had a healthy year. The cash position is good and all other items are still in line.

Power supply sheet shows the final January 2018 number at almost \$0.12 kwh which is slightly higher than 2017. Our average purchase price for January was almost \$0.17. It was very expensive due to the cold snaps and scarcity of natural gas. January financial statements will not be positive for our net income. However, we recovered in February.

Manager's Report:

Even though we have had bad weather in the past few weeks MELD has fared very well.

We are still waiting for Fred Avila to come back with the data for the remote read meter.

Week of April 9th Mr. Cloutier will be going to Georgetown to look at the mapping software they use. The vendor will be there to answer questions. The other option is what Rowley does. They take what the Town has and add their own layer. It is more labor intensive but less expensive. These systems will allow access from the trucks without returning to MELD.

We have been going back and forth with Altec, the crew's preferred vendor, for the digger derrick. The specs were finalized today. Kenny, Bernie and Chuck put together their needs. Mr. Cloutier stated that we joined the National Joint Power Alliance. It is very similar to the State bidding process. We can place an order through the contracts they have already. We will place the order with Altec. Mr. Cloutier would like to place the order tomorrow if there are no objections. There is about an 8 to 10 month lead time.

The rack body truck should be delivered by the end of March.

David would like a four-wheel drive vehicle. He did not like the van idea. Mr. Cloutier would like an electric or hybrid vehicle that would be more economical. At our retail rate it would be equivocal to buying gas at \$0.96 a gallon. Mr. Cloutier is meeting with ENE to discuss energy efficient programs with their new energy efficient manager. Mr. Cloutier hopes to obtain more information on how far out the electric pickup is and what is now available. If the pickup is only a couple of years out he would like to lease a vehicle for David short term until the electric pickup is available.

The Town is interested in David's old truck. Mr. Cloutier suggested we donate it to the Town as excess when David's new truck is delivered.

Motion:

Mr. Houten made a motion to donate as excess the old truck to the Town for the Animal Control Officer. Mr. Clinch seconded motion. Motion carried 4-0.

Mr. Cloutier's and Mr. Houten's February meeting in Washington DC was very productive. They had meetings with three Representatives and Senator Markey. New England has a good delegation for electricity issues because our cost of electricity is so high.

We received a letter from one of the attorneys for the Town of Danvers regarding the three parcels not included in the ROW purchase. The letter explained why they had title to one of the parcels and our attorney tended to agree with their logic. They did confirm that they did not have any rights to the other two parcels but were willing to transfer any rights they do have to us for a very nominal fee. We are doing an additional title search on the third parcel and if all pans out we will need to give the Town of Danvers a payment of about \$42K. This is the parcel that we wanted all along. All paperwork should be done by summer.

Employee raises are due as their three-year agreement has expired. They do not have a proposal at this time but they are working on it. Kathy has entered the previous agreement on the computer so it can now be easily updated. Mr. Cloutier would like to get the whole agreement up to date and comprehensive with the educational policy included.

They have started drilling and screwing in the posts for the solar project. They hit a high percentage of rock hence the drilling and screwing. They also put down decent gravel to cover the ground. Mr. Cloutier and Kenny went down to discuss locations for the poles. We have to set 4 to 6 poles depending on whether we are going with batteries or not. We were able to develop a one line for both the solar connection and the battery connection. It is a possibility that we could do it electrically but we just have to negotiate the terms of the contract. It is going to be based on a shared savings type of model. The only revenue that it is going to generate is from our saving of capacity and transmission costs. We are looking at 3.2 megawatts that can discharge 7.6 megawatt hours.

Bostik and MIT have signed up for the Community Solar project. We are getting the sign-up sheets out to the public. The \$5.00 donation is from the developer and the signer chooses the one they would like.

Manager's Review:

Mr. Cloutier stated the insurance portion of the proposal is common and would like to pursue that part of his proposal. He got more information on how that could be structured. He would like to do the return premium policy for the entire protection. It is common to have a 50-50 split, 50% to the Town and 50% to Mr. Cloutier or his heirs. The application process is easy but would have to be signed by one of the Commissioners. The policy would be an asset of MELD's as owner. The return of premium would be the incentive for the term that was decided. Mr. Cloutier suggests ten years. If he stayed the entire ten years whatever we paid would revert to Mr. Cloutier. Also, if he were to leave prior to the ten years he would like the return of premium to be a prorated share between MELD and him. Mr. Houten suggested he get a new proposal for a ten year policy. Mr. Cloutier will do that. Chairman Twiss felt it was more important to protect Mr. Cloutier and possibly the MELD employees rather than the cost of looking for a successor should the situation arise. Mr. Cloutier stated when he approached the MELD employees regarding a possible 457F contribution they were not conducive to the idea. He felt they were more interested in receiving the money now.

Mr. Houten asked if Mr. Cloutier wanted a contract. Mr. Cloutier stated he did not need one but thought if there were enough changes on the Board of Commissioners in the future it may not be a bad idea. If there was a contract in place the present Board's vision could continue through Mr. Cloutier. Mr. Cloutier will put something together in the coming months on his raise and life insurance contract.

Next meeting: April 25, 2018.

Motion to adjourn at 6:25PM.

Respectfully submitted,

James Carbone
Clerk