

Middleton Electric Light Commission
Meeting Minutes
July 19, 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 5:00PM.

Approval of Agenda:

Motion:

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

Approval of Minutes:

Motion:

Jim Kelley motioned to accept the minutes of June 14, 2017 as written. Chuck Clinch seconded the motion. Motion carried 4-0.

Tim Houten motioned to accept the executive session minutes of June 14, 2017 as written. Chuck Clinch seconded the motion. Motion carried 4-0.

Financial PPA:

We are still doing well. Interest income is up but June was lower. May's income is up \$102K over 2016. Power purchased is higher and KWH sales are higher. YTD net income of \$523,989.05 is double from 2016. June will be the first month in the new full capacity period. Capacity payments will go from an average of \$125K to an average of \$270K. We will be getting a refund from the Seabrook bond in the near future. The operating cash for May is higher but will reflect about \$850K less when the Danvers ROW payment is made in June. Mr. Houten asked if we will be making a payment for the retirement account. Mr. Cloutier said we will be making another payment. It is now at about \$530K and we will put about \$200K in to fully fund it.

Power Sheets:

We are on track from 2016. The total per KWH cost YTD is \$0.097 which is the same as 2016. Seabrook came back strong and ran all of May. Mr. Cloutier went to a meeting on the Wyman Project. It is a pure capacity oil plant in Maine. It ran quite a bit two years ago when natural

gas was sparse and very expensive. Nextera made us another offer that looks attractive so Wyman may be taken off our portfolio in the near future.

Danvers ROW:

We have closed on the property. Three parcels were pulled from the contract for \$125K. If Danvers can prove in the future that they have the rights to sell them we will reimburse them the \$125K. The only business going forward would be to get the parcel near the Gregory Street substation deeded over to us. Our real estate attorney has contacts at B & M and feels it is worth asking. It is now under a 99 year lease which is renewable in 2025 at no cost to us but we need to notify them we want to renew. The Commissioners agreed to have the attorney go forward with B & M. We should only have to pay the legal fees if approved.

Manager's Report:

Portable Generator: The generators are installed. One is running and one is having problems syncing remotely. Chucky Clinch was able to reprogram to run remotely but it only ran for 10 to 15 minutes. Unfortunately it may be a transmission peak and we may miss it with that generator. It should not be the capacity peak and that is really the gold ring of savings. Caterpillar will be out here tomorrow and if they can't get it running they will roll in a new generator. The noise is minimal and no one has complained.

LED Lights: The Evluma lamps have all been installed in the square and are up and running. The Remphos lamps, however, are going to need a lot of work to retrofit. Mr. Cloutier met with Mr. Sheehan and Mr. Ferrara to let them know and they will have another meeting with Remphos to see if it can be corrected. The Evluma lamps take 10 minutes to install and the Remphos lamps at least an hour. The final decision is up to the Town but Mr. Cloutier will get the best outcome possible as MELD will be doing maintenance. Mr. Cloutier will also remind the Town that until the lights are up and running there will be no savings as we are buying the electricity to run the old ones.

Steve Cocciardi from the Finance Committee called Mr. Cloutier and requested a meeting. They are playing phone tag but Mr. Cloutier thinks he just wants to introduce himself to him.

MEAM sponsored an amendment to the budget bill to raise the bid threshold from \$25K to \$50K. The amendment did pass so now under Chapter 164 we do not have to use the formal bid process for anything below \$50K.

Chairman Twiss made a motion to go into executive session under Chapter 30a Section 21 Subsection 10 for the solar projects. We will be returning to open session. A roll call was made to approve the motion. Motion carried 5-0 at 5:35PM.

Returned to open session at 5:50PM.

Manager's Review:

Six month review per agreement with hiring contract. It was noted that Mr. Cloutier hit the ground running. His major accomplishments include favorably closing the Danvers ROW deal, keeping harmony in the department, positive feedback from the Town's people and getting the generators online.

Motion:

Chairman Twiss made a motion to increase Mr. Cloutier's salary by 2 ½% based on his commendable performance. Jim Kelley approved to motion. Chuck Clinch seconded the motion. Motion carried 4-0.

Next meeting will be in September unless one is needed in August. NEPPA Conference August 20th to August 23rd.

Motion:

Jim Kelley made a motion to adjourn at 6:00PM. Chuck Clinch seconded motion. Motion carried 4-0.

Respectfully submitted,

**James Kelley
Clerk Pro Temp**