

Town of Danvers
Electric Division



1 Burroughs Street
Danvers, MA 01923
978-777-2668

**TOWN OF DANVERS
Municipal Light Board
September 17, 2019**

Attendees:

Light Board Members: Stan Svensson and Bill Hayes

Absent Board Members: Mike Landers

Town of Danvers: David Lane, Mark Piccarini, Peter Korpusik and Clint Allen

Other: Fran Byron, Melanson Heath and Mark Zuberek - Resident

Scribe: Stephanie Doherty

The meeting was called to order at 8:30 A.M.

1. Receive Public Comments

- Mr. Zuberek was concerned with comments made at the last meeting regarding the DPU investigation. He thought it was an absurd approach to threaten to retaliate on those who signed the letter. Stan Svensson felt that Mark had misconstrued things.
- Mark asked if Danvers Electric provides rebates the same as Mass Save. David said we do have rebates but our program does not include boilers. Our rebate program was revamped last year.
- Mark asked if Danvers will use the Clearway Program? David said we had to train our staff when marketing companies call. We do not deal with private entities, only our customers. Danvers Electric customers will not buy power through Clearway they have to purchase it from us. Staff reviewed the Danvers Electric Solar Net Metering Program
- Mark requested a copy of the rate calculation that was submitted to the DPU. Clin Allen will send Mark this information.

A motion was made to close the Public Comments portion by Stan Svensson and was seconded by Bill Hayes. The motion passed unanimously.

2. Accept Minutes

A motion was made to approve the July 30, 2019 meeting minutes by Stan Svensson and was seconded by Bill Hayes. The motion passed unanimously.

3. Review of 2018 Financial Audit

Peter Korpusik introduced Frank Byron of Melanson Heath PC who performed the audit of the financial statements of the Town of Danvers Electric Division for the year ended December 31, 2018. Frank stated to the Board the audit went well and the financial statements are in accordance with general accounting standards. Frank then reviewed with the Board the results of their audit and recommendations.

Frank also thanked Peter and his team for their work in providing him with all the necessary information to ensure the audit is complete.

4. Financials

Peter Korpusik reviewed the financials through June 30, 2019. Peter stated revenues look good and we continue to have a positive cash balance. We are making every effort to keep the lower rates. Stan Svensson made a motion to accept the financials and Bill Hayes seconded. The motion passed unanimously.

5. PP&FA and Peak Savings Update

Clint Allen presented the PP&FA for October 2019, followed by a discussion with the Board. He discussed the recommendation to maintain the PP&FA charges for residential at \$0.04669 and for all others to maintain at \$0.04925 through December 31, 2019. Stan Svensson made a motion to accept and Bill Hayes seconded. The motion passed unanimously.

Clint Allen updated the Board on the temporary generator transmission and capacity savings for 2019.

6. Capital Projects Engineering Report

Mark Piccarini passed out the list and description of the Capital Improvement Program. He reviewed the status of each item including work completed to date and the planned next steps

7. NEPPA Annual Conference Review

Both Stan Svensson and David Lane attended the NEPPA Annual Conference held at the Omni Mt. Washington Resort, August 18-21, 2019.

Stan attended the Commissioner's Roundtable at the meeting. He shared with the Board a document handed out at the meeting called Ten Tips for Governance Excellence. Stan stated to the other meeting attendees that staying true to our Mission Statement is important to him.

David attended the Managers Roundtable at the conference. One topic of discussion was the need to update the Mutual Aid contract. He also mentioned a request for mutual aid assistance is going out now to help repower the Navaho Nation.

8. The Utility Director Will Provide an Update to the Board on Various Items of Interest

- Edward Bandar was hired to start on September 3rd as an Electrical Engineer.
- Richard Souza was hired as the DPW Director of Operations.
- Bob Brown and Jimmy Rosato are both back to work after being out due to workers compensation injuries.
- Public Power Week is October 7th thru October 11th. We plan on having our Employee Appreciation Breakfast on October 9th and Open House on October 10th.
- Jan Jefgood, Head Lineworker and Nate Frost, 1st Class Lineworker left on August 31st to assist Orlando Utility Commissions with Mutual Aid.
- The Electric Division will be presenting at the Citizens Academy on October 3rd. This is a 10 week program which began on September 12th where residents can get an up close view of our town government through a variety of classes and activities.
- The Elster Meters are scheduled to be shipped at the end of the month. We are working to get a team to install them.
- Will provide the Board with the FEMA refund data when it becomes available to us.
- David updated the Board on the funds recommended to establish, including Rate Stabilization, Depreciation and Operating.
- The Town manager is reviewing how the town payment in lieu of taxes is calculated and if this should be changed. It has not increased in many years.
- The Town Manager is interested in the Electric Division paying off its retirement liability.

9. **Board Members Closing Comments and Correspondence**

Bill Hayes

- Bill asked Frank Byron if he had any concerns with fraud. Frank said nothing was identified as a material weakness.
- Bill said building in a systematic approach for inventory control works better than training people.
- Bill asked were there any concerns on the depreciation fund regarding capital? David said it is adequate for this year and will look later this Fall to see if we need to increase the funding level.

9. **Board Members Closing Comments and Correspondence (continued)**

Stan Svensson

- Stan asked Frank Byron how our Gatsby compliance was. Frank said we are in compliance.
- Stan asked Frank if there was a role model on Inventory Control from another utility we should mirror? Frank said he would look into this and report to Peter.
- Stan asked Frank if there were any concerns with petty cash? Frank said no.
- Stan asked Mark Piccarini if we have any way of telling how old our transformers are and what is the load data? Mark said we have information on our GIS and they can also contact Dianne Ryan for the information.
- Stan asked when we would entertain a Feasibility Study for a new building? David stated maybe 2020 we could start to take a look. The most difficult part is finding a location.
- Stan asked what were the spools of cable in the town parking lot for? David said it belongs to the IT department.
- Stan asked Peter how many customers are using the iCloud. Peter will get the numbers to Stan.

Stan Svensson motioned to adjourn the meeting at 9:55 am and Bill Hayes seconded. The next meeting is scheduled for October 22, 2019 at 8:30am.

cc: Stan Svensson
Bill Hayes
Mike Landers

David Lane
Clint Allen
Mark Piccarini
Peter Korpusik