

## SELECTMEN'S MEETING – FEBRUARY 13, 2006

Present were Mr. Silvia, Mr. Eckenreiter and Mr. Manzone.

Also present was Jeffrey Osuch.

At 6:30 PM Mr. Silvia called the meeting to order.

Mr. Manzone motioned to approve the minutes of February 6, 2006. Mr. Eckenreiter seconded. Vote was unanimous.

Mr., Manzone motioned to approve the executive session minutes of February 6, 2006. Mr. Eckenreiter seconded. Vote was unanimous.

### EXECUTIVE SECRETARY'S REPORT

Meeting schedule;

Tues., 2/14/2006 at 4:30 PM – Mattapoisett Water District at BPW.

Wed., 2/15/2006 at 9:00 AM – East Fhvn. School Job Meeting

11:00 AM – East Fhvn. Exterior color

1:00 PM – Matt.River Advisory Com.at BPW

1:00 PM – Cont. of COA at COA bldg.

3:00 PM – Clerical Union Negotiations

Thurs.,2/16/2006 at 10:00 AM – SEMASS at Plymouth

7:00 PM – Finance Com. at BPW

Community wind has submitted part of the proposed agreement for Selectmen and Town Counsel to review; will be on agenda 2/27/2006.

Letter from Finance Committee to all departments for review.

Mr. Osuch advised the Board that a meeting should be scheduled to discuss budgets and articles and that other departments should come before the Board to discuss budgets.

Mr. Osuch stated that the Board may want to have an executive session to discuss Clerical Union negotiations.

### COMMUNITY WIND

Discussion regarding the Community Wind draft. Mr. Eckenreiter motioned to approve the use of Town Counsel to review draft once check is received from Community Wind. Mr. Manzone seconded. Vote was unanimous.

## FINANCE COMMITTEE

Letter from Finance Committee Chairman, John Rodrigues, regarding Viveirios Farm Article and \$350,000 request from Buzzards Bay Coalition. (see attached) Mr. Manzone stated that the Town does not have \$350,000 available and is not willing to cut department budgets. He will support the article only if Community Preservation money is available. Mr. Eckenreiter stated that the Town has made a commitment to assist in the purchase of the development rights to the property and should find a way to approve the \$350,000 request. Mr. Silvia's opinion is that the Town has many wants and wishes but can only afford so much. The Selectmen request that Mark Rasmussen and Alan Decker meet with the Board at the next meeting.

## POLICE DEPARTMENT

Chief Souza's towing policy was discussed. Mr. Eckenreiter motioned to approve the Chief's policy. Mr. Manzone seconded. Vote was unanimous.

## CAR DEALER & REPAIR LICENSE

The hearing for Guard Enterprises, Inc. request for a Car Dealer & Repair License at 110 Alden Rd. was called to order. Mr. Guard explained that he wanted to sell used cars on his Alden Rd. property. Mr. Guard submitted the return receipts from abutters; no one was in attendance. Mr. Roth's February 13, 2006 letter stating his recommendations was reviewed. After further discussion Mr. Manzone motioned to grant a Car Dealer License to Guard Enterprises, Inc. with stipulations of not more than 2 used cars and operating hours of M-F/8AM – 6PM and Sat. 8AM – 4PM. Mr. Eckenreiter seconded. Vote was unanimous.

## NEW ENERGY OPPORTUNITIES

Barry Sheingold was present for discussion on services that New Energy could provide to review wind turbine proposals. (see attached) References will be sent.

## COMMONWEALTH RESOURCE MANAGEMENT CORP.

George Aronson was present to explain services of Commonwealth Resource Mgmt. could provide to review wind turbine proposals. (see attached) References will be sent.

## BUDGETS

Discussion on Fire truck request, suggestion made to a lease purchase, putting \$100,000. into Stabilization and voting next year to purchase. Mr. Eckenreiter was not in favor of a lease purchase. Mr. Silvia and Mr. Manzone stated that they want to explore all options.

Selectmen reviewed budget sheets with proposed 25% increase to heat and 30% increase to electric for all departments based on actual usage of FY'05. Also reviewed the sheet with gasoline and diesel at \$2.15 per gallon. Mr. Manzone motioned to approve these figures for heat, electric and gasoline for all departments for FY'07. Mr. Eckenreiter seconded. Vote was unanimous.

Selectmen discussed sending a letter to all departments asking them to make an appointment if they want to discuss their budgets. Letters will be sent.

