

**STERLING MUNICIPAL LIGHT DEPARTMENT
MEETING MINUTES**

Tuesday, June 22, 2010

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

SMLD TRANSITION TEAM: Chris Courville – Operations Supervisor
Gregory DeStasi – Interim General Manager
Sandy Pellecchia – Office Administrator

MINUTES: Sandy Pellecchia - Office Administrator

CUSTOMERS: Mike Forance, Sterling, MA
Richard Maki, Sterling, MA
George Pape, Sterling, MA

Matthew Stelmach (Stelmach) opens the meeting at 5:02 p.m.

APPROVAL OF THE AGENDA

Arthur J. Coughlin, Sr. (Coughlin) makes a motion to approve the Tuesday, June 22, 2010 agenda as written, Mike Rivers (Rivers) seconds the motion. Role call: aye, aye, aye. Unanimously approved by the Board.

APPROVAL OF MINUTES

Coughlin makes a motion to approve the Thursday May 20, 2010 Sterling Municipal Light Department Board Meeting Minutes. Seconded by Rivers. Stelmach asks for discussion. Rivers asks for clarification from Board as to what we want future minutes to reflect, and what process will be used to generate minutes going forward. There is discussion about what is said at meetings versus what the actual facts are. Rivers' opinion is that these Sterling Municipal Light Department Board Meeting Minutes may have been edited to reflect the opinions of the prior General Manager. Customer Pape adds that he feels Manager should not have any input into Board's minutes. Board decides that going forward, process will be that transcriber gives rough draft to Clerk, Clerk refines then sends to Manager (or his designate) for informational review, although all are in agreement that accuracy of minutes are Board's responsibility. There is discussion as to whether inaccurate information that is given out at a prior board meeting should be corrected in the minutes. Rivers mentions concerns regarding several inaccurate statements made by former Chairman Sheppard, particularly in regard to payments and contracts relating to ArKion, Mueller, and City State Computer contracts. No final decision made. Coughlin said listen to the tape. Stelmach offers the edits to the Thursday May 20, 2010 Sterling Municipal Light Department Board Meeting

Minutes. Coughlin makes a motion to approve the Sterling Municipal Light Department Board Meeting Minutes as corrected. Stelmach seconds the motion. Coughlin, aye. Stelmach, aye. Rivers, abstains, as, while he was present at meeting, he was not a member of the Light Board at the time.

Stelmach makes a motion to approve the Thursday May 20, 2010 Sterling Municipal Light Department Board Executive Session Meeting Minutes not to be released to the public until the matters herein are resolved. Seconded by Coughlin. No discussion. Role call vote Coughlin, aye. Stelmach, aye. Rivers, abstains, as, while he was present at meeting, he was not a member of the Light Board at the time.

Stelmach offers that there is a spreadsheet of unapproved Executive Session minutes that he would like to get on a Light Department Board Agenda soon. Rivers asks if we can begin using the new process for minutes now, Stelmach says yes.

CUSTOMER COMMENTS

George Pape (Pape) asks if there is an answer to the paperwork that he brought to the SMLD Light Board Chairman at the June 10, 2010 meeting regarding questions of whether John Kilgo's February raise was legal. Stelmach offers that he anticipates an answer before the next Sterling Municipal Light Department Board Meeting.

Pape understands that the SMLD is buying poles from Hall Pole Company in NH. It is Pape's understanding that these poles are substandard material. Chris Courville (Courville) responds and offers that he will look into this inquiry.

Pape asks Coughlin if he has ever bought a tan Taurus for himself or his son. Coughlin says that yes, he has. Coughlin adds that this vehicle was put out in the town's public auction (at the DPW) and that no one bid on it at the town auction. He then bought it from SMLD for \$500.00. Pape states that he has attended all town auctions in recent years and that the vehicle in question was not presented for bidding at the auction. Rivers expresses skepticism, as his experience is that everything sells at town auction if any amount is bid.

Rivers asks if we have ever sold any other vehicles like this? Greg DeStasi offers that in his tenure (6-years) we have always traded cars in for trade-in value.

Pape asks what about the blue Taurus/Lumina that the Manager has traded in? DeStasi offers that the SMLD can look into an invoice with a trade-in value as proof that this was a trade-in.

Rivers says that a customer asked him about updating the SMLD web site.

Forraine, asks how much of the town is covered by the smart meters? DeStasi says there are a little over 200 meters in place and we are working through integration right now. Forraine would like to know what streets have the meters? DeStasi offers there are a lot of meters in the Justice Hill area, and Patriots Way. Stelmach offers that 100% of the communications infrastructure is in place.

Forraine says his light bill cost over \$40 in the past month. Stelmach says please contact SMLD Customer Service. Forraine inquires about a home energy audit. DeStasi says please contact SMLD Customer Service.

