

**Hingham Municipal Light Plant
Thursday, March 8, 2007
Town Hall**

Attendees:

Walter Foskett, Chairman
Kevin Bulman, Secretary
John Stoddard, Commissioner
John Tzimirangas, General Manager

Agenda

1. Call meeting to order
2. Approve Previous Meeting Minutes (January 16, 2007)
3. Manager's Report
 - a. General Business
 - i. 2007 PILOT discussion
 - ii. Power Supply Services discussion
 - iii. Depreciation Transfer
 - iv. Rate Stabilization Transfer (SEMA issue)
4. REACH Wind Committee Update
5. Other Business
6. Executive Session (if necessary)
 - a. A motion to go into executive session for the purpose of discussing trade secrets and strategy with respect to litigation
 - b. A motion to end executive session and adjourn regular meeting
7. Motion to Adjourn

1. Call to Order

Chairman Foskett called the meeting to order at 6:05 p.m.

2. Approval of Previous Meeting

Upon a motion duly made and seconded, the Board unanimously agreed to table the minutes of the meeting for January 16, 2007.

3. Managers Report

a. General Business

i. 2007 PILOT Discussion

The General Manager stated that we are currently in the fourth of a five-year program and he wishes to readdress the current formula for projecting calculations of the payment into the future.

Secretary Bulman requested a comparative analysis in order to take into account new and expanding electric demands. Secretary Bulman inquired as to how up to date information will be, given that calculations would be based on prior year's numbers. The General Manager stated that in a normal growth pattern, differences should be nominal. The General Manager stated he will design and distribute a spreadsheet outlining the plan.

The Board discussed this current year's PILOT payment based on the report dated 3-15-04.

Upon a motion duly made and seconded, the Board unanimously agreed to transfer \$474,048.00 payment in lieu of taxes to the Town of Hingham.

ii. Power Supply Services Discussion

The General Manager distributed a draft/letter to MMWEC for the Board's review and requested feedback. The General Manager stated that a full discussion will take place at April Board meeting regarding this issue.

iii. Depreciation Transfer

Depreciation transfer through January includes final payments to Halpin Line contractors (Blue Cross project) and P.A. Landers, as well payments to Cogsdale and CDM for computer system upgrade project. Chairman Foskett inquired as to when Cogsdale computer project will be completed. General Manager stated that the end of June is the planned completion date for the Customer Service Management module. Chairman Foskett inquired as to whether the General Manager has received feedback from employees regarding the new system. The General Manager replied that there is general satisfaction with the new system; however some frustration exists with regard to work orders and requisitions. The General Manager stated also that the payroll system is in place and being used, and financials data are being migrated, with help from CDM.

Upon a motion duly made and seconded, the Board unanimously agreed to transfer \$243,046.30 from the Depreciation Fund to the HMLP Operating account.

iv. Rate Stabilization Transfer

Upon a motion duly made and seconded, the Board unanimously agreed to transfer \$319,620.81 from Rate Stabilization Fund to the HMLP Operating account based on a memo dated March 5, 2007.

4. REACH Wind Committee Update

Bids have been put out for installation of meteorological towers to six possible bidders. Out of the six bidders, three did not reply, and two of those that replied did not include a bid for installation. The General Manager has called these companies to inquire if they are interested in the installation of tower.

Pat Granahan inquired who the bidders were. The General Manager replied Global Energy, Lighthouse Electric, Second Wind and Ocean State Electric. An audience member asked whether Lighthouse Electric came in with a full bid. The General Manager replied that they did. Chairman Foskett inquired as to meaning of 'lease option' in one of the bids. The General Manager stated that Lighthouse Electric asked if we wanted to lease the tower rather than purchase. The General Manager feels that it would cost as much to lease as to purchase, because tower can be moved to another location and used again. The General Manager stated that the next step is to go to the Department of

Public Works and be put on agenda of the Town coordinating committee to discuss the project.

An audience participant inquired about the use of jersey barriers at the tower site. The General Manager stated that this will be at the discretion of whoever installs the tower. Chairman Foskett stated that we should file an application as soon as possible.

The General Manager stated that there will be a public meeting on April 4, 2007, 7:00 p.m. to 9:00 p.m. in order to educate the public on wind energy. A U-Mass representative will be attending. The General Manager stated that he would like to put together a panel in order to address Hingham-specific questions. Possible panel members include: Chairman Foskett, Joe Stigliani, John Tzimirangas, a REACH representative, and a moderator.

-Pat Granahan asked if panel could be 'firmed up'. Pam Harty, Clayton Handleman, Dick Morgan were added to participants. Secretary Bulman stated he would introduce the panel at the meeting. Chairman Foskett reiterated that this is still in exploratory stage of this project. It was noted that the meeting is only one and a half hours, so the committee must remain focused on the wind issue only. The General Manager stated that he has sent notice to Phil Edmundson to make the Selectmen aware of the public meeting.

5. Other Business

a. Warrant Signatures

Warrant Signatures were provided by the Board members

b. Correspondence

School Department Request for Funds

Chairman Foskett stated he has received a one-time request for \$150,000 from school department for particular upgrades of their IT infrastructure. Secretary Bulman stated that similar requests have been received in the past by the Town. Chairman Foskett stated that he sees no problem granting the request, but not at the cost of raising rates, and inquired whether there is currently an impact on rates. The General Manager stated that without knowing what rates will be, he is unable to guarantee there will not be an impact on rates. The General Manager stated that there have been significant expenditures this past year, and there may be more forthcoming as the company continues to build the electrical system to address the growth in Town. Commissioner Stoddard suggested transferring \$100,000.00, to which Chairman Foskett said it was his understanding that it was 'all or nothing'. The General Manager stated that this request was not in the 2007 budget, as is the normal PILOT payment. Secretary Bulman suggested two payments of \$75,000.00 each to lessen the burden.

Upon a motion duly made and seconded, the Board unanimously agreed to transfer \$150,000.00 in lieu of taxes, to be dispersed in parts at the discretion of the General Manager.

Pension Fund

Town credited themselves with HMLP's interest on pension fund. An Advisory Committee warrant article was distributed for review. Chairman Foskett inquired

whether language in article is correct. The General Manager stated that line #3 refers to "in the town's pension fund", and that this line requires clarification.

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the regular meeting 7:17 p.m.

Respectfully submitted,

Kevin J. Bulman, Secretary