

Ashburnham Municipal Light Board
Conference Room 24 Williams Rd.
Ashburnham, MA 01430

Meeting Minutes
January 20, 2016

Commissioners: Richard Ahlin, Chairman
Mark Carlisle, Vice Chairman
Sara Davis, Clerk

AMLP Manager: Michael Rivers

Others in attendance: Anne Olivari, Jane Dancause, Matthew Wilson, Jeremy Holmes, Jeffrey Schrecke and Jordan Gendron.

The Meeting was called to order by Ahlin at 6:35 pm with a roll call vote. Ahlin aye, Carlisle aye, Davis aye. Ahlin announced all meetings are subject to video and audio recording.

Carlisle motioned for the agenda to be accepted as written, seconded by Davis. The vote was unanimous.

Manager's report and updates.

Berkshire Wind has been down for a week due to downed phone lines last week.

Seabrook is only at 60% due to a condenser leak.

REMVEC has been without phone lines also.

Rivers presented MMWEC Quarterly Rate Comparisons. We are still in the middle to lower third across the board for all rates, residential, commercial, and industrial.

The warrant will be in the office next week for signing.

Solar panel repairs for array at our office are scheduled for Friday. The vendor will be replacing the two inverters and adding lighting/surge protection.

Overlook LED project quotes being finalized. Will be awarded to Commonwealth Electric.

MMWEC has presented us with an option to hedge our price on Forward Capacity Pricing in the future. Due to power plants shutting down and the increase in intermittent renewable power, the forward capacity markets and auction prices have

been rising significantly. We can lock in a 5 year fixed Capacity price of \$ 7.75 per kW month for 2019 to 2024, vs the \$9.55 we'll be paying in 2018-2019, and the \$3.15 we'll be paying from June 2016 till May 2017. The Board and Manager all agree it is worth the price security to buy the hedge.

MMWEC notified us they are running a bit late on some FY2015 year end financials and hope to have everything to us by February 8..

Budget:

Rivers has drafted a new outline pulling numbers directly from the general ledger. We've fixed some of the programming in the G/L reports to include all accounts, and as discussed previously we want to use the actual G/L reporting function rather than separate standalone spreadsheets. The only disadvantage is that the G/L doesn't have accurate year end figures until the Auditors have made the year end adjustments during the year-end process. Until that is complete in March, Rivers recommends level funding the budget at 2015 rate. We also don't know the financial impact of the labor contract that is being negotiated. A motion was made by Carlisle and seconded by Davis to set the budget at \$5,044,874.54. A vote was taken. Carlisle aye, Ahlin aye and Davis aye.

Manager evaluation:

The Chairman presented a consolidated review based on the individual grades each Commissioner gave. A motion by Carlisle was made to accept as presented. Davis seconded. Vote was recorded with Carlisle aye, Davis aye and Ahlin aye.

Rivers presented an idea on employee volunteer program to allow and encourage AMLP employees to work on community projects or local charities. Currently AMLP employees help with Salvation Army bell ringing at Christmas, and help with the Ashburnham downtown days. Rivers is looking for feedback from the Board, and offered one possibility whereby AMLP would match at 50% up to two days a year. Possible projects could be Habitat for Humanity, Monty Tech student builds, Scouting center, etc. Davis requested input from employees on the idea. Carlisle said he thought it would be great and would like to participate as a Commissioner.

Terms and conditions for AMLP were reviewed in late 2013 and early 2014, but there is no written evidence the board voted to approve the official Terms & Conditions. At issue needing clarity are the tree trimming policy for lines on private property. Does AMLP trim lines to house on private secondary services? If so who pays, several ideas were discussed. Many of the homes constructed in the early to mid 2000's had long driveways that will soon need tree trimming . We got a price of \$1400 for trimming just one of these customers built around 2001. In past years, AMLP had an unofficial policy whereby new residential services were given a \$2,200 "allowance" toward their construction costs, which was understood to be the maximum profit or margin that we could make on their service in 20 years. Based on our average customer, this was actually greater than 20 years "profit", even if we made the full 8% we are allowed by

law, which we almost never do. Also discussed was who pays for transformers for commercial and industrial customers and what is the size cut off? Example given was if customer was adding a new 330kva transformer. Issue needing further review.

Approval of past Minutes:

Carlisle motioned for the Minutes of December 16, 2015 to be accepted as presented. Davis seconded. It was a unanimous vote.

Davis asked Rivers about listed goals. Rivers and Ahlin presented the consolidated goals as voted at previous meeting. Her understanding was teamwork, cleaning of office and maintaining were to be in listed goals and they were not. Rivers responded that we had many department goals, but the voted list were those that were agreed as clearly defined and measureable that he would be evaluated by next year. The approved department goals for the Manager were;

1. Negotiate and begin Implementation of Labor Contract which clearly defines working policies and practices.
2. Complete Upgrade of Inventory Software and System
3. Complete Installation of IT Room, Servers, PC's and telephone system
4. Have Bid Package written for new Bucket Truck for Q3 to Q4 bid award.
5. Organize and Maintain Manager's Office.

Rivers informed the Board the shared expired radio license is still in progress by The Highway Dept and their radio vendor. He has asked both to be kept informed. He will also work with the Fire Chief on some other possible contingency options.

Next Board meeting was scheduled for February 23 or 24th depending on scheduling it with another meeting with the IBEW. Rivers will work with Ahlin to schedule and let the board know.

At 8:03 pm a motion was made by Carlisle, seconded by Ahlin to enter Executive Session as listed on the Meeting notice. Board would only enter back into Regular session to adjourn. Roll Call Vote, Ahlin aye, Carlisle aye, Davis aye.

Sara Davis, Clerk