

**MINUTES OF THE  
MUNICIPAL LIGHT BOARD  
OCTOBER 30, 2014**

PURSUANT TO notice given the Wellesley Municipal Light Board ("Board") met in the Wellesley Municipal Light Plant ("MLP") Gordon F. Kingsley Board Room, 4 Municipal Way, at 5:30 PM.

**PRESENT**

Those present included Chair Katharine Gibson, Commissioners, Paul L. Criswell, Owen H. Dugan and Edward J. Stewart, III; MLP Director Richard F. Joyce and staff members Joseph A. Bisol, Kevin P. Bracken, Trevor P. Criswell, Debra J. Healy, Suzanne M. Newark, Kevin M. Sullivan, Daniel J. Trant and James W. Verner. Also in attendance was Advisory Representative Frank Pinto.

**CITIZEN SPEAK**

The Chairman presented all of those in attendance with the opportunity to speak on matters of interest with respect to the MLP. No one in attendance wished to speak.

**DIRECTOR'S ITEMS**

Ms. Gibson asked the staff to provide an update on the progress made in hedging winter prices. Trevor P. Criswell provided a comparison of November 28<sup>th</sup> energy prices to those of September 18<sup>th</sup> that were incorporated in the Five-Year Financial Forecast. The recent drop in energy prices has reduced projected power supply costs by almost \$2 million during this five-year period. For comparison purposes the staff uses April 2014 prices. Even with the price reduction, October prices are approximately \$4.00/megawatt-hour higher than April.

The staff plans to lock-in the remaining open position for November 2014 through February 2015 on Friday, October 31<sup>st</sup> employing the 100% balanced block strategy. Mr. Stewart asked what the MLP's open position was for Fiscal Years 2016, 2017 and 2018. Trevor Criswell estimated the MLP was 80% hedged in 2016 and 2017 and 50% in 2018.

**Demolition Change Order.** During the abatement of asbestos within the window caulking additional asbestos was discovered in the soffit. J. R. Vinagro provided an estimate of \$2,000 for removal of this material. Bristol Engineering, the company the MLP hired to oversee the demolition of the vacant administrative building recommended the approval of the change order in this amount. Mr. Joyce informed the Board that J. R. Vinagro has been very good to work with and was of the opinion the \$2,000 cost was reasonable. Upon a motion made by Mr. Stewart and seconded by Mr. Dugan, it was unanimously

**VOTED:** To approve the Change Order submitted by J. R. Vinagro to increase the Municipal Light Plant's demolition contractual payment obligation from \$286,600 to \$288,600 for the removal of asbestos located within the soffit that was not included in the original scope of work.

**Verizon Pole Purchase.** Mr. Joyce reviewed the Pole Sale Agreement and Pole Attachment Agreement between the MLP and Verizon. Based on the MLP's staff review of the purchase price and payment terms the Director was of the opinion the financial terms were favorable.

The Board and staff discussed the past problems encountered with severely rotted poles falling into the roadways with energized lines attached. Mr. Joyce noted that during Tropical Storm Sandy Verizon had a number of poles down and their crews were removed from Wellesley and transferred to other Massachusetts locations. Once the MLP obtains control over all poles in Wellesley the MLP would be in a better position to respond to electrical outages throughout Town.

The Board discussed the potential liability associated with energized electrical wires on the ground. Mr. Dugan discussed the contractual obligation for Verizon's transfer of their lines from double poles. The Director and Board reviewed the possibility of future benefits of owning all utility poles with the advancement of wireless technology. Mr. Verner updated the Board on the benefits the MLP and American Tower Corporation have already received for future "make-ready work" costs and scheduling for the distributed antenna system installation. Given the MLP's past investment in its distribution infrastructure and the productivity of line operations, Mr. Verner and Mr. Bracken were confident line crews could take on additional pole setting responsibilities without adding staff or paying overtime.

The Board reviewed the terms and conditions of both Agreements. Mr. Joyce noted that the contracts were complete with the exception of the insurance requirements. The MLP's attorney, James A. Goodhue, has received requested language changes from the Town's insurance provider regarding policy restrictions and the need to comply with the municipal tort protection law as defined within Massachusetts General Law, Chapter 258. Attorney Goodhue has reached a tentative agreement on the insurance issues with Verizon.

Mr. Joyce recognized the efforts of the MLP's negotiation team consisting of Debra J. Healy, James W. Verner and Trevor P. Criswell. The Board thanked the staff for reaching an acceptable solution with Verizon to eliminate future safety concerns. Upon a motion made by Mr. Paul Criswell and seconded by Mr. Dugan, it was unanimously

**VOTED:** To authorize the Municipal Light Plant Director to finalize the Pole Sale Agreement and Pole Attachment Agreement between Verizon and the Municipal Light Plant; it was further agreed the Director was authorized to execute the final agreements conditional upon the inclusion of insurance terms and conditions acceptable to the Town of Wellesley insurance provider and Attorney Goodhue.

#### ADJOURNMENT

The Board meeting adjourned at 6:00 PM.

Respectfully submitted,

\_\_\_\_\_  
Paul L. Criswell, Secretary