The following votes were taken recommending budgets for FY'07;

#### Article 4

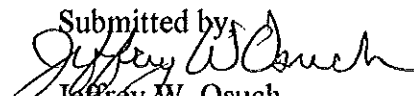
1. Moderator - Mr. Eckenreiter motioned \$604.51. Mr. Manzone seconded. Vote was unanimous.
4. Audit Expenses – Mr. Eckenreiter motioned \$42,000. Mr. Manzone seconded. Vote was unanimous.
7. Tax Title – Mr. Eckenreiter motioned \$30,000. Mr. Manzone seconded. Vote was unanimous.
14. Town Meeting – Mr. Eckenreiter motioned \$5,246. Mr. Manzone seconded. Vote was unanimous.
15. Finance Comm. – Mr. Eckenreiter motioned \$4,480. Mr. Manzone seconded. Vote was unanimous.
16. Planning - Mr. Eckenreiter motioned \$6,900. Mr. Manzone seconded. Vote was unanimous.
18. Board of Appeals – Mr. Eckenreiter motioned \$6,800. Mr. Manzone seconded. Vote was unanimous.
19. Personnel Board – Mr. Eckenreiter motioned \$750. Mr. Manzone seconded. Vote was unanimous.
21. Engineering - Mr. Eckenreiter motioned \$2,000. Mr. Manzone seconded. Vote was unanimous.
24. Commission on Disability – Mr. Eckenreiter motioned \$2,600. Mr. Manzone seconded. Vote was unanimous.
33. Sealer of Weights & Measures – Mr. Eckenreiter motioned \$7,622. Mr. Manzone seconded. Vote was unanimous.
34. Street Lighting – Mr. Eckenreiter motioned \$210,000. Mr. Manzone seconded. Vote was unanimous.
44. Bristol County Agri. HS – Mr. Eckenreiter motioned \$18,000. Mr. Manzone seconded. Vote was unanimous.

Discussion followed on N.B.Voke budget. Selectmen to invite Fhvn. Voke School Committee members and School Superintendent to next meeting. Mr. Manzone asked that ORR be contacted about how amount was reduced from Town payments.

49. Contributory Retirement - Mr. Manzone motioned \$1,682,225. Mr Eckenreiter seconded. Vote was unanimous.

50. Group Insurance – Mr. Manzone motioned \$3,600,000. Mr. Eckenreiter seconded. Vote was unanimous.
51. Memorial Day – Mr. Manzone motioned \$2,500. Mr. Eckenreiter seconded. Vote was unanimous.
53. Non-Contributory Retirement – Mr. Manzone motioned \$9,070. Mr. Eckenreiter seconded. Vote was unanimous.
56. Town Report – Mr. Manzone motioned \$4,300. Mr. Eckenreiter seconded. Vote was unanimous.
57. FICA – Mr. Manzone motioned \$250,000. Mr. Eckenreiter seconded. Vote was unanimous.
58. Buzzards Bay Action Comm. – Mr. Manzone motioned \$760. Mr. Eckenreiter seconded. Vote was unanimous.
59. Rape crisis Project – Mr. Manzone motioned \$2,000. Mr. Eckenreiter seconded. Vote was unanimous.
60. Fine Arts – Mr. Manzone motioned \$1,000. Mr. Eckenreiter seconded. Vote was unanimous.
62. General Fund
- a. Debt – Mr. Manzone motioned \$1,157,602. Mr. Eckenreiter seconded. Vote was unanimous.
- b. Interest on Debt – Mr. Manzone motioned \$649,930. Mr. Eckenreiter seconded. Vote was unanimous.
- c. Interest on Temp. Loans – Mr. Manzone motioned \$287,400. Mr. Eckenreiter seconded. Vote was unanimous.
63. Water Fund
- a. Debt – Mr. Manzone motioned \$25,000. Mr. Eckenreiter seconded. Vote was unanimous.
- b. Interest on Debt – Mr. Manzone motioned \$1,375. Mr. Eckenreiter seconded. Vote was unanimous.
- c. Interest on Temp. Loan – Mr. Manzone motioned \$0. Mr. Eckenreiter seconded. Vote was unanimous.
64. Sewer Fund
- a. Debt – Mr. Manzone motioned \$475,045. Mr. Eckenreiter seconded. Vote was unanimous.
- b. Interest on Debt – Mr. Manzone motioned \$334,369. Mr. Eckenreiter seconded. Vote was unanimous.
- c. Interest on Temp. Loans – Mr. Manzone motioned \$0. Mr. Eckenreiter seconded. Vote was unanimous.

