

**Hingham Municipal Light Plant
Wednesday, October 26, 2005
Town Hall**

Attendees:

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

Agenda

1. Call meeting to order
2. Review and Approval of previous Board Meeting minutes (September, Special Meeting)
3. Manager's Report
4. Correspondence/New Business
5. Executive Session
 - 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 return to the Regular Board Meeting
6. Motion to Adjourn

1. Call to Order

Chairman Stoddard called the meeting to order at 7:10 p.m.

2. Review and Approval of previous Board Meeting Minutes

Secretary Foskett inquired about Item 5 of September minutes. Was a commercial energy audit pilot program approved?
-General Manager stated Item 5 will be addressed again at the December budget meeting, after final presentation on the program.

Upon a motion duly made and seconded, the Board unanimously voted to accept the minutes of September 27, 2005, with changes.

3. Manager's Report

A. Retirement Trust Fund

-General Manager distributed memo to the Board with recommendations. The memo recommends bringing in the existing pension funds as separate HMLP depreciation account held by the Town Treasurer. No other action should be taken until an actuary is consulted regarding options for use of the funds including the pension liability and the upcoming OPEB that will require funding. HMLP needs to start funding the OPEB liability by 2008, General Manager feels it would be prudent to begin earlier with the funds available from the trust fund based on an actuary's schedule.

Upon a motion duly made by Secretary Foskett and seconded by Commissioner Bulman, the Board unanimously voted to accept recommendations of the General Manager.

-General Manager stated he will schedule a meeting with Dan Sherman, who is an actuary for the Town of Hingham. The Legal obligation for the Town Treasurer to have oversight of the Light Plant funds will now been met with the transfer of the Funds.

B. Substation

-The civil work has begun on the foundations. Tom Davis, who specializes in substation construction management, has been selected as Project Manager, working through Source One. Secretary Foskett inquired if Mr. Davis will be paid through Source One; General Manager replied that he would be. General Manager stated that thus far, under Mr. Davis, project has been moving along nicely. The circuit breakers have been delivered, the transformer is scheduled for late November/early December delivery and the switchgear has been behind schedule due to effects of storms in the south, where manufacturer is located. General Manager and Engineer would like to see this moved along and will be discussing with manufacturer. Projected date to energize the station is June, 2006

C. French Street/Ward Street Duct Bank

-The project was awarded to Sertex Corp. of Rhode Island. This project is a straight forward digging job due to start Monday, October 31, 2005. The completion date is September, 2006. The work will continue until November 15, 2005 and hopefully beyond, pending weather and per DPW approval. Installation will resume on April 15, 2006 to complete the projects. All easements for the project have now been secured.

D. East Weymouth

-The relocation project of the transmission lone switches is in the construction bidding stage. The equipment is starting to arrive and the project may get underway in late December or early January.

E. MMWEC

-a recent budget meeting had poor attendance from the membership. The A&G budget is proposed with an 11.1% increase. The General Manager is going to send letter to the MMWEC Chairman regarding concerns with this type of increase. A decision is needed by February as to whether HMLP will remain in MMWEC under the restate service agreement being proposed. The General Manager may ask MMWEC general counsel to attend a Board meeting to discuss the agreement.

F. Bulk Power

-The average cost for power in the SEMA area is projected to be 10.3 cents per kWh for 2006. The longer term (3-5 years) deals can get decent price but require the longer commitment. Indicative prices are due in Friday, October 28, 2005. The new generation project in Braintree will be complete by 2009. Secretary Foskett inquired how much power we could get from that plant and the General Manager replied we requested 15 megawatts which would cover HMLP's needs with the excess sold back to market.

A hydro-power option being explored would add to renewable portfolio-bids going in on Friday, 10/28/05 by several municipal utilities.

Under the Braintree proposal, HMLP would enter into a life of unit contract and HMLP would own its share and have equity and capacity in plant.

The General Manager stated that power supply should be divided up as it is too risky to get a large percentage from one source. There should be several pieces to the portfolio that can balance each other out.

4. Correspondence/New Business

-Secretary Foskett inquired about numbers for 3rd quarter. The General Manager replied that they are only up 2% due to power costs being up over 20% for the year and the loss of the NYPA (hydro) allocation and credit earlier in the year.

-State of Town Forum is scheduled for November 6, 2005. HMLP is not on the agenda but will be attending.

-Secretary Foskett inquired how many calls HMLP has received regarding bills; General Manager replied very few.

-The Substation project and French Street project will be mentioned in articles in the Hingham Journal on 10/27/05.

Upon a motion made by Commissioner Bulman and seconded by Secretary Foskett, the Board unanimously voted to adjourn the regular meeting 8:30PM.

Respectfully submitted,

Walter A. Foskett, Secretary