

Minutes of April 19th 2006

Meeting of the Ashburnham Municipal Light Plant

Present Commissioners: George Ainsleigh, Richard Ahlin & Kevin Lashua

Stan Herriott, Manager

The Meeting was called to order at 7:00 p.m.

Chairman Ainsleigh opened the meeting and called for approval of the agenda. A motion was made by Commissioner Lashua and seconded by Commissioner Ahlin to approve the agenda. The vote was unanimous.

Chairman Ainsleigh moved to the first item on the agenda the truck bid opening.

Bids were as follows:

Company	Utility Body Truck	Dump Body Truck
Salvadore	\$29,425.00	\$22,400.00
Athol Ford	\$31,212.56	\$25,242.00
Chapdelaine	\$30,500.00	No Bid

The Commissioners accepted the bids and took them under advisement. Commissioner Ahlin asked Manager Herriott to conduct a review of the bids for the next regular scheduled meeting. Manager Herriott said that he would prepare a review for the next meeting.

Chairman Ainsleigh asked for a motion on the March 15th minutes which were sent out to the Commissioners for their review. Commissioner Lashua made a motion to accept the minutes and commissioner Ahlin seconded the motion. The vote was unanimous.

Manager Herriott did a review of the financial report the budget for March receipts exceeded projections and expenses were less than expected for the month. Receipts for the year are tracking at 1% over projections and expenses are running about 5% less than expected. There are two unexpected projects that will have to be completed this year, replacing of a damaged capacitor bank on Lake Road and the replacement of the sub-station meter due to the memory component failing. The capacitor bank failure was a result of storm damage, and the meter can not be repaired because the meter is ten years old and parts are not available. Both projects are expected to be in the \$5,000.00 range.

Manager Herriott gave the Commissioners the current rate comparison from MMWEC for January, February, March and the 12 month average. As far as Ashburnham rates, we remained below the investor owned companies for this time period. Our position as far as rates compare against the remaining Municipals remained stable. We are still in the upper third of the group.

Manager Herriott told the Commissioners that we had a claim against the department for damaging a driveway on West shore Drive, which has been turned over to the insurance company. The driveway is located at 35 West Shore Drive and the owner is Pat Wingle. Their claim is we had no permission to enter the drive to service the new home next door. The line workers said they were never told they could not go up the drive. The result is we did drive up the driveway and there is damage to it. Manager Herriott has reported to the insurance company that he did not believe we were responsible for the damage; they are reviewing this and will let us know how they plan to proceed.

The Town Manager approached Manager Herriott about increasing the in-lieu-of tax payment. As in many Light Departments there is no particular formula in place for making this contribution to the Town. If you base the payment on the Utility Plant asset's net of \$3,761,061.00 times the current approved tax rate we would be paying \$47,765.47, which is \$7,765.47 higher than we are paying now. Manager Herriott's idea is that if the Town is willing to forgo the administrative service billing of \$6,205.80 annually we would agree to base our in-lieu-of-tax payment on the tax rate. This would

result in about a \$1,500.00 increase for the Town, and would take the subjectivity out of the calculation both for the Towns Administrative charges as well as the in-lieu-of-tax payment. The one thing that we would stand firm on is this payment remains at the option of the Board of Light Commissioners.

Manager Herriott gave copies of a letter to the Department of Telecommunications and Energy (DTE) from the Massachusetts Inspector General office. The letter is soliciting support from the DTE to allow the Cities and Towns, having Municipal Light Plants, to gain greater control of the Light Department finances. The Inspector General has been trying to gain the support of the Massachusetts Legislative bodies for this change to chapter 164 of the Massachusetts General Laws for a number of years. The Legislative branch has been reluctant to support his cause, saying that Municipal Light Plant are doing well why make any changes. He is now trying to work through the DTE.

Manager Herriott reported on the installation of the automated meter reading process. Manager Herriott believes that we have all the components on site and we are waiting on the Hunt company to come and install the software and begin the training. We are scheduled for the first week of May. After that we are planning to begin meter replacement program beginning with cycle one. We are running a notice on the community TV and will run the notice in the newspaper. We are also printing a notice on our bill stock.

Manager Herriott gave The Commissioners a copy of a letter from the Town Manager to Ms. Brennan explaining his work hours. Manager Herriott also gave out copies of the Town Manager's annual report.

A motion was made by Commissioner Ahlin and Seconded by Commissioner Ainsleigh to go into Executive session to discuss personnel issues and litigation related to the MASSPOWER and personal benefits.

A roll call vote was taken:

Commissioner	Ainsleigh	“AYE”
Commissioner	Ahlin	“AYE”
Commissioner	Lashua	“AYE”

The meeting convened into executive session at 8:15 P.M.

The Board reconvened in open session at 8:55 p.m. and a motion was made to adjourn the meeting by Commissioner Ahlin, and seconded by Commissioner Ainsleigh. The vote was unanimous.

The meeting adjourned at 9:00 p.m.

Respectfully submitted,

Richard Ahlin,
Secretary