

**Mansfield Municipal Electric Department
Light Commission Minutes
October 16, 2013**

Present: George Dentino, Chairman; Olivier Kozlowski, Vice Chairman; Jess Aptowitz, Clerk; Doug Annino; Kevin Moran; William Ross, Town Manager; Gary Babin, Director; Tracey Whalen, Recording Secretary

1. Meeting called to order at 6:35 PM

Chairman Dentino called the meeting to order and stated that the meeting is broadcasting live on Mansfield Cable Access and this broadcast will be available at various times for viewing.

2. Vote To Enter Into Executive Session, Pursuant to M.G.L. Ch. 64, Section 47D and M.G. L. Ch. 30A, Section 21, Exception 10, To Discuss Trade Secrets Or Confidential, Competitively Sensitive Or Other Proprietary Information Related To Massachusetts Municipal Wholesale Electric company (MMWEC) Proposal For The Purchase Of Energy And Capacity Output The Disclosure Of Which Will Adversely Affect The Commission's Ability To Conduct Business In Relation To Other Entities

Motion: To Enter Into Executive Session, Pursuant to M.G.L. Ch. 64, Section 47D and M.G. L. Ch. 30A, Section 21, Exception 10, To Discuss Trade Secrets Or Confidential, Competitively Sensitive Or Other Proprietary Information Related To Massachusetts Municipal Wholesale Electric company (MMWEC) Proposal For The Purchase Of Energy And Capacity Output The Disclosure Of Which Will Adversely Affect The Commission's Ability To Conduct Business In Relation To Other Entities (Moran/Aptowitz) Kozlowski (AYE), Aptowitz (AYE), Moran (AYE) Dentino (AYE) PASSES 4:0

Motion: To resume the Electric Department meeting in public at the conclusion of Executive Session (Aptowitz/Kozlowski) PASSES 4:0

3. Return To Open Session

Chairman Dentino noted the Light Commissioners had been in Executive Session.

Motion: To re-open Light Commissioner's open session (Aptowitz/Kozlowski) 7:33PM PASSES 5:0

Chairman Dentino asked for a motion regarding the discussion from Executive Session.

Motion: 1) That the Town of Mansfield, acting by and through the Municipal Light Board or Commission, hereby agrees to participate in MMWEC's Special Project 2013C; and 2) That the Town of Mansfield, acting by and through the Municipal Light Board or Commission, hereby agrees to pay its pro rata share of the costs of carrying out Special Project 2013C, as established by the MMWEC Board of Directors in the Special Project Fund for such Special Project, which pro rata share shall be based on the Town's participation in Special Project 2013C; and 3) That the manager is hereby authorized and directed to make payments to MMWEC calculated as set for in the preceding paragraph 2; and 4) That the manager is hereby authorized and directed to execute

the Participation Acknowledgement, a copy of which has been presented at this meeting and is filed with the permanent records hereof; and 5) That any actions previously taken by the manager, which are consistent with the purpose of this vote, are hereby ratified and confirmed (Moran/Aptowitz)

Amendment: It is the Light Commissioner Board's understanding of Special Project 2013C that it is in the nature of negotiating a purchase power agreement for the purchase of power and does not include or contemplate any ownership interest in any generation facilities (Kozlowski/Aptowitz) **PASSES 3:2 (Annino and Dentino NAY)**

Discussion:

Mr. Kozlowski stated that although he is not a fan of wind facilities he is basing his vote on the rationale of strictly purchasing power at a fixed rate for a decent time period.

Mr. Annino stated that while purchasing power at an economical rate is desirable he must look at the aesthetic problems that this will create as the site borders Arcadia National Park, which he believes will have an adverse effect to the park.

Mr. Moran stated that sustainable power (renewable energy) is a direction that we are being encouraged to go in. He noted that there are business pressures to do so and believed it would benefit the Mansfield Electric Department to have renewable energy in its portfolio. He felt that this project would be beneficial to the business community and an opportunity to purchase power at a good fixed rate for long period of time.

Mr. Aptowitz noted that he is not in favor of wind farms but ultimately it is what is best for Mansfield. He stated that if the Board is able to purchase power for a decent fixed price for the future for a percentage of our power then it is important to do so for the Town's rate payers.

Mr. Kozlowski added that the Board is committing only to the purchase of power if it is generated.

Chairman Dentino stated he has been watching wind projects for years and as they have good intentions they seem to fall by the wayside with the exception of Hull, which is operating on subsidies and mandates. The Chairman does not see how the wind projects in Maine will be any different than in Massachusetts, as the power has to come a tremendous distance to get to us. Chairman Dentino is unsure of the pitfalls and noted that on paper the long-term agreement looks decent but without seeing a history of success where there are twelve developers currently trying to put turbines in Maine. Chairman Dentino would like to see something that has succeeded before he goes out on a limb to jump into a wind project with no history of success in Massachusetts.

Chairman Dentino called for a vote for the motion on the floor. **PASSES 3:2 (Annino and Dentino NAY)**

4. Citizen Comments

None

5. Review and Approve Minutes of Meeting of September 11, 2013

Motion: To approve the Light Commissioner's minutes for the meeting of September 11, 2013
(Kozlowski/Moran) PASSES 5:0

6. Director's Report

Financial Results for the Month of August 2013 - Mr. Babin reported that Net Income year to day through August was \$594,576 with an Operating Cash Position of \$8,883,032. Mr. Babin also noted that Energy Sales are up 1.1% which is positive considering the Town lost Smurfit Stone. Lastly, Mr. Babin reported that the Depreciation Fund stood at \$2,806,848 and will be built up to help support the underground facilities to be installed for moving the power from the East Mansfield Substation to other areas of town. Mr. Babin, in following up on a question Mr. Aptowitz had asked at the previous Light Commissioner's meeting, explained that the reason the Plant in Service only increased \$800,000 was because as of the end of FY12 there was about \$5 million of the East Mansfield Substation cost that was booked in construction work in progress so that cost was included at the end of FY12 and an additional \$900,000 was booked in FY13.

Mr. Aptowitz noted he would like to formalize a \$1 million to \$2 million rebate back to the ratepayers to be scheduled for discussion for the next Light Commissioner's Agenda. He felt the cash is growing and would like that to go back to the ratepayers, especially prior to the holidays.

Mr. Moran noted that Municipal and Residential sales seem to be trending upward, which he noted are the lower margin categories, and asked Mr. Babin what would trigger that. Mr. Babin will investigate and follow up at the next meeting. Mr. Ross asked if it would be due to street lights being turned back on but Mr. Babin did not think so.

New Contract With Last Mile Solutions LLC of Shrewsbury, MA - Mr. Babin referred to a contract before the Board for Last Mile Solutions, LLC and explained that MMED has installed a fiber optic network in the Cabot Industrial Park where MMED provides the service of having dark fiber available for companies that want to go in and sell broadband services to our customers. There is a current agreement, approved by the Board in April 2011, with Lighttower where they pay MMED \$38 per fiber, per mile, per month to lease our fibers to reach town line and then an additional provider carries from there.

The contract before the Board from Last Mile Solutions is a mirror of the Lighttower agreement but what it does is provide a second competitor to sell those services and these two companies also compete with Verizon, thus providing another alternative. Mr. Babin is asking the Board to authorize MMED to execute the contract with Last Mile Solutions so that they can go into the business of selling services in the office park and offer broadband services, creating a third competitor, which is a value added service that MMED can provide to its industrial customers.

Mr. Ross noted the opportunity to have high speed fiber based broadband service is a real plus for Cabot Industrial Park as it draws business there. Mr. Ross has discussed this at the Chamber of Commerce meetings and noted that properties owners have become more interested in accessing the service. Mr. Ross also stated that it provides revenue to the Town but more importantly puts the Town in a competitive situation with some other technical parks in the area as not only having

the broadband service but also competitive suppliers. Mr. Ross noted that this contract has been thoroughly vetted through Town Counsel.

Mr. Annino asked who the Town uses for its broadband services, to which Mr. Ross reported Comcast and Verizon. Mr. Annino asked if the Town could jump to this service to which Mr. Ross explained that there are two separate sets of fiber that are different, fiber that MMED owns within the park itself and the Town's fiber ring that connects all the buildings and used for internal communications. Mr. Ross noted that the Town has agreements in place with Verizon.

Mr. Aptowitz asked if the Town is charging appropriately to which Mr. Babin noted the Town has a 3% escalator built in since the original contract in 2006.

Chairman Dentino inquired about what the percentage breakdown is between Verizon and Lighttower in that market, of which Mr. Babin was unsure.

Motion: To authorize the Town Manager to execute the contract with Last Mile Solutions (Kozlowski/Annino) PASSES 5:0

Annual Senior Safety Luncheon at the Mansfield COA on Friday, October 25th – Mr. Babin reminded the Board that MMED will be holding its annual safety luncheon at the Council on Aging center on Friday, October 25 at noon and hoped they could attend.

Mr. Ross, as a follow up to Chairman Dentino's question from a previous meeting, asked about the specific information regarding engineering work being done, to which Mr. Babin noted that he is documenting the information and putting it together to review with Mr. Ross.

7. Comments from Commissioners

Mr. Annino asked the Chairman to set as agenda item exploring different options for light poles, which would replace the current lights on North Main Street, with LEDs in order to reduce energy consumption so that the Town can begin aggressively looking into that as an option. Mr. Aptowitz noted that he received a call from an owner asking for brighter lights and inquired if the LED lights would be brighter.

Mr. Annino noted the Town needs a standard for its fixtures based on foot candles and safety. Mr. Babin noted that MMED has started requiring installation of LED post top lighting in residential developments, which is paid for by the developer, and is considering a budget item for LED lighting installations for North Main Street for the Board's consideration as part of the FY15 capital budget.

Mr. Annino asked if the Town has been looking at energy conservation in regards to Public Buildings to which Mr. Ross noted there is the ongoing window replacement project and replaced boilers at Town Hall last winter, and proven to be well worth it. Mr. Annino noted that the Town needs to constantly strive to be a trend setter and work toward sustainability. Mr. Babin mentioned that the MMED staff had information on energy conservation programs that had been deferred from a prior meeting but he would bring it up again for the Board's consideration.

Mr. Aptowitz asked about the new MMED website and Mr. Babin noted it should be set to go.

Mr. Aptowitz asked if there would be an opportunity to have beacon lights, which will be given at the Senior Luncheon, available to purchase at a cost. Mr. Babin and Mr. Ross will work together on that.

Mr. Babin reported that the tree issue on Park Street has been resolved as of today (October 16th) and that the tree was taken down by the contractor. Mr. Babin noted that Mr. and Mrs. Keenan were pleased to be able to resolve the issue and Mr. Babin reported the customer is satisfied.

Mr. Ross reported he continues to work with Town Counsel regarding the funding for the oil heat fund and hoped to report to the Commission prior to the next meeting in November.

8. Any Items Not Anticipated By The Chairman 48 Hours Prior To This Meeting

None

9. Adjournment

Motion: To adjourn the MMED Light Commissioner's meeting 8:12 PM (Aptowitz/Annino)
PASSES 5:0

Signature of Clerk
/Tracey Whalen

11/20/13

Date of Approval