

**Mansfield Municipal Electric Department
Minutes of Light Commissioners Meeting
September 19, 2016**

Present: Chairman Frank Delvecchio, Vice Chairman Michael Trowbridge, Clerk Steve Schoonveld, Commissioner Jess Aptowitz, Director Joseph Sollecito, Financial Assistant Jacqueline Lee and Town Manager William Ross

The meeting was held at the Mansfield Town Hall Room 2AB and called to order at 7:00 PM.

A complete copy of the Board packet containing all documents that are referenced in the minutes is on file at the Mansfield Municipal Electric Department office.

Citizens Comments: none

Motion: To approve the minutes from the December 30, 2015 Light Commissioners meeting
(Aptowitz/Trowbridge) Passes 4/0

Motion: To approve the minutes from the July 25, 2016 Light Commissioners meeting
(Aptowitz/Trowbridge) Passes 4/0

Energy Procurement Risk Management services contract- Director Sollecito told the Board that he and Town Manager Ross have had further discussions internally as well as with Mayhew Seavey of PLM in developing an 'Energy Procurement Risk Management' methodology. While this process has not been done in Massachusetts as prescribed but is being done in New York, to minimize concerns, they established a benchmark price for energy and use that as a metric to determine success. PLM and MMED agree to pursue this process for twelve months. PLM will charge a fixed monthly monitoring fee of \$750 / month and would charge a fee of \$190 per transaction. Director Sollecito pointed out that the NextEra contract MMED previously had was good at the time because the market was low then. He believes what is now being proposed is a low-risk opportunity which could educate everyone.

Clerk Schoonveld inquired about the factor of volatility. Director Sollecito said that's not an easy one to address. He said the dollar cost averaging is based on a methodology that should work.

Commissioner Aptowitz commented that previously they had been lucky and felt the prudent thing to do was to rely on Mayhew Seavey as this seemed to work in the past.

Clerk Schoonveld liked the three transaction limit per month and thought that twelve months is a nice trial period. Chairman Delvecchio inquired about day to day procedures. Director Sollecito said there are some in place including direct communication through his cell phone.

Motion: To approve the PLM 'Energy Procurement Risk Management' methodology and to enter into a twelve month contract with PLM for a fixed monthly charge of \$750 and a fee of \$190 per transaction with a limit of 3 per month and 4 per quarter (Trowbridge/Aptowitz) Passes 4/0

Changes to Customer Service Terms- Director Sollecito recommended to the Board a change in the language for termination of service as the policy incorrectly states "60 days from the date of receipt" and should be "45 days from the date of receipt". He pointed out that the timeliness of the 45 days is very important and that the point is to make it consistent with Massachusetts regulations. Commissioner Aptowitz stated that MMED must be consistent as they have not been in the past and he feels consistency is very important.

Motion: To approve the change in the MMED 'Terms and Conditions' policy language regarding termination of service from 60 days to 45 days in order to make it consistent with Massachusetts regulations (Trowbridge/Aptowitz) Passes 4/0

Changes to Application for Service- Director Sollecito began by telling the Board that he believes that MMED collections has the proper balance of business management and personal skills. He then said that he would like to propose a change so as to clearly identify the difference in time between the 'Invoice Date' and 'Due Date' (25 days) and the time allowed under Code of Massachusetts regulation for termination for non-payment (45 days). He said that in the past the same customers have been issued termination notices over and over. By making the change of 25 days, as well as having the notice reflect the entire past due amount, it would cut down on this issue of repeatedly seeing the same people on the termination list. Commissioner Aptowitz noted that there's not that many termination notices and thinks someone needs to be using some common sense when reviewing them.

Motion: To approve the new MMED 'Application for Electric Service' (Trowbridge/Aptowitz) Passes 4/0

Financial Statements-Director Sollecito reviewed the June 2016 financial statements with the Board. The net operating income year-to-date through June 2016 was \$1,055,924 while in FY15, net income was \$1,772,790. He told the Board that there is a meeting scheduled with Mayhew Seavey of PLM to review the \$372,748 undercollection of the generation charge revenues in FY16.

MMED's operating cash position through June 2016 was \$11,184,385. The generation charge receivable was \$529,811. Energy sales for June 2016 were up 4.5% from June 2015 while FY16 year-to-date energy sales were down 1.1% from last year. Director Sollecito also told the Board that MMED is currently re-evaluating the level of the depreciation fund.

