

**STERLING MUNICIPAL LIGHT DEPARTMENT
MEETING MINUTES**

Wednesday, November 17, 2010

BOARD MEMBERS: Matthew Stelmach, Chairman
Michael Rivers, Clerk

SMLD TRANSITION TEAM: Sean Hamilton-Manager Select
Chris Courville – Operations Supervisor
Gregory DeStasi – Interim General Manager
Sandy Pellecchia – Office Administrator

MINUTES: Michael Rivers-Clerk

CUSTOMERS: Mike Forance, Sterling, MA
Richard Maki, Sterling, MA
George Pape, Sterling, MA

Matthew Stelmach (Stelmach) opens the meeting at 5:00 p.m. Roll Call vote of members present, Rivers aye, Stelmach aye.

APPROVAL OF THE AGENDA

Michael Rivers (Rivers) makes a motion to approve the Wednesday, November 17, 2010 agenda as written, Matthew Stelmach (Stelmach) seconds the motion. Role call: Rivers aye, Stelmach aye. Unanimously approved by the Board.

APPROVAL OF MINUTES

Rivers makes a motion to approve and release the minutes of both the Monday November 1st, 2010 Regular Session minutes and the November 1st Executive Session minutes. Seconded by Stelmach. Role Call: Rivers aye, Stelmach aye

OLD BUSINESS

OLD BUSINESS-MUELLER INVOICE

DeStasi provides information on questions regarding invoices from Mueller Systems and ArKion related to the AMI system. DeStasi notes that we paid ArKion Systems \$20,000 towards the AMI system. He has written and called Mueller to get clarification. Stelmach appreciates DeStasi following up on an issue that has remained unresolved since being discovered by Board in June 2010. DeStasi confirms we are not paying Mueller until resolved.

OLD BUSINESS-INSURANCE

Discussion of insurance review that was requested by Board members in early June. Stelmach notes that he has just received a sheet showing SMLD insurance policies dated June 2010. Stelmach asks Pellecchia when it was provided to Board. Pellecchia says it was left in Board mailboxes several months ago. Stelmach and Rivers both note that they have never seen document, and have been waiting for information. Rivers asks about EAP policy that we decided not to review. Pellecchia says it is not insurance, so it is not listed. Rivers asks when we last reviewed the rates or coverage. Pellecchia says that we have just assumed that PURMA is giving us the best rates, no review has been done. Rivers asks if we pay PURMA any additional fees on top of the policy costs. Pellecchia is unsure, will look into it. Rivers notes that many of the policies listed have renewal dates of January 2011, are we going to

complete the review of all our insurance before renewing? Sean Hamilton notes that the SMLD insurance costs were one of the first items that he noticed when reviewing our previous DPU filings. Hamilton will take over insurance review ASAP.

OLD BUSINESS-SPRINT/NEXTEL

DeStasi notes that SMLD has been paying over \$200.00 per month for over a year for laptop data cards that no one has used. Two cards have never been out of box. DeStasi says Sprint will give us a six month credit for airtime on the unused cards, but not a refund on the price of the equipment. Rivers expresses his concerns that on almost every recent payment warrant the Board members have found excessive, unnecessary, or wasteful spending. Rivers wants to know why it is that with eight (8) administrative employees, it is up to the Board to catch wasteful spending. Pellecchia says that there has never been a process to review regular bills and invoices to make sure they are correct.

OLD BUSINESS – FINANCIAL ADVISOR / FY 2011 BUDGET

DeStasi says budget is still in process. DeStasi has not gotten anything in writing from Goulet-Salvidio yet, but will put in mailboxes in next few days. Rivers asks if we have gotten input from the supervisors regarding Capital requirements for the FY 2011 Capital Budget. DeStasi says it is still in process. Courville notes that there is still some FEMA work being done. Rivers asks if we are in agreement that we will use a standardized procedure for determining what is considered Capital cost.

NEW BUSINESS

NEW BUSINESS-EMAIL ACCOUNTS FOR BOARD

Stelmach asks that the Board members receive SMLD email addresses. Discussed and agreed on. Each Board member will receive an email address in their name, as well as a generic email address for the Chairman and the Clerk (ex. Chairman@energysterling.com).

NEW BUSINESS-RESIGNATION OF INTERIM MANAGER & ENGINEER

Stelmach notes that DeStasi is resigning to accept the position as Manager of Paxton Municipal Light. Board expresses their congratulations and accepts resignation with regret. It has been a pleasure to work with Greg. Stelmach asks for formal written resignation for the records.

NEW BUSINESS-INTRODUCTION OF NEW MANAGER / TRANSITION

Hamilton introduces himself and gives brief background, congratulates DeStasi. Press release was in newspapers this morning. Formal start date November 29th. Hamilton & DeStasi will have at least two full days of transition, plus phone and email communication. Board & Hamilton formally sign Offer of Employment. Customer Pape asks about whether offer is a contract. Rivers says it is not a contract. Discussion of whether to include Offer in Contract Book. It is agreed to make Offer available to anyone who asks. Stelmach says Interim Manager will put together status updates on all ongoing issues and projects, and provide to Hamilton and Board members. Rivers asks Hamilton about his bond as required by Chapter 164. Hamilton says he will complete and provide. Discussion of cell phone and vehicle exchanges. Stelmach notes that Offer of Employment is subject to driving record check and CORI check. Stelmach says he would expect that SMLD policy would require a driving record check of anyone driving an SMLD vehicle. Pellecchia notes that there is not currently any requirement for checking SMLD employees. Rivers notes that SMLD is not set up to do CORI or driving checks, so he recommends that we use the Town Human Resources Manager to perform the checks. Pellecchia says that the Council on Aging has required a few employees to be CORI checked. Rivers recommends that any SMLD employee that handles cash or payments, or enters onto a customer's property should have a CORI check. Rivers asks that we make sure that all our vendors have the correct name on the account, as many payment warrant items still list John Kilgo as the SMLD contact.

