

**STERLING MUNICIPAL LIGHT DEPARTMENT
MEETING MINUTES**

Tuesday, August 31, 2010

BOARD MEMBERS: Matthew Stelmach, Chairman
Michael Rivers, Clerk
Arthur J. Coughlin, Sr. Third Member

SMLD MANAGER: Greg DeStasi, Interim General Manager

MINUTES: Sandy Pellecchia, Office Administrator

IN ATTENDANCE: George Pape, Sterling Resident

Matthew Stelmach (Stelmach) opens the meeting at 5:00 p.m.

APPROVAL OF THE AGENDA

Arthur J. Coughlin, Sr. (Coughlin) makes a motion to approve the Tuesday, August 31, 2010 agenda as written. Seconded by Michael Rivers (Rivers) with changes. Rivers would like to add in an old business section for outstanding items. (CSCS and Mueller, general board policies and Union Contract will be added to Executive Session). Also it was suggested by Rivers to keep an old business section at the beginning of each regular session minutes to remind the Light Board what needs to be included in the next meeting. Rivers questions why CSCS, Mueller and Union Contract must be discussed in Executive Session. Unanimously approved by the Board.

APPROVAL OF MINUTES

Coughlin makes a motion to approve the Tuesday, August 17, 2010 regular session Sterling Municipal Light Department Board Meeting Minutes. Seconded by Rivers. There is discussion and edits are suggested. Rivers would like titles included on all minutes. The minutes are approved as amended by the Board.

Coughlin makes a motion to approve the Tuesday July 27, 2010 regular session Sterling Municipal Light Department Board Meeting Minutes. Seconded by Rivers with discussion. There is discussion and edits are suggested. Rivers would like a record of the changes. Stelmach suggests that if it someone asks to "let the record state", then the edits would be included in the minutes. The Board agrees. The minutes are approved as amended by the Board.

Coughlin makes a motion to approve the Tuesday, June 22, 2010 regular session Sterling Municipal Light Department Board Meeting Minutes. Seconded by Rivers with discussion. There is discussion and edits are suggested. Stelmach offers that he would like formatting and font to remain the same for all stenographers. Stelmach asks that Sandy Pellecchia (Pellecchia) make sure that rates get into the Light Board boxes as requested in the meeting minutes. The minutes are approved as amended by the Board.

CUSTOMER COMMENTS

Mr. George Pape (Pape) notes that the light board minutes stop at July 8, 2010. After hearing the review of the minutes he understands that the board approved no additional minutes at this time.

FINANCIALS (In the future to be called Sales Summary)

Greg DeStasi (DeStasi) notes that sales are up about 8%. He also distributes a memo to the Light Board about peak shavings.

Pape asks how do you bring Carbolon on-line? DeStasi states that the SMLD does this manually. Pape asks how much generation can they provide? DeStasi says less than 1 MW. Pape asks about maintenance. DeStasi offers that Carbolon pays for maintenance and fuel.

Rivers asks for a copy of the Carbolon agreement.

Rivers offers that a ratepayer requested of him that the SMLD post visual display of the draft minutes and non-executive session materials discussed at each light board meeting to help them follow along in light board meetings. This is to encourage participation by the people. Stelmach is concerned about the potential length of the meeting given this new consideration. Stelmach would like to think further about this topic, and add it to the agenda for the next meeting.

Rivers request a list of outstanding Executive Session Minutes those that have been released and those that have not.

OPEN MEETING LAW

Pellecchia reminds the Light Board that if they have not yet reviewed the new Open Meeting Law guide and have not yet signed the last page of the document, please do so tonight.

STERLING FAIR

DeStasi offers that the SMLD will use its own 10' x 10' EZ Up tent. The SMLD will promote the residential home energy audits and the UniBank on-line payments. DeStasi asks the Light Board for participation at the Fair.

Town of Sterling Cable Committee asked Coughlin if they could hand out literature at our booth. DeStasi offers this is fine.

There is discussion about promoting AMI at the Sterling Fair. The decision is not to do this.

Rivers asks are we spending any money to do this? And how much? DeStasi offers that there were prior commitments made and orders that were in place. An additional \$1000 will be spent above and beyond that which was committed. Rivers request a copy of the value of the additional services to the Town in a spreadsheet.

TRANSITION TEAM UPDATES

Chris Courville – general operations

1. Justice Hill Conversion
2. Completed Chocksett Sub maintenance with United Power Group
3. Disconnect 1 temp service at Lakeshore Dr.
4. Upgrade Mass Highway warning lights service on Clinton Rd.
5. Connected one new garage on Lakeshore Dr.
6. HMEA building – Energized
7. Replaced 3 poles and 2 anchors
8. Replace lights: total of 3
9. Trimming
10. Tree Removals

There is discussion about storm preparedness. Courville says that SMLD Operations is prepared. Rivers asks whether computer systems and data are backed up offsite. Pellecchia says all data is backed up off premises.

Rivers asks how the SMLD is involved in the reverse 911 process. Management is not familiar with process. Rivers wants to ensure that SMLD management becomes aware of how the reverse 911 system works in case there is a need to inform citizens of emergencies and other situations.