Transfer of Load from Gilbert Street Substation to Bird Road Substation-Director Sollecito reported that Ron Cutillo, Jeff Hayes, Tom Weir, Chris Cox and he have discussed whether eight circuits from Gilbert Street could be transferred to Bird Road. He said there would be voltage concerns but there are regulators. In order to accomplish this, two projects would need to be constructed. The first is the construction of the 2W4 circuit which would be

offloading some of the 1W2 load. The second project would be to establish a new circuit tie between the 1W5 and 1W8 circuit.

Chairman Delvecchio questioned whether underground isn't better. Director Sollecito said it is more aesthetically pleasing but more expensive. He also explained that when there is a fault with underground cable it could be hours before it is corrected. Overhead is more quickly and easily fixed.

Distributive Generation-Director Sollecito told the Board that there is a meeting scheduled for this Thursday, September 22 with Mayhew Seavey who is currently waiting on information from Columbia Gas. After that, Director Sollecito hopes to have more information for the Board at the next meeting regarding the distributive generation. Town Manager Ross would like to set a date to go to Middleboro in the middle of October to see their generator. Director Sollecito will check with them and try to schedule something for a Monday or Tuesday.

Update on Cost of Service Rate Analysis-Director Sollecito said that for Phase 1, Mayhew Seavey will attend the October meeting but for Phase 2 he would not need to be here. For Phase 3 he would come with the final product.

Update on Landscaping at Bird Road-Director Sollecito and Vice Chairman Trowbridge went out to Bird Road and thought the landscaping did not look as bad as it previously did. They also spoke with some of the neighbors. Director Sollecito now thinks crushed stone would make it look more industrial than it should. Vice Chairman Trowbridge said the landscaping was fine, most of it was healthy and looking good, it just had a lot of weeds. He felt that it just needed to be cleaned up and that someone needed to stay on top of the weeding.

Commissioner Aptowitz said in the beginning they had a lot of fancy presentations with architects but it seems like they paid a lot of money and ended up getting the shaft. He thinks the seeding was done at the wrong time. He questions the experts and said it's very frustrating. Town Manager Ross explained that MMED was not properly overseeing this but now Director Sollecito is on top of it and weeding will get done.

Update on Credit Card Fees for Commercial Customers-Director Sollecito told the Board that MMED was previously paying \$7500-\$8000 for a monthly credit card bill but now are only paying \$4000 in fees. Office Manager Anderson sent out letters to each business in Mansfield letting them know they if they want to avoid paying a 3½% credit card fee then they can either sign up for direct debit or place a deposit. Also, VISA will no longer be accepted from commercial accounts.

Commissioners Comments- Commissioner Aptowitz said that he drives by the solar farm on Branch Street every day and reported to the Board that 6000 panels are going in next month. He also questioned whether the electric account for Sports Authority has been put back under the landlord's name as Sports Authority is no longer in business.

Commissioner Aptowitz then said he would like to discuss combining bills for electric, water and sewer. He believes it would save on clerical work if everything was on one bill and each

enterprise paid their own share. Town Manager Ross answered that there are still things that need to be addressed such as putting the water/sewer on a monthly schedule. Another issue is the distribution of cash and how it gets to the appropriate place. Director Sollecito said if there was ever a chance for this to be successful it would be here in Mansfield based on his previous experience at his last utility. Chairman Delvecchio asked that this be brought up again at a later meeting as the Board will have questions about this.

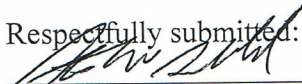
Vice Chairman Trowbridge questioned who is paying for the opinion from Town Counsel that is needed for the Branch Street facility. Town Manager Ross answered that when he gets the bill he will send it to Branch Street Solar Partners.

Chairman Delvecchio wondered whether they needed to do something with MMED's draft audit. He pointed out that the audit committee was meeting next on September 29 and that October 1 was the deadline for the audit report. Commissioner Aptowitz urged that they should sign this as it needed to be out by September 30 and he felt that they shouldn't wait.

Motion: To authorize MMED to submit the draft audit as necessary
(Aptowitz/Schoonveld) Passes 4/0

Director Sollecito reported that last week Assistant Line Foreman Ralph Bellavance accompanied Chris Trask, Taylor Miller and Dan Romanko to the NEPPA rodeo where they placed second in the rope toss. Director Sollecito said this was a great opportunity for them.

Motion: To adjourn at 8:20pm
(Aptowitz/Schoonveld) Passes 4/0

Respectfully submitted: Jacqueline Lee


Signature of Clerk



Date of Approval