At 8:30 PM Mr. Eckenreiter motioned to adjourn and to reconvene in Executive Session to discuss Clerical Union negotiations and not to reconvene in open session. Mr. Manzone seconded. Vote was unanimous. Roll 3-0.

Submitted by  
  
Jeffrey W. Osuch  
Executive Secretary

# Fairhaven Wind Energy Project

Expression of Interest to Provide Consulting Services  
to the Town of Fairhaven

Barry J. Sheingold  
New Energy Opportunities, Inc.  
February 13, 2006



# Overview



- ◆ Potential Assignment
- ◆ New Energy Opportunities/Merrimack Energy Qualifications
- ◆ Potential Work Scope and Process

# Potential Assignment

- ◆ Private developers have discussed an arrangement where they would lease town land to build a two-turbine wind energy project and sell a portion of the power produced to serve “on-site” town electrical load
- ◆ A written proposal is anticipated in the near future
- ◆ The town’s consultant would:
  - Evaluate the proposal vis-à-vis other alternatives (to be defined)
  - Evaluate the viability of the proposed project
  - Assist the town in negotiating contractual arrangements, including a leasehold agreement and a power purchase agreement
- ◆ A key critical path milestone is early May when a proposed transaction would require approval at Town Meeting
- ◆ The Selectmen desire to retain a consultant expeditiously to evaluate the proposal when it is received and, if desired, help negotiate a transaction in time for submittal to Town Meeting in early May

# Qualifications—New Energy Opportunities

- ◆ Barry Sheingold, President, New Energy Opportunities, Inc.
  - 20+ years experience in electric power industry
  - Consulting practice with focus on wind energy and other renewable energy projects—5 years
  - Lawyer “graduated” to commercial side of business
  - Expertise: power purchase agreements, project development due diligence, procurement processes for power and renewable energy certificates, economic evaluation, project finance
- ◆ Retains subcontractors on as needed basis, often repeatedly
  - Wayne Oliver of Merrimack Energy Group for this assignment
  - Messrs. Oliver and Sheingold have collaborated on two other projects



# Qualifications—Other Engagements

- ◆ Massachusetts Technology Collaborative
  - Principal consultant in designing Massachusetts Green Power Partnership, long-term contracting for renewable energy certificates (“RECs”) from renewable energy projects
  - Economic evaluation
  - Contract negotiation assistance
  - Retail electricity price hedge transaction initiative
- ◆ Private and Other Public Clients
  - Assisted developer of five-turbine wind project in obtaining long-term contracts for sale of energy and RECs
  - Due diligence/power marketing/contract negotiation services for wind projects in Vermont, Maine, Iowa, Texas, Wyoming, Pennsylvania, New York, Colorado, and Ireland
  - Consulting services for power (or REC) purchasers in New England, New York, Oregon and Quebec

# Qualifications—Merrimack Energy Group

- ◆ Wayne Oliver, Principal
  - Over 20 years of energy industry consulting experience
  - Expertise in procurements for purchasing power and project economic and feasibility evaluation
- ◆ Experience in wind project evaluation
  - Hydro Quebec Distribution wind energy procurement
  - Other procurements for utilities—Avista, AEP, Portland General Electric, Hawaiian Electric
  - MTC—subcontractor to New Energy Opportunities

# Potential Work Scope

- ◆ Work with Town to define objectives
  - Economics—power/lease
  - “Green power”
  - Hedge against rising energy prices
- ◆ Economic and commercial analysis: does the proposal make sense to the Town (benefits and risks)?
- ◆ Project viability analysis: will the developers do what they propose to do (technical and financial)?
- ◆ Contract negotiation strategy and assistance: how to structure the transaction that allocates benefits and risks in an acceptable manner?
- ◆ Work with Town to develop tasks, schedule and budget

Thank You

New Energy Opportunities, Inc.