Sandy Pellecchia – general office

AMI Installs Swapped On Monday 08/09/10

About 23 meters were upgraded. Locations were: ROWLEY HILL RD, HEYWOOD RD and TUTTLE RD. Successful.

Customer Concern: CHOCKSETT RD

DPU called on 08/19/10. Requested sign on for this service address. There was a miscommunication in SMLD customer service. Pellecchia had tenant signed on ASAP.

Holiday Lighting Contest

Typically draws about 13-14 entrants each year. Budget is just under \$500. SMLD was going to ask customer base if they wanted the contest this year via Web, bill message and survey in lobby. Pellecchia inquires: what are your thoughts Light Board?

Coughlin likes it. Rivers is mixed. Stelmach likes the Christmas feel. The Light Board agrees that Pellecchia should entertain the general public's thoughts on the lighting contest.

Storm money \$16,959.00 for the SMLD

Last winter DOR distributed, on a pro-rated basis, \$5.5 million of the \$6 million allocated for state contribution to reimbursements for FEMA-approved costs associated with the December 2008 ice storms. The amount that the SMLD just received is the light plant's share of the final payment of the remaining \$500,000.

Cost Conscious

As of August 2, 2010 all employees were challenged with additional expense reductions. Employees were asked to incorporate savings into their budgets for the remainder of 2010 and into 2011. This spans items like repairs, purchases, service contracts, waste reduction, subscriptions, etc. As an example employee Forgione found a \$1235 savings with an annual contract.

Rivers brings up the topic of the year-end discount. He offers that customers would like to see better rates more than the year-end discount gimmick. Rivers does not support it. Coughlin and Stelmach look forward to this discount. Rivers would like to see a survey performed on this topic. Rivers would like to increase the discount permanently.

Stelmach would like to make a proposal that when DeStasi reviews the Warrants he challenges the invoice and much the same the employees challenge their purchase before it hits the Warrant. Ask yourself could you justify the purchase to the ratepayer.

Greg DeStasi – general management

There is a solar feasibility study Justice Hill Road. There is a solar feasibility study at the dump. The total dollar amount committed is under \$10K. The studies are done through MMWEC.

There is a cost of service rate study in process right now. MMWEC provides as a member service at no additional cost. This is currently in process.

DeStasi offers an update on the solar agriculture pilots. They are waiting on grant monies.

DeStasi hands out a memo on substation maintenance. Roughly \$10K a year. This year is about \$23K. Rivers asks that if we purchase in the future and it is close to and could possible go over \$25 then go out to bid.

DeStasi offers a memo about being de-listed from NERC NPCC regulatory compliance.

DeStasi offers a memo about a municipal financial advisor. He would like to bring in a municipal financial advisor and the memo explains why. Rivers asks if there are quotes. DeStasi responds yes. Give copies of the proposals and the scope to the Light Board members. There is discussion about the rate stabilization fund, the working capital fund and the reserve fund. Stelmach is behind the municipal financial advisor 100%. Rivers 1) solicit same info from 3 vendors, 2) references 3) cost to do the audit as part of this proposal and possibly review past audits too. Pellecchia please re-submit request.

Stelmach request that each of these DeStasi memos be included in the light board packages.

NEXT BOARD MEETING

There will be two September board meetings. One on Wednesday September 8, 2010. The other on Monday, September 27, 2010 both at 5:00 p.m.

MOTION TO EXECUTIVE SESSION

Rivers makes a motion to enter into Executive Session per MGL Chapter 39: Section 23B. Open meetings of governmental bodies, clause (10) To discuss trade secrets or confidential, competitively sensitive or other proprietary information and to return to Open Session to adjourn. Coughlin seconds the motion. Role call: Coughlin, aye. Rivers, aye. Stelmach, aye. Unanimously approved by the Board.

The Board goes into Executive Session as of 7:01 p.m.

RETURN TO OPEN SESSION AT 7:40p.m.

MOTION TO ADJOURN

Stelmach asks for a motion for the Light Board to adjourn the meeting. Coughlin makes the motion and Rivers seconds it. Unanimously approved by the Board. The meeting is adjourned at 7:41 p.m.

FOR FUTURE MEETING BOARD MEETING Wednesday September 8, 2010

Wednesday September 8, 2010 at 5:00 p.m.

1. Outstanding Executive Session Minutes
2. Year-end discount
3. Municipal financial advisor
4. Board policies
5. Mueller Systems Inc. and CSCS Inc. including AMI status update
6. GM Search Subcommittee Update

Monday, September 27, 2010 at 5:00 p.m.

1. Visual display
2. Union contact

MATERIAL PROVIDED

In compliance with the Open Meeting Law Guide, attached is a list of all material that was provided in Open Session at this Sterling Municipal Light Department Light Board meeting:

- 1) Memo about peak shavings
- 2) Memo on substation maintenance
- 3) Memo about being de-listed from NERC NPCC regulatory compliance.
- 4) Memo about a municipal financial advisor

ATTEST:


Michael R Myers, Clerk

DATE:

10/25/10