Pellecchia asks for Board's input into Ten (10) Year Plan. She notes that work on the 10 Year Plan (10YP) usually starts in August, but would like Board's input. Stelmach says that the past 10YP has been light on detail or useful information. Stelmach would like to see more practical useful information and data, rather than pictures. Rivers concurs. Rivers believes one of the most important parts of the 10YP is

the Capital Expense Budget to plan for major purchases, while incorporating some data on expected long term industry changes, such as transmission costs. Rivers believes that past SMLD 10YP's have been a collection of buzz words and had too much politics. Rivers says he'd rather have efforts focused on completing short term plans such as our first Operating and Capital Budgets. He'd like some of the Administrative problems fixed first, such as Operating policies, etc. Let's follow Chapter 164 and vote on an annual budget, which hasn't been done for at least five years.

Rivers asks what is the plan to replace the Engineer, do we contract out services or hire another Engineer? Hamilton will report back to Board after reviewing the situation.

BOARD VACANCY

Stelmach notes legal counsel has said that the ideal situation is to fill the seat by Town election, but because Sterling doesn't have a Charter, it is ambiguous. We will be filling empty Board seat by joint appointment with Select Board. Stelmach will notify Selectmen. Stelmach notes that he noticed today on the town web site that the position is listed with Donna Salluce as the contact. It is decided that it would be better for applicants to send request to Chairman Stelmach. Deadline for letters of application will be Dec 1st so that we can ask to hold a joint meeting on December 8th, 2010.

CUSTOMER COMMENTS

Customer Pape has three questions. First, are there still five SMLD employees taking vehicles home? Stelmach says yes, there has been no change in policy, but that the cost versus benefits of that policy will be reviewed by the new Manager. Second, will the SMLD be paying the departed Interim Manager a large check such as it did for John Kilgo? DeStasi says he is not eligible to sell back any sick time, but he has some accrued vacation that he will receive payment for. Third, Pape asks about the status of the legal opinion regarding releasing a legal opinion regarding conflicts of interest. Stelmach notes that legal opinions are not subject to FOIA. Rivers notes that he can appeal the opinion,

Customer Forance asks whether the SMLD has a Procurement Officer to oversee purchasing. Pellecchia says that there is one person responsible for office supplies, but that everything else is overseen by the individual person doing the purchasing.

Customer Forance asks whether the previous Manager was on the Town Insurance Advisory Board, and whether that should have included all insurance. Pellecchia says the advisory board was only working on health and dental insurance. Rivers notes that the former Manager had resigned from the Advisory Board long before retiring.

Customer Forance notes that the Board of Selectmen has agreed to post released Executive Session Minutes on the web site going forward. Stelmach notes that he was shocked to see the Selectmen vote to post Executive Session minutes because last year the Chairman of the Select Board opposed Stelmach's desire to post SMLD Executive Session minutes when he was Chairman of the Light Board.

Customer Forance asks about whether the Board was aware that the Town had listed the Light Board opening. Stelmach didn't know prior to today.

Customer Forance asks about getting information regarding construction work done by SMLD several years ago that he was denied access to by the previous Manager. Forance notes that the building permits don't seem to coincide with the work done at the time, and the name of the contractor(s) is not available. Forance notes that the previous Manager said that the name of the Contractors was protected by Chapter 164. The Board agrees that Forance should be provided with the information he requests. Mr Forance was directed to resubmit specific requests.

Following up on building maintenance, Rivers ask about whether we have had energy audits done on our own buildings. SMLD office often is unusually hot or cold, especially on weekends when no one is there.

We should be leading by example in energy efficiency. DeStasi and Courville discuss energy storage units. Stelmach asks where energy audits are?

Customer Pape asks follow-up details regarding his request for attorney's opinion.

Customer Maki asks that we hold Board meetings later so that more people can attend. Stelmach and Rivers both agree that later is preferable, and now that the Transition is finishing, that will be the case. Maki asks about video recording of some Board meetings. Rivers notes he was asked about this during the recent election campaign. Stelmach prefers that the meetings remain at the SMLD office. Rivers notes his concern that if video of the Board meeting is played, it should be played completely, without editing. Stelmach concurs. Maki notes possible problem with tape length. Customer Pape asks about internet connection to building, Maki says Comcast did not install network to SMLD office. Rivers notes that Board could perform it's own recording if Cable Committee is unable to play meeting in it's entirety. Maki and Board agree that if video is recorded or played, it will be played in it's entirety without editing of content.

NEXT BOARD MEETING

Next Regular Meeting will be on November 7, 2010 at 6:00pm.

MOTION TO ADJOURN

Stelmach asks for a motion for the Light Board to adjourn the meeting. Rivers makes the motion and Stelmach seconds it. Unanimously approved by the Board. The meeting adjourns at 6:18 p.m.

DOCUMENTS DISCUSSED OR REFERENCED IN MEETING:

1. Board's Offer of Employment to Sean Hamilton

Signed,



Michael Rivers, Light Board Clerk, 01/05/11