

Middleton Electric Light Commission  
Meeting Minutes  
February 22, 2023

The following individuals were in attendance:

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

Chairman Frank Twiss called the meeting to order at 5:03PM.

***Approval of Agenda:***

**Tim Houten motioned to approve the agenda as written. Jim Kelley seconded the motion. Motioned carried 5-0.**

***Approval of Minutes:***

**Motion:**

**Tim Houten motioned to approve the minutes of January 18, 2023 as written. Jim Kelley seconded the motion. Motion carried 5-0.**

**Rail Trail Alliance: Charlie Costigan, John LeBlanc and Rick Kassiotis were in attendance.**

Informational brochures were given to the Commissioners. There are two committees, the Town of Middleton Rails to Trails and the Middleton Rail Trail Alliance. Others in Town that are involved include DPW, MELD, Town Planner, Conservation Commission, Town Administrator and Selectboard. Money was

mostly acquired from the State through three grants. These totaled \$351K and all has been spent on the rail trail. There is about \$15K left in one of the funds for future maintenance. MELD and the DPW also funded the trail through supplies and labor. Additional donations come from the Mile Marker Program, miscellaneous donations from individuals and businesses and they would also like to start a Brick Program for the area around the kiosk at Liberty Street and Maple Street in the Spring. They get information out to people through brochures, postcard mailing, and kiosks at various Middleton events.

Two point four miles of rail trail have been completed between Essex Street and the Danvers line. Essex Street to the North Andover line is owned by National Grid and the Alliance is trying to get permission from them but they're not sure that will happen. A meeting is scheduled for April 20, 2023, to meet with National Grid at the trail. Other accomplishments include three pedestrian crossings, eleven pedestrian vehicle gates, four benches, four informational kiosks, two tire fix stations and two bike racks. The Boy Scouts have helped with a few of these projects. In the future, the Alliance would like to put up a plaque up with the names of the Alliance members. They would also like to put a utility shed by Central Street to house maintenance equipment. Another plan is to smooth the sides of the trail out to make the maintenance of water runoff easier. Parking is still a problem that needs to be addressed. Lastly, the Alliance would like permission to put up three sections of stockade fence up just beyond the Liberty Street trail entrance to prevent neighbors from using the trail side as a compost/mulch pile.

***Financials:***

The year end figures show we purchased about one million more KWH than 2021. A one percent increase over last year, at an average cost of \$0.10 or a \$0.016 increase from last year. This was due to high spot market pricing. The biggest increase was in the summer, because it was hotter than the previous summer. This year the prices are already down, due to the warm winter so far.

Investments are still down but our cash position is good. We made money operationally. We had a couple of large returns from MMWEC. One was for transmission charges. If you back out the investment loss, we net about \$1.2 mil. This is within our 8% DPU maximum. We should be fine in the next few years,

even if the market stays down, because we have a decent amount in bonds. These bonds are due in 2024, 2025 and 2028, so as they come due, they will start to come back to their original value.

***Budget:***

We are budgeting a little bit higher on purchased power after consulting with ENE. Right now, it is a good number, but we are hoping it will come down. Natural gas has gone down and we locked up 60% of our April gas. By waiting we locked in the heat rate and the natural gas. The LNG export facility in Texas had an explosion last summer and just this week they started flowing natural gas outside the country. This will have a negative affect on our prices. Even though we were low on storage last year, we have caught up to the five-year average and we are now exceeding the average. These are all good market trends. If these trends continue, we will be able to bring our rates down.

The Capitol Budget is \$1.4 mil. New bucket truck will be delivered in August. As we are continuing the meter upgrade, we just signed orders for \$200K for meters. David could not purchase 3 phase meters last year, so part of the order is for these. Street light costs have gone up, as we replaced the lights at Howe Manning School to LED. MELD owned some and the school owned some, so we charged them for half. Tool budget is high, as the new truck needs to be outfitted and we need new radios.

**Motion:**

**Chairman Twiss asked for a motion to accept the 2023 Operating and Maintenance Budget. Tim Houten moved to accept the Operating and Maintenance Budget as presented. Jim Kelley seconded to motion. Motion carried 5-0.**

**Chairman Twiss asked for a motion to accept the 2023 Capital Budget. Tim Houten moved to accept the Capital Budget as presented. Jim Kelley seconded the motion. Motion carried 5-0.**

***In Lieu of Taxes:***

This is an abnormal year for us, we have a negative net income due to the exorbitant loss we had with investments. The Income Statement shows a negative income of \$568K. Mr. Cloutier would like to change the current formula to call it net operating income. This would take out the investment losses and gains for all the future formula calculations. This should stabilize our payments year after year. Last year we gave the Town \$262K. If we use the current formula, the payment this year would only be \$119K. This lesser amount will have a negative impact on the Town budget.

**Motion:**

**Tim Houten made a motion to change the in lieu of taxes formula to use Net Operating Income. Chuck Clinch seconded the motion. Motion carried 5-0.**

As a result of this change the in lieu of tax payment to the Town for 2023 will be \$209,267.00.

**Motion:**

**Tim Houten made a motion to give the Town \$209,267.00 in lieu of taxes for 2023. Jim Kelley seconded the motion. Motion carried 5-0.**

***Manager's Report:***

We received our RP3 platinum award with 93 points, which is the second highest level of the award. We can't put it on the website until it is officially awarded. Manole will go to the event to accept in behalf of MELD. The award is good for three years.

Mr. Cloutier attended a building committee meeting on February 1, 2023 to determine the feasibility of siting a peak saving generator at the golf course site. The committee was very receptive and asked some great questions. They did not want to decide, but wanted to have the Selectboard weigh in before a decision is made. This will give Mr. Cloutier time to look into the regulatory obligations that we would be bound.

Bernie is doing good. He is working on a transformer list showing what they previously cost and what was the previous lead-time. ENE is putting together a

report of what the transformers cost and the lead-time two to three years ago and what they cost now and the current lead-time. They are trying to get the government to help with the increased cost and delivery time. ENE also is looking to push back on the new DOE efficiency standards. Bernie is also helping Manole with the inventory.

The advertisement through NEPPA for linemen resulted in eight applicants. The applications were for various experience levels. The staff interviewing will be Mr. Cloutier, Kenny, Chuck and maybe Manole and Bernie. The plan is to interview between six and seven applicants and will take place in the next few weeks.

We will be updating the conference room with paint, carpeting and new furniture. Manole has been updating the linemen's room. They cleared out the first isle of the stockroom and this is where they will do their safety meetings. The carpet and paint in Kenny's, Bernie's and David's offices will also be replaced. The office staff did not want any changes made to their area.

Next meeting March 22, 2023.

Tim Houten motioned to adjourn at 6:23PM. Jim Kelley seconded motion. Motion carried 5-0.

Respectfully submitted,

James Carbone  
Clerk