

**STERLING MUNICIPAL LIGHT DEPARTMENT  
MEETING MINUTES  
REGULAR SESSION**

**DATE:** Tuesday, January 3<sup>rd</sup>, 2012  
**LOCATION:** SMLD Conference Room, 50 Main Street,  
Sterling, MA

**BOARD MEMBERS:** Matthew Stelmach (Stelmach), Chairman  
Michael Rivers (Rivers), Vice-Chairman  
George Pape (Pape), Clerk

**SMLD STAFF:** Sean Hamilton (Hamilton) – Manager

**MINUTES:** Naglaa Elshamy (Elshamy)

6:09pm Meeting brought to order. Stelmach opens the meeting with a Roll Call attendance. Rivers aye, Pape aye and Stelmach aye.

**APPROVAL OF THE AGENDA**

Stelmach opens first item, which is approval of the agenda. Rivers suggested postponing discussion of the minutes to another meeting. Hamilton suggested striking out the Executive Session, as well as the “Energy Efficiency Program.” Hamilton added also to strike out “the DPW Meeting and Roadside Trimming.”

6:12 Pape moved to approve the agenda as modified. Motion seconded by Rivers. Roll call vote: Rivers aye, Stelmach aye, and Pape aye. Unanimously approved by the Board.

**MANAGER’S REPORT**

Hamilton noted regarding Workman’s Comp, SMLD won savings of about \$6000 after negotiations. Following up on fixed assets, he has been working with the accountant to track around 800 items. In response to Stelmach’s inquiry, Hamilton explained the list would be categorized by items valued at \$500 or more and will enable SMLD to better manage depreciation and items that will be expensed.

Hamilton presented a copy of a letter he will be sending to commercial and industrial customers inviting them to a meeting on January 26<sup>th</sup>. At the meeting, Hamilton will discuss updates from the Light Department as well as industry trends, billing, new rates, etc.

**OLD BUSINESS**

**Rate Study/Rate Changes**

Hamilton noted he would be holding off until first of March when he gets the billing system in place.

### Billing System

Hamilton stated all new smart meters are now in and he has received the last 246 meters. Hamilton requested the Board's authorization to transfer approximately \$41,707 for the meters from depreciation. This was accounted for in the 2010 capital budget for about \$44,000.

6:17pm Pape moved to authorize the transfer of \$41,707 from the depreciation account to cover the smart meters. Motion seconded by Rivers. Roll call vote: Rivers aye, Stelmach aye, and Pape aye. Unanimously approved by the Board.

### Smart Meters

Hamilton reported there will be testing on the billing system Friday. Mueller and SEDC are working well together and all preliminary tests turned out fine.

## **NEW BUSINESS**

### Line Superintendent's Position

Hamilton advised he received a letter from Chris Courville (Courville) stating his intention to leave SMLD. Courville would be moving on to Princeton. Hamilton said he has two guys in mind and one of them Tom Sparks (Sparks) has experience in this position before and has experience in running the system. Pape asked if Courville will have an exit interview. Hamilton replied affirmatively and added that Courville will be working in Princeton so if SMLD needed him, he will be close by. Stelmach asked Hamilton if he intends to back fill Sparks' position in the future. Hamilton replied that after reviewing the Department and its size, the slowing economy, and the amount being spent on the system, he's decided not to fill it up.

### PILOT Payment

Hamilton researched what other towns were doing in the PILOT payments, and he also checked previous minutes and reports. Pointed out that Christine Arsenault (Arsenault) helped put this information together for the Board. Pape opined that it was money taken from the rate payers given to tax payers, and his feelings from talking to Larry Pape (Finance Committee) is that his budget is based on taking \$42,000 this year. Pape asserted he has not seen any Board action on this in the minutes, and that it should be at the discretion of the Board for the future. Rivers agreed and said that was the intention last year and added the Board needs to approve it and not just leave it to Manager's discretion. Stelmach stated his opinion going forward is that the pilot should be given through town services. Rivers commented that most of the town light departments that do it share in their respective towns' services such as accountant, IT service, etc. Stelmach commented that the Board was in agreement that they let it pass this year and then discuss it annually.

6:30 pm Pape moved to provide the PILOT to the town with an amount of \$44,000 for this year 2012 and provide them with a signed letter from the Board that there will be no further commitment. Rivers added that it should be opened for negotiation with the town. Motion seconded by Rivers. Roll call vote: Rivers aye, Stelmach aye, and Pape aye. Unanimously approved by the Board. Hamilton will draft the letter. Rivers asserted that it should be noted there was no documented vote by the previous Board towards the PILOT payment. Stelmach added that unless that vote was done in an Executive Session, he does not recall a vote.

### LED Streetlight Test

Hamilton said LED lights save energy but their start up cost is more expensive than the other ones. He just wanted to start up with them and create a proposal. They save, however, about 60%-70% on energy. Rivers asked if Hamilton could ask for people's opinions, Hamilton said he has

targeted some areas around Main Street. Stelmach said they need to be aware of government grants in this field. Hamilton agreed and commented his goal for the next year is looking into this.

StonyBrook III project-vote to continue

Hamilton explained that the StonyBrook is a 280MW project that started in 2006 and it became StonyBrook III recently, and it has about 522MW of power on site. They are looking to put 280MW unit on there and 24 municipals are participating in this. Sterling's commitment is about 2.4MW -3MW. With the changes in the market and the economy, there has been a delay. However, the project's timeline is by years 2016-2017. Sterling needed to commit about \$6,800 to \$8,200 for permits of the project. Hamilton said by 2016, Sterling would have gotten rid of many debts from Millstone and Seabrook, so owning a new power plant at that time would be beneficial. Rivers asked if funding this was already in the capital budget. Hamilton replied affirmatively.

6:42pm Rivers moved to authorize Manager to continue with StonyBrook III project as outlined. Motion seconded by Pape. Roll call vote: Rivers aye, Stelmach aye, and Pape aye. Unanimously approved by the Board.

6:43pm Rivers moved to authorize Clerk to sign the statement saying that the Board approves the previous motion in an open session. Motion seconded by Pape. Roll call vote: Rivers aye, Stelmach aye, and Pape aye. Unanimously approved by the Board.

CUSTOMER COMMENTS

Hamilton noted that people were positively commenting on the Christmas tree lighting this year with the blue and white mix. Stelmach pointed out the impressive slide show made together by Dick Maki who had pictures of the houses in town with Christmas lighting.

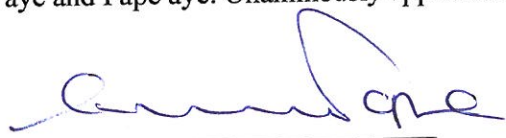
NEXT BOARD MEETING

Next Regular Meeting will be on January 20<sup>th</sup>, 2012 at 5:00pm.

MOTION TO ADJOURN

6:50 pm Rivers moved to adjourn Regular session meeting. Motion seconded by Pape. Rivers aye, Stelmach aye and Pape aye. Unanimously approved by the Board. Meeting Adjourned.

ATTEST:



George Pape, Clerk

DATE:

1/21/12

List of Referenced Documents:

- ❖ 2011 Town Services
- ❖ Project Background MMWEC: StonyBrook Unit 3 (July 2011)
- ❖ Trimming Bid Comparisons 2012
- ❖ SMLD Participation Acknowledgement Certificate-Special Project 2006A
- ❖ Proposed-Light Board Vote StonyBrook 3 Project