Barry J. Sheingold, President

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**Response to the Proposal to Develop a  
Wind Turbine in the Town of Fairhaven:**

**Presentation to the Board of Selectmen**

**February 13, 2006**



**CommonWealth**  
Resource Management Corporation



## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### CommonWealth Resource Management Corporation

- Consultants and developers in energy and the environment
- Founded in 1991
- Based in Massachusetts
- Projects include:
  - Consulting assignments for public and private clients
  - Development projects for sponsors and on own account
- Presenters
  - George H. Aronson, Principal
  - Thomas W. Yeransian, Principal

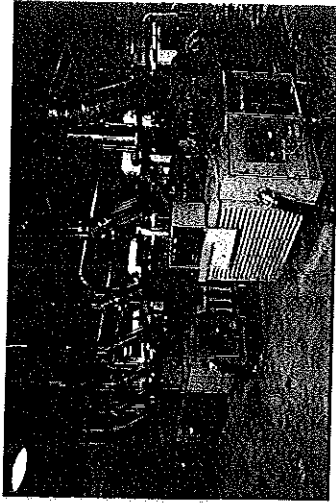
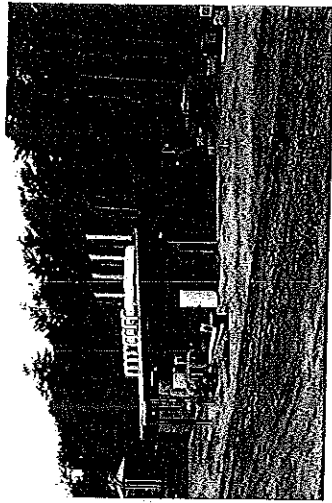
## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Project development assistance services

Assess project feasibility and development impact	Town of Bourne (ISWM) Town of Marblehead (BOH) Private developers (East Bridgewater, Hardwick)
Write RFPs and bid documents and evaluate proposals; negotiate basis for host community, and use rights and site lease agreements	Town of Provincetown City of Holyoke City of Concord, New Hampshire Private developers
Oversee project development and implementation	Municipal Review Committee, Inc. (group of 170 Maine municipalities) City of New Bedford

# Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

## Development of small power production facilities



*Entered commercial operation in November 2005*

**Owner:** CommonWealth New Bedford Energy LLC (CRMC is sole member)  
**Location:** Crapo Hill Landfill, Dartmouth, Massachusetts  
**Fuel:** Landfill gas  
**Capacity:** 3.30 MW gross nameplate generating capacity  
**Utility:** Commonwealth Electric Co. dba NStar Electric  
**MTC programs:** Pre-development financing initiative, Mass. Green Power Partnership (REC put option)  
**Financing:** Senior and subordinated private debt

**CommonWealth**  
Resource Management Corporation



## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Development of small power production facilities

- Wind turbine proposal, MTC Community Wind program
- Ocean wave energy recovery, Pt. Judith, RI
- Landfill gas to electricity, Taunton, Lowell, and Fitchburg, MA
- Manure to electricity, Turner, Maine
- Waste to energy, Orrington, Maine
- Cogeneration in combined cycle turbines, Schenectady, NY (NYSERDA)
- Biomass-fired cogeneration, Nashua, NH

## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Development of small power production facilities:

#### Areas of expertise

- Host community, use rights and site lease agreements
- Electricity and REC markets, revenue potential and rate structures
- Electrical interconnections, including the NStar service area
- Conditions and covenants of small power project financing
- Project economic structure and risk allocation
- Environmental and developmental impact assessment

## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Project status to date

- Identified a potential site
- Town amended zoning code to grant special permit granting authority to the Planning Board (setbacks, height, noise, visual, removal cost security)
- A developer (Community Wind, Inc.) is interested in the project
  - Collecting wind data from a radio tower on the site
  - Preparing a proposal to the Town
- MTC completed a feasibility study

## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Town's interest in the project?

- Policy interest in alternative energy projects
- Economic interest
  - Reduce electricity costs at the wastewater treatment facility: significant savings from on-site wind-generated electricity
    - NStar electricity costs \$0.18/kWh for Default Supply + G-2 rate
    - At 150 – 200 kVA average demand this would be \$20k to \$25k/month
    - Site lease benefit
- Protective interest
  - Avoid unacceptable impacts on the Town
  - Manage the development process

## Response to the Proposal to Develop a Wind Turbine in the Town of Fairhaven

### Next steps for the Project

- Confirm approach to project development
- Formalize award of development rights (RFP?)
- Negotiate applicable agreements
  - Site lease and wind rights development agreements, including base and contingent compensation
  - Electricity purchase agreement for town facilities
- Complete permitting processes (Planning Board [special permit], Conservation Commission, MEPA, FAA, US F&W)
- Monitor project progress toward other development milestones
  - Avian and other environmental impact studies
  - Equipment procurement
  - Interconnection
  - Financing