

**Littleton Light and Water Departments
Board of Commissioners Meeting
Minutes – March 30, 2004**

Present for the meeting:

Commissioners: Craig Gruskowski, Bruce Trumbull, Thomas Rauker, Joe McCumber, Joe Cataldo (arrived at 8:05 PM)

General Manager: Savas Danos

Assistant General Manager: Scott Edwards (arrived at 8:40 PM)

Staff: Kevin Goddard, Jerry Young, John Lanciani, Jennifer Pederson

Public: Dick Anderson

Meeting called to order: 7:08 PM

General

- 1) Approve Agenda-- Danos requested two additions to the agenda, General 7) Veryfine Update and Old Business 1) Vote on Bid Award. With no further changes, the Board unanimously approved the agenda with the additions.
- 2) Approve Minutes Board Meeting, Feb. 24—Upon Commissioner Cataldo's arrival, a motion was made by Commissioner Trumbull and seconded by Commissioner Cataldo to approve the minutes as written. **The Vote: Cataldo—Yes, Trumbull—Yes, Gruskowski—Yes.**
- 3) Meeting Updates—Danos informed the Board that Governor Romney would be in Littleton on April 1st to announce his "Smart Growth" initiative. The next Board meeting will be scheduled for Tuesday, April 27, 2004.
- 4) Employee Updates
 - a) Step Raise – Mike Allan - Line Dept.—Danos presented the Board with a step raise for Mike Allan from Lineman 2nd Class, Step I to Lineman 2nd Class, Step II. The Board approved as presented.
- 5) Discussion – Financial Contribution to Town Issue—The Board reviewed the spreadsheet compiled by PR Manager Goddard regarding PILOT contributions by other municipal light departments. Commissioner Rauker advised the Board that LELD is in the 90th percentile for PILOT contributions. Commissioner Rauker stated that he had talked to Town Treasurer Margaret Dennehy regarding free cash and Treasurer Dennehy stated that if we were to reduce our free cash it would jepordize the Town's bond rating. After some discussion, the Board agreed that the PILOT contributions made by LELD are more than appropriate and if the Board were to consider a greater contribution to the Town, it would adversely affect the ratepayers.
- 6) Tuition Reimbursement Policy Review and Vote—The Board revisited the policy and Commissioner McCumber suggested a \$3,000.00 per year cap on the amount of reimbursement. Danos stated he has concerns with a cap in light of rising tuition costs and the possibility of having to revisit the policy every couple of years. Danos also stated that some programs have time limits in which you must complete your degree and the cap may become

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problematic. Danos said that he feels it is reasonable to limit the courses to a state college. Commissioner Gruskowski stated that a ceiling was appropriate and that the Board could review individual requests if they went above the ceiling. Commissioner Rauker stated that different limits could not be set for individuals; the IRS will not allow different reimbursements because it would then not be a non-taxable reimbursement. Commissioner McCumber suggested it be the current state college fee per semester. Commissioner Trumbull suggested that the policy could be changed if necessary; Commissioner Rauker stated it would have to be consistent. Commissioner Rauker suggested a dollar amount rather than a number of courses per semester. Commissioner Trumbull suggested an annual cap of \$5,000.00; Commissioner Rauker concurred. Commissioner Rauker suggested a minimum time of one-year of employment before an employee can be eligible for the reimbursement. The Board agreed to table the vote until the next meeting to give staff time to write a final version.

- 7) Veryfine Update—Danos informed the Board that Veryfine had been sold to Kraft Foods. Danos stated that as part of the sale, \$15 million was going back to employees. Danos said he would be in contact with Kraft to discuss the future of the business.

