

**MINUTES OF THE  
MUNICIPAL LIGHT BOARD MEETING  
APRIL 10, 2018**

**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 Chairwoman Paula Hamel, Vice Chair Larry Fisher, and Secretary Norman Denault, MLD’s General Manager Francisco Frias and Office Manager Julie Hart. Also in attendance, for a period of the meeting was MLD’s Line Superintendent Ken Buzzell.

**MEETING START**

A Motion was made and accepted to bring the meeting to order at 3:33 PM.

**APPROVAL OF MINUTES**

Commissioners voted 3-0 to accept the March 14, 2018 Board Meeting Minutes as written.

**GENERAL MANAGER’S ITEMS**

**February 2018 Financial Information:**

General Manager (“Manager”) asked the Board if there were any questions regarding the financial information for the month of February 2018. The Department saw a total Net Gain in income of \$51,039. The year to date Net Income is \$29,896. Included in the Financial Information portion of the Board package was the Comparative Operating Statement for the previous year and the current year. Also enclosed was the spreadsheet for February’s ending balances.

**Ferriter & Ferriter LLC Trust Review:**

Manager has contacted John Ferriter from Ferriter & Ferriter LLC to advise the Department on setting up a self-insurance Trust Fund, for the department to manage investments of some funds. The cost for this work is approximately \$2,000. Once the Trust Fund is established and the Department creates an investment policy, the Depreciation and Rate Stabilization funds managed by LPL Financial will be managed under the Trust Fund. Board voted 3-0 to hire Ferriter & Ferriter, LLC to establish the self-insurance Trust Fund and a Certificate of Vote for the Board to approve the Trust Fund.

**Granite Reliable Wind Proposal:**

Brookfield Energy Market is offering to sell 14.67% of their Granite Reliable Power Wind Farm to Energy New England clients beginning late 2018 thru 2037. The starting Purchase Power Agreement price is \$66.00 and will go up by 2% every year. With an expected average Renewable Energy Credit price of \$23.38, the average cost for power over 20 years will be \$56.81/MWH. While Municipal Light Departments in Massachusetts are not required to follow the State’s Clean Energy Standard, this could change in the future and to have this additional resource in the power portfolio will put the

Department in a better compliance position if the regulations change. The Department currently has about 27% green energy and a greater percentage including non-emitting resources in future years. Commissioners voted 3-0 to reserve our portion of the 14.67% of Granite Reliable Wind pending more information from Energy New England.

**Tangent Generator Project Update:**

The Manager is working with Tangent and Energy New England on clear guidelines to make sure the generator chases Real-Time LMP only when it makes sense for the Department. Tangent needs to install equipment that connects to our reclosers to prevent back-feeding to National Grid. The Department's energy portfolio is already about 92% hedged over the next three years and any additional energy generated must be within what's allowed by existing power contracts. The MLD is currently buying power from Shell Corporation and will need to amend the power contract with them to allow Tangent to produce power whenever they want without affecting the Department.

**Annual Standard & Poor Credit Review:**

After discussions with Standard & Poor ("S&P"), Manager has agreed to have S&P continue the yearly review to update the MLD's credit rating. S&P, after completing the review this year, will determine if the review can be done every other year.

**Tewksbury Proposal on Streetlight Maintenance:**

Manager has sent in a proposal for the Department to undertake the streetlight maintenance in the Town of Tewksbury. Manager will keep Board updated.

**MEAM Meeting:**

The Manager informed the Board that he will be attending this year's MEAM Conference being held on May 16<sup>th</sup> and 17<sup>th</sup> in Plymouth, MA. No agenda has been sent at this time but hotel rooms will need to be booked for anyone wanting to attend. None of the Commissioners will attend this year.

**Line Superintendent's 2018 Objectives:**

Manager provided the Board with the objectives (document Attached) that the Department's Line Superintendent will be working on for the rest of the year.

- 1) **Safety Procedures:** Continue reviewing and updating safety procedures. Run Code Blue drills and implement safety audits.
- 2) **Improve Computer Skills:** Take classes online or at other institutions to improve computer skills, especially on MS Office Excel and Word.
- 3) **Organization of Equipment Maintenance Records:** Using MS Office, implement a maintenance program schedule. Examples: Truck oil changes and Inspection stickers, dielectric test for trucks, substation maintenance, and transformers oil testing, etc.
- 4) **Staff Development and Coaching:** Because of new employee positions, make sure crew is performing well and maintaining good and productive work atmosphere.
- 5) **Day to Day Operations & Union Contract Oversight:** Ensure there is always a list of large and small jobs available for the crews to work on when Ken is out. Make sure staff is adhering to the contract which both parties agreed upon.

- 6) **Capital Plan:** Become familiar with the details pertaining to the Light Department's 5-Year Capital Plan and provide assistance to Manager with the elaboration of the Fiscal Year 2019 Capital Plan.
- 7) **Operational Expense Reduction:** Look for ways to reduce the Department's expenses and look for ways for the department to generate revenue, such as the Haverhill streetlight project.

In discussing the objectives, the Board discussed purchasing a tablet for Ken if it makes sense for him to use one to reduce the use of paper. Additionally, the Board suggested the installation of a computer at the garage to be used by the Crew Leader in the absence of the Line Superintendent.

**Storm Cleanup:** Ken reports that 99% of the damage from the winter storms in March has been completed. Reconnecting the 23kV supply line behind the Sewer plant was a big project and required help from many Town departments. Everyone worked well together to get the job done. Commissioners want to thank everyone involved in restoring power during the March storms.

**Three-season Jackets:** Ken asked again about his suggestion to have the Department purchase 3-season jackets for the crews with the Light Department logo imprinted on them. They would need to be fire-resistant and would help identify our crews as Light Department employees when out in public. Ken thinks that will go a long way with the guys. Commissioners and Manager will be evaluating this suggestion by Ken.

Manager brought back to the commissioners the inquiry made by the Line Superintendent about whether or not the Department would consider giving him additional financial compensation for all the hours he worked during the recent storms. Commissioners were appreciative of the hours Ken worked during the storms and said that they would prefer to consider all the things that Ken did and accomplished, during the year, when his review is done for his salary adjustment at the end of the year.

**Executive Session:**

Board voted 3-0 to go into Executive Session at 4:56 PM to discuss Union negotiation strategies. Board voted 3-0 to come out of Executive Session at 6:36 PM and end the public meeting at 6:37 PM.

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Chairwoman

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Vice Chair

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Secretary