

**MINUTES OF THE
MUNICIPAL LIGHT BOARD
JUNE 11, 2018**

PURSUANT TO notice given the Wellesley Municipal Light Board (“Board”) met in the Wellesley Municipal Light Plant (“MLP”) Gordon F. Kingsley Board Room, 4 Municipal Way, at 5:30 PM.

PRESENT

Those present included Vice Chair Edward J. Stewart, III and Commissioners David A. T. Donohue and Katharine Gibson. Also in attendance were MLP Director Richard F. Joyce and staff members David M. Allen, Kevin P. Bracken, Ann G. Collins, Debra J. Healy, Cynthia R. Lowe, William H. Marsh, Suzanne M. Newark, Donald H. Newell, Daniel J. Trant and Candyce M. Wright. In addition, others attending were Mary Gard, Raina McManus and Lise Olney.

APPROVAL OF MINUTES

Upon a motion made by Ms. Gibson and seconded by Mr. Donohue, it was unanimously

VOTED: To approve the April 30, 2018 Public Session Minutes as written.

Upon a motion made by Ms. Gibson and seconded by Mr. Donohue, it was unanimously

VOTED: To approve the April 30, 2018 Executive Session Minutes as written.

CITIZEN SPEAK

Mr. Stewart presented all of those in attendance with an opportunity to speak on matters pertaining to the MLP. Natural Resources Commission (“NRC”) Chair, Raina McManus informed the Board the NRC would be re-evaluating the 261 streetlights located near sensitive park and conservation areas. Ms. Olney thanked the Board for being considerate of NRC concerns.

DIRECTOR’S OBJECTIVES

The Director introduced Candyce M. Wright to the Board. Candyce has been employed at the MLP since October 2017 as a Senior Customer Service Representative. Mr. Joyce thanked Office Manager, Suzanne M. Newark for 16 years of dedicated service. The Board and Director congratulated Suzanne and wished her luck in her new position as Data Base Administrator with the Town’s Information Technology Department. Mr. Joyce also noted the promotion of Kevin P. Bracken to the Assistant Superintendent position. All Board Members were of the opinion Mr. Bracken’s promotion was well deserved.

Greenhouse Gas (“GHG”) Reduction. Analysis Group has finalized the Greenhouse Gas Emission Reduction Study, Phase I: Near-Term Measures for 2018 to 2030 (“GHG Study”). Electronic copies of the GHG Study will be distributed to the ad hoc committee and placed on the MLP website. Mr. Joyce also confirmed Paul Hibbard and Craig Aubuchon from Analysis Group will attend the September 24, 2018 Board Meeting at 5:30 PM and the Public Forum at 7:00 PM.

Financial Statements. The Director referred to page 16, "Fiscal Year 2018 Variance Analysis". For the month of April, the MLP's financial position improved by \$158,000 compared to the forecast. Mr. Joyce also noted the "Statement of Income Year-To-Date" reflected a \$5,000,000 negative change in the MLP's profitability. Of this amount, \$4,772,000 is directly attributable to the increase in Forward Capacity Market ("FCM") costs regulated by ISO-New England. The MLP continues to draw down rate stabilization funds to offset the increase in FCM costs in Fiscal Years 2018 and 2019. The Board and Director had a lengthy discussion on the negative impact the colder winter temperatures had on the December and January Financial Statements.

Fiscal Year 2019 ("FY19") Objectives. Mr. Joyce discussed each of the thirteen (13) proposed Director's Objectives for FY19. The Board supported the emphasis on sustainability initiatives and the implementation of Analysis Group's GHG reduction priorities. The Director asked the Board for authorization to extend the deadline for the completion of the Fiscal Year 2018 ("FY18") Management Team Bonus objectives to August 31, 2018. The Board and Director discussed the delays that were beyond the Management Team's control. All Board Members were in agreement with the FY19 Director's Objectives and the extension of the FY18 Management Team Bonus completion deadline and distribution date to August 31, 2018.

Streetlight Rate. Donald H. Newell reviewed the calculation of the FY19 streetlight rate in accordance with Massachusetts General Law 164, section 58. The kilowatt-hour ("kWh") charge increased by 12%, from \$0.12995/kWh to \$0.14712/kWh as a result of FCM increases. Despite the higher charge the Town of Wellesley will realize a reduction of \$108,700 from the prior year. For FY19 Town Meeting approved a streetlight budget of \$145,000. Mr. Newell projected total costs to be \$137,800. Mr. Donohue noted FY19 costs were increased as a result of the FCM and as these costs decline the Town will continue to realize a cost savings. Mr. Joyce recognized the outstanding performance of Donald Newell in the competitive bid process as the single most important reason for achieving the savings.

FY18 Write-Offs. Customer Service Supervisor, William H. Marsh informed the Board there were a total of nine accounts that were determined to be uncollectible. These accounts total \$5,045.38 and will be sent to Attorney Richard Plouffe to initiate further collection activity. During FY18 Attorney Plouffe collected \$2,127.96 from four accounts written off in prior years. Mr. Stewart asked if the amount collected was net of legal costs. Mr. Joyce said Attorney Plouffe retains one-third of the amounts collected and the \$2,127.96 amount was prior to the one-third payment. Mr. Donohue emphasized the importance of collecting customer deposits.

Upon a motion made by Mr. Stewart and seconded by Ms. Gibson, it was unanimously

VOTED: To write-off six residential accounts and three commercial accounts totaling \$2,383.00 and \$2,662.38, respectively in accordance with the individual itemization of the nine accounts.

Wellesley College Agreement. Debra J. Healy presented the Wellesley College Tenth Amendment to the Electric Supply Agreement ("Agreement") to the Board. Ms. Healy outlined two revisions to the prior contracts. This Agreement extends service to Wellesley College through May 31, 2019. The second revision allows the College to opt out in the event their generator replacement requires an amended contract. Ms. Healy and the Board discussed the options Wellesley College is considering for their future supply of electricity to the campus. Upon a motion made by Mr. Donohue and seconded by Ms. Gibson, it was unanimously

VOTED: To approve the Wellesley College Tenth Amendment to the Electric Supply Agreement with the inclusion of an opt-out clause and a contract through May 31, 2019.

Right-To-Know Law. Cynthia R. Lowe reviewed the requirements of Massachusetts Right-To-Know Law (Mass General Law 111F). This law provides rights to public sector employees regarding the retention and communication of information on potentially toxic and hazardous substances in the workplace. Ms. Lowe displayed the three-ring binder that contained all of the required information. Ms. Lowe also reviewed the notice and training requirements and expressed her appreciation for the assistance provided by MLP Crew Leader Dennis L. Furbush. All Board Members thanked Ms. Lowe for the excellent work ensuring compliance with the Right-To-Know law.

Employee Agreement. Mr. Joyce informed the Board the Employment Agreement was revised based on the feedback received in Executive Session on April 30, 2018 to include a 2% wage increase effective July 1, 2018 and an employment extension through July 31, 2019. Upon a motion made by Mr. Stewart and seconded by Ms. Gibson it was unanimously

VOTED: To approve the Employment Agreement for Richard F. Joyce as presented.

Election of Officers. In keeping with the Board's rotation of Officers and upon a motion made by Mr. Donohue and seconded by Ms. Gibson, it was unanimously

VOTED: To elect the following Municipal Light Board Officers for Fiscal Year 2019:

- Chair, Edward J. Stewart III;
- Vice Chair, Katharine Gibson; and
- Secretary, Jeffrey P. Wechsler

ADJOURNMENT

The Board Meeting adjourned at 6:47 PM.

Respectfully submitted,

Jeffrey P. Wechsler, Secretary