ELECTRIC LIGHT DEPARTMENT
Action Items/Recommendations

New Business

- 1) Wind Power Feasibility Study Review and Vote—Danos presented a proposal from Richard Gross to conduct a wind power feasibility study. Danos explained that the New England Forestry Foundation had approached LELD with the possibility of using the Two Brothers property for wind opportunities. Danos stated he went to the Planning Board for an informal discussion and they were not opposed to it. Mr. Gross's proposal includes a year-long study for the feasibility and output for wind power in Littleton. Possible locations include Two Brothers, Newtown Hill and Oak Hill. Danos stated that after the Boards approval, he would contact New England Forestry to discuss the possibility of doing the study on Two Brothers. Commissioner Trumbull questioned the Environmental Constraints Assessment; Danos explained that it is an examination of all the environmental factors around the site and stated that we would be doing that internally. Commissioner McCumber asked about problems with birds and Danos stated that the turbines are slow and bird kill is minor. Danos stated that the wind mill would be visible and people would

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have to be in favor of it. Commissioner Trumbull suggested a survey in Watts and Drops; Commissioner Rauker suggested that we wait until after the feasibility study. Commissioner Gruskowski asked where the turbines would be placed; Danos stated that we would concentrate on one location. Danos stated that in exchange for the use of the land, the Forestry Foundation would be compensated. Commissioner McCumber asked about preliminary data; Danos stated that our location seemed favorable for 1-1.5 megawatts. Commissioner Rauker was in favor of the proposal and the exploration of wind power. Commissioner Gruskowski asked how this would be budgeted; Danos stated that it would be taken from general revenues. On a motion made by Commissioner Gruskowski and seconded by Commissioner Trumbull, the Board voted to approve the wind power generation feasibility study in the amount of \$10,000.00.

The Vote: Trumbull—Yes, McCumber—Yes, Gruskowski—Yes, Rauker--Yes.

Old Business

- 1) Substation Transformer Replacement Update -- The Board reviewed a memo from AGM Edwards regarding the replacement of Transformer 2. Danos stated that bids had been received for the site work for the new transformer and PLM had reviewed them and was recommending that the bid be awarded to the low bidder, Bay State Regional Contractors; they had just finished similar work at Wakefield Electric. Commissioner Rauker asked why the cost of the transformer was less than anticipated. John Lanciani explained that it was a supply and demand issue.
- 2) Devens Litigation Review and Vote – **Executive Session** -- At 8:35 PM a motion was made by Commissioner Trumbull and seconded by Commissioner Cataldo and unanimously voted by roll call to enter into executive session for the purpose of discussing litigation and return to the regularly scheduled session. **The Roll Call Vote: Cataldo - Yes, Trumbull – Yes, Gruskowski - Yes, McCumber - Yes and Rauker - Yes**

The Board reconvened the regular meeting at 9:12 PM.

Commissioner Cataldo expressed concern with retaining the services of Rubin and Rudman given their connection with Devens. Commissioner Cataldo made a motion to cease doing business with Rubin and Rudman and find another municipal attorney to represent the Littleton Light and Water Department. The motion was seconded by Commissioner

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Trumbull. Danos stated that we are currently involved with Rubin and Rudman on two power contracts that have gone into bankruptcy. Danos asked that the Board allow them to finish those issues; Danos stated that staff will begin to research other firms. Commissioner Cataldo withdrew his motion. AGM Edwards stated that Attorney Barna has served us well in the past; AGM Edwards stated has not talked with Attorney Barna about his concerns given the Devens situation. AGM Edwards suggested that we bring Barna in once the Devens issue is concluded.

Financials

- 1) Sales Report—The Board reviewed the sales report. Business Manager Young cautioned the Board that we need to closely watch the kWh power costs. Danos informed the Board that natural gas prices have not come down; he stated that we would be investigating options for the summer within the next couple of months. Commissioner McCumber asked about the PCA adjustments; Young stated that it covered our increase in power costs, but it will not add to our surplus.
- 2) DPU Report Signing—The Board reviewed and signed the DPU report.

Power Supply:

- 1) Power Supply Reports
 - a. Summary for Feb — Commissioner Gruskowski asked about our purchased power amount. Danos stated that it was 6.2 cents. Young stated that it has always been around 6 cents.
 - b. Power Supply Budget Summary — The Board reviewed without comment.
 - i. Jan
 - ii. Feb
- 2) Commercial Customer Usage — The Board reviewed without comment.

Updates: Quarterly Updates from Operating Departments For Review--

The Board reviewed the quarterly updates from the Electric Department. Commissioner Rauker asked what was being done with the Whitcomb Avenue facility. Danos stated that there were no plans right now for that building. It cannot be used for storage by the Town given that our wells are at that location.

WATER DEPARTMENT

Action Items/Recommendations

New Business:

