

**MINUTES OF THE
MUNICIPAL LIGHT BOARD MEETING
March 12, 2019**

PURSUANT TO notice given, the Merrimac Municipal Light Board (“Board”) met in the Municipal Light Department’s (“MLD” or “Department”) Administration Building, 10 W Main Street, at 3:30 PM.

PRESENT

Those present included Chairman Larry Fisher, Vice Chair Norman Denault, Secretary Paula Hamel, MLD’s General Manager Francisco Frias, and Office Manager Tara Aniello. Also present was Kenneth Feyl, Senior Managing Architect of JD LaGrasse & Associates, Inc.

MEETING START

A motion was made and accepted to bring the meeting to order at 3:31 PM.

APPROVAL OF MINUTES

Commissioners voted 3-0 to accept the February 19, 2019 Board Meeting Minutes as written.

GENERAL MANAGER’S ITEMS

January 2019 Financial Information:

The General Manager (“Manager”) presented the financial forecast for 2019 and went over some updates he did to the spreadsheets. After this, the Manager asked the Board if there were any questions regarding the financial information for the month of January 2019. The Department saw a total net income of \$118,279 compared to a forecasted income of \$28,100. Contributing factors were higher operating revenue, including better than expected investments interest income, and lower operating expenses, mainly caused by lower than expected purchased power costs.

Administration Building Architectural Test Fit Options:

Kenneth Feyl from JD LaGrasse & Associate, Inc came in to discuss the options they had come up with to better maximize the space the office has. The two objectives were to improve safety and to create a conference room that is more appropriate for meetings. Mr. Feyl provided the Board with three options to look at for improvements. Option A would put a conference room at the front of the building while minimizing the lobby area. With very little foot traffic in the lobby, this would maximize the space available. It would also close off the staff work area so customers would not have free access to it. Option B would put the conference room in the middle of the lobby quite disrupting the customer service area and storage area. Option C would put the conference room where the storage area is now, moving the storage room to the area where printing and mailing equipment is located. The Commissioner’s and the Manager agreed that option A would be the best choice for the results the Department is looking for. The Architect will make adjustments based on the feedback from the Commissioners and the Manager will update the Board as things progress.

Public Streetlight Rate Discussion:

Currently, the Department is charging the Town \$0.103 a kilowatt-hour for public streetlights, while the Department is paying around \$0.12 a kilowatt-hour. The Manager mentioned using the Department of Public Utilities (“DPU”) calculation, which is based on the total kilowatt-hour sold and the Department’s operating expenses. Based on the Year 2018 numbers, the streetlights rate would be \$0.178 a kilowatt-hour. If the rate is changed to anything other than the DPU calculation then the process would be more involved and with would include some expenses for the Department. The Board decided to leave the rate at \$0.103 a kilowatt-hour and discuss changes in the future.

Payment in Lieu of Taxes to Town:

In the past, for the In Lieu of Tax Payment to the Town, the Light Department calculated the cash payment based on 1/10 of a percent of all the kilowatt-hours sold, minus any costs related to Town streetlights. The Board discussed whether this was the right way to decide the appropriate amount to pay the Town as the consumption for the streetlights have decreased with the new LED streetlights the Department installed. Although the Department now has a lower expense for the streetlights, the expenses incurred in for the retrofit will not be paid back by the savings but until a few years down the road. The true savings will not be fully established until the retrofit is paid in full. The Board proposed and approved to make this year’s cash payment to the Town \$15,000 instead of \$10,000. The Board will still need to discuss what it will need to base the cash payment on for future payments.

DPU Report:

The Board made a motion and all accepted to approve the 2018 DPU Report as submitted by the Manager. The report which contains information on all areas of the department, as of the end of 2018, was reviewed and signed off.

Other Items:

NEPPA Mutual Aid:

The Manager supplied a copy of the existing NEPPA mutual aid procedures and policies to the Board for their information.

Solar Proposal:

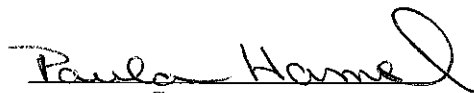
Commissioner Larry Fisher had mentioned to Carol MacLeod that the Light Department might be interested in putting a solar installation at the site next to the new Police Department station. The site would be an ideal spot to put solar because grants could be available due to the proximity to the public safety building. The well field on the Newton line would be another option but would not be as ideal due to the amount of distribution work needed. The Manager will follow up and meet with Carol Macleod to discuss the options and possibilities. He will update the Board at a later meeting.

The meeting was adjourned at 6:01 PM.

Chairman



Vice Chair



Secretary