

**Littleton Light and Water Departments
Board of Commissioners Meeting
Minutes – April 27, 2005**

Present for the meeting:

Commissioners: Bruce Trumbull, Joe Cataldo, Joe McCumber

General Manager: Savas Danos

Assistant General Manager: Scott Edwards

Staff: Kevin Goddard, John Lanciani, Jennifer Pederson

Meeting called to order: 7:15 PM

- 1) Approve Agenda – Danos requested several additions to the agenda: General, 9) Executive Session -- Discussion pending litigation strategies and power supply contract termination strategies. Under Power Supply, 2) Distressed Asset Study and 3) NEPOOL RTO Vote. On a motion made by Commissioner Trumbull and seconded by Commissioner Cataldo, the Board voted to approve the agenda as amended. **The Vote: Trumbull – Yes, Cataldo—Yes, McCumber – Yes.**
- 2) Approve Minutes
 - a. March 16, 2005 – On a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull, the Board voted to approve the minutes as written. **The Vote: Trumbull – Yes, Cataldo—Yes, McCumber – Yes.**
 - b. March 30, 2005 -- On a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull, the Board voted to approve the minutes as written. **The Vote: Trumbull – Yes, Cataldo—Yes, McCumber – Yes.**
- 3) IG Update – Danos informed the Board that the Inspector General's investigation continues.
- 4) Upcoming Meeting Schedule – The Board reviewed the memo from Danos regarding upcoming meetings.
- 5) Current Board Make-up – Danos stated that the Board would be reorganizing after the town elections and based on past practice, Commissioner Gruskowski would be next in line for the chair position.
- 6) Employee Update
 - a. Step Raise – Evan Gioumbakis -- The Board approved as presented.
 - b. Bill Stewart – part-time summer help -- The Board approved as presented.
- 7) Incoming Project Review/Discussion – Danos provided the Board with a list

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asked if there was anything we should do to the infrastructure in that area to prepare ourselves if we decide we do want to sell to Acton; Danos informed him that we already have the infrastructure in place.

- 8) Letters/Articles -- The Board reviewed the letters including one from a gentleman running for light commissioner in the Town of Sterling.
- 9) Executive Session -- Discussion pending litigation strategies and power supply contract termination strategies. At 7:42 PM a motion was made by Commissioner Cataldo and seconded by Commissioner Trumbull and unanimously voted by roll call to enter into executive session for the purpose of discussing pending litigation and contract termination strategies and to return to the regularly scheduled session. **The Roll Call Vote: Cataldo - Yes, Trumbull – Yes, and McCumber - Yes**

The Board reconvened the regular meeting at 8:10 PM.

Electric Light Department:

New Business:

- 1) Tree Trimming Review – The Board reviewed the memo from Gil Finch regarding tree trimming activities in Littleton and Boxborough. Danos stated that LELD's net cost was \$58,000 since January. Commissioner McCumber stated that the cost for police details should also be included in the total.
- 2) Step-Van (Underground Van) Bid Acceptance Acknowledgement – Danos stated the bids had been opened for the underground utility van and the low bidder was Fleet Electric. Commissioner Cataldo asked if the memo was correct that we would not have the van until the end of the year; Edwards stated that Fleet was 8 months out. Danos asked the Board to acknowledge the bid. On a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull, the Board voted to accept the bid of Fleet Electric. **The Vote: Trumbull – Yes, Cataldo—Yes, McCumber – Yes.**

Financials:

- 1) Transfer from Rate-Stabilization to MMWEC Working Capital Account – On a motion made by Commissioner Trumbull and seconded by Commissioner Cataldo the Board voted to transfer \$478,813.00 from the Light Department's rate stabilization account to the Light Department's general

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it was probably costing us \$400-500,000 per year. The Board reviewed Edward's power supply forecast which shows that we will likely be \$800-900,000 over budget at the end of the year. Edwards suggested raising the PCA \$.005 and reviewing it again after the summer. Danos and Edwards stated that we may need to realign the rates in the future. Commissioner Trumbull stated that bringing the PCA adjustment before the Board was an appropriate process. Danos stated that as page 30 shows, the power costs have been the highest percent increase of all of our costs. Commissioner McCumber asked to see the power increases in kWh to compare how usage has increased in relation to cost.

- 3) Cash & Sales Report through March 2005 – Danos asked the Board to remember that there are a lot of upfront costs during the first quarter of the year such as insurance.
- 4) Budget Cover Page through March 2005 -- The Board reviewed without comment.
- 5) Large Industrial User Review – Jan – March – Danos stated that there are still a lot of empty buildings and some of the decreases in sales may be weather related.

Power Supply:

- 1) AGM Power Supply Forecast Update – On a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull, the Board voted to increase the PCA by \$0.005 effective immediately. **The Vote: Trumbull – Yes, Cataldo—Yes, McCumber – Yes.**
- 2) Distressed Asset Study – AGM Edwards stated that 15 municipals hired RW Beck to look at power plants that are owned by banks to see if they are worth buying and what the potential costs would be. Commissioner McCumber asked who owns the hydro in Rowe near Yankee; AGM Edwards stated he was not sure. Commissioner Trumbull stated that we should look at some of the deals that we enter that are too good to be true because maybe they are. Edwards stated that the price is not always the reason for entering a deal; he looks for competitive prices with low risk. Edwards stated that IOUs cannot own generation and municipals can, which can stabilize our rates.
- 3) NEPOOL Agreement – AGM Edwards stated that public power systems negotiated certain terms with the ISO and NEPOOL to form a Regional

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Water Department:

New Business:

- 1) Drinking Water Week Performance – The Board reviewed without comment.
- 2) RFP for Lake Treatment (CLC/LWD) – The Board reviewed without comment.
- 3) Veryfine/Commercial Customer Usage and Discussion – Danos stated that right now the budget is tight and hopefully by the end of the year Veryfine's usage will be increasing.

Financials:

- 1) Cash & Sales Report through March 2005 -- Danos said it has been a reasonable year and we are making some money; there is bonding that still needs to be paid but we are in balance.

With no further business before the Board, on a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull, the Board voted unanimously to adjourn the meeting at 8:58 PM. **The Vote: Trumbull – Yes, Cataldo— Yes, McCumber – Yes.**

Respectfully submitted,

Savas C. Danos

Date

Approved: May 25, 2005