Rivers asks whether the rate reduction announced last month has taken place. Pellecchia says yes, one reduction happened this month, and another is coming soon.

DAVIS UPDATE

Estimates have been reviewed after the last SMLD and Davis meeting. Necessary requirements have been considered. The SMLD intends to allow a maximum 28KW solar project for Davis. DeStasi provides handout to Board, Rivers asks about Ford Road solar array. DeStasi says this is a single phase residential system, and not considered a pilot system.

Stelmach requests a copy of all of the rates to be put in the Sterling Municipal Light Department Board's boxes.

OTHER BUSINESS

Stelmach requests a copy of the interconnect agreement to be put in the Sterling Municipal Light Department Board's boxes. Rivers and Stelmach ask about Davis Farmland agreement, and express concerns that the legal property owner sign a formal document indicating their agreement to pull the solar/wind array offline if needed for any reason, for any length of time by SMLD.

Rivers notes that the cost stabilization settlement that we received and that is now nearly spent. He would like to begin working at budgets. Stelmach offers that the auditor is coming in and we can open the topic of budgets at that time. COS (Cost of Service) Study to be discussed at next meeting.

Rivers asks about Alternative Generation Supplier (AGS study as mandated by Chapter 164. Copy to Arthur please. Sterling Municipal Light Department Board to review if there is a reason not to release to the public.

Rivers asks when we are going to release the AMI information from Executive Session. Stelmach wants the unreleased minutes on the agenda for the next meeting (July 2010). Pellecchia will give board members a packet of all unreleased minutes for review.

TRANSITION TEAM REPORT

DeStasi, Courville and Pellecchia offer regular updates to the SMLD Light Board. DeStasi says he and Rivers attended MMWEC power purchase seminar, very informative. DeStasi and Pellecchia attended Home Energy Loss seminar. Union contract is being finalized. Stelmach asks when Board will have a copy of union contract, DeStasi says tomorrow. Courville gives handout on Operations goals. Discussed tree trimming, police details. Rivers asks whether we can use civilian flaggers, as now allowed by state law. Courville says DPW has agreement with Sterling PD to use DPW flaggers, but SMLD has no similar agreement, haven't looked into it, doesn't know SMLD annual cost for police details. Sterling Police Chief has required SMLD subcontractors to use police details for all jobs. Stelmach says new Manager should look into viability of using civilian flaggers.

Courville discussed Justice Hill Road 3 phase conversion. We had an AMI node malfunction; Rivers asks if this is common. Rivers asks about how many SMLD employees have hydraulics/hoisting licenses to operate cranes, backhoes, etc.

Pellecchia says there will be a meeting with Anderson Carbolon on June 10 to discuss load shedding arrangement. Rivers asks if there is a written contract/agreement with Carbolon, Pellecchia indicates there

has not been a formal agreement in the past, we will now have one. Pellecchia provides handout with financial documents as requested by Board, Income Statement and Balance Sheet. This is new, as these reports have never been given to Board before. Pole Contract revenue is up. Operating cash is up, discussion of construction deposits and how Northgate project fits in. Courville says no recent discussions with Northgate developer, we should follow up with them and the other utilities. Rivers asks about Current Assets line item tripling, is this related to AMI project? Pellecchia not sure, will look into it and get back to us next week.

New temp employee was hired by DeStasi to fill in for Meggin Hendley during maternity leave at \$10 per hour. Glenn Metallic is dealing with customer issue of high usage during April. Pellecchia will be providing all documents related to City-State Computer to Rivers for review.

NEW MANAGER SEARCH-The next step is to get out the announcement that Pellecchia drafted. Pellecchia will give copies to the SMLD Light Board for review before anything is sent.

Item 11 on Pellecchia handout is Rate Change for June 28, 2010. PPA reduced to .032, and PASNY credit increased to .075. Rivers questions why was this rate change was unique, he thought that the base rate was going to be changed. Pellecchia says no, nothing unique about this change, and the base rate is staying the same. Rivers notes all the publicity and news releases last month regarding the rate reduction. Rivers notes that if this is just a credit adjustment, there have been 18 similar tweaks to the adjustments in the last 3 years, yet no press releases were made. Stelmach says that the only thing unique about this rate change was the timing (due to the elections).

DeStasi notes that new F150 has been received, registered, and lettered. Old vehicle was turned in to MHQ.

The rates for temporary service have been adjusted. Rivers asks if we get a customer deposit for temp service, answer is no.

Pellecchia says that a contractor, USA services is late on delivery of work. We have a clause for a penalty to them. We will negotiate.

NEXT BOARD MEETING

Next Regular Meeting will be on June 29, 2010 at 5:00pm.

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 adjourns at 6:32 p.m.

ATTEST:


Michael Rivers, Clerk

DATE:

09/17/10