

**Hingham Municipal Light Plant
Wednesday, June 17, 2009
Town Hall**

Attendees:

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

Agenda

1. Call meeting to order
2. Approve Previous Meeting Minutes
3. General Manager's Report
4. Other Business
 - a. Warrant Signatures
 - b. Correspondence
5. Executive Session
 - a. A motion to go into executive session for the purpose of discussing trade secrets, personnel and strategy with respect to litigation.
 - b. A motion to end executive session and adjourn Regular Meeting
6. Motion to Adjourn

1. Call to Order

Chairman Foskett called meeting to order at 6:00 p.m.

2. Approval of Previous Meeting

Upon a motion duly made and seconded, the Board unanimously agreed to table the minutes of HMLP Board Meeting of May 13, 2009

3. General Managers Report

HMLP Financial Reports

-An internal control check list has been established for the payroll department

-Financial auditors and DPU have stated that HMLP must have a system of reconciliation with regard to street lighting. Presently, only power is being accounted for. Through reconciliation, maintenance, installation and capital would be included.

-Vice-Chairman Bulman inquired where funds will be deducted from, and is it possible to credit existing PILOT payments?

- General Manager stated presently costs are being covered by ratepayers.
- Secretary Stoddard inquired whether there is a set rate to be charged?
 - General Manager stated that it may be necessary to begin incremental increases.
- Chairman Foskett inquired how increases would be applied?
 - General Manager stated that HMLP can charge what *actually* has been spent this year for streetlight maintenance and overtime in addition to power supplied.
- General Manager stated that actual numbers will be provided reflecting expenditures on a quarterly basis.

Actuarial

HMLP presently utilizes actuaries every three years, and this should be increased to every two years.

Trust Fund

HMLP has gained approval relating to Bill H5148, Section 20, therefore HMLP now has custodial rights of these funds as adopted and approved at HMLP board meeting of March 4, 2009

Upon a motion duly made and seconded, the Board unanimously agreed to accept HMLP Financial Report dated May 29, 2009.

Hingham/Braintree Coop

- General Manager distributed a memorandum defining items in co-op agreement and outline of what authority co-op partners have.
- Vice-Chairman Bulman inquired whether this could have a negative effect with other municipal lighting plants?
 - General Manager stated he did not foresee such issues.
- Chairman Foskett inquired what capital investment will be?
 - General Manager stated \$5,000.00 is initial investment.
- Chairman Foskett inquired how many directors there will be of the co-op?
 - General Manager stated three: one representative from both companies, and one independent director.

-General Manager stated that through the co-op, HMLP can do business with any other town. For example, HMLP could provide power from Hobart station to Hull. As of now, HMLP is not allowed to go out of its own territory.

-Chairman Foskett inquired about stimulus funds.

-General Manager stated that a co-op can go to the state for such funding; HMLP cannot pursue the State portion of the funds.

-Secretary Stoddard inquired if more municipal lighting plants would join the co-op at a later date?

-General Manager stated this is not likely, it would not be in the best interest of the partners to have too many parties involved.

Co-op Compensation and Payroll Issues

-Co-op would pay HMLP, and HMLP would, in turn, pay its employees for services rendered.

-General Manager stated that this program would benefit employee retention, due to additional work hours paid for by the company wanting services.

-Chairman Foskett inquired whether there is a General Manager of the co-op?

-General Manager stated no, there are no actual employees of the co-op.

--Administrative needs would be covered through the co-op and financed accordingly.

-General Manager stated that although the co-op will not provide very large revenue, it does allow HMLP to be involved in different and new projects that are not currently possible.

-General Manager will send a draft operating agreement to the Board for further discussion and review.

Upon a motion duly made and seconded, the Board unanimously agreed to accept and approve the concept of a co-op of HMLP and BELD to provide services and enter into projects as described in as described in memorandum dated June 15, 2009 describing co-op's activities.

4. Other Business

-Vice-Chairman Bulman stated that he has heard concerns from ratepayers regarding lower revenue over the past two years.

-General Manager stated that the Rate Stabilization Fund is being utilized, as is its intended purpose.

-Vice-Chairman Bulman inquired whether funds will be replenished?

-General Manager stated that funds will come out of monthly net income to recoup last year's losses.

-General Manager stated that with our new system, reports are generated on a regular basis, and we will have financial information on a regular basis, rather than only one per year.

5. Executive Session

-No executive session held

6. Motion to Adjourn

Upon a motion duly made and seconded, the Board unanimously voted to adjourn the regular meeting 7:30 p.m.

Respectfully submitted,

John A. Stoddard, Jr., Secretary