

**Mansfield Municipal Electric Department
Minutes of Light Commissioners Meeting
April 10, 2023**

Present: Chair Jess Aptowitz, Vice Chair Frank Delvecchio, Commissioner Neil Rhein, Business Manager Joseph Pereira, Light Department Manager Joseph Sollecito and Mayhew Seavey of PLM

The meeting was held at the Mansfield Town Hall, room 3AB and was also virtual via GoToWebinar. It was called to order at 5:40 PM followed by the Pledge of Allegiance.

A complete copy of the Board packet containing all documents that are referenced in the minutes is on file at the Mansfield Municipal Electric Department office.

**Motion: To designate Neil Rhein as acting clerk
(Delvecchio/Aptowitz) Passes 3/0**

**Motion: To approve the minutes of the March 20, 2023 Light Commissioners meeting
(Delvecchio/Rhein) Passes 3/0**

**Motion: To approve the minutes of the March 29, 2023 Light Commissioners meeting
(Delvecchio/Rhein) Passes 3/0**

Citizens Comments - none

FY24 Operating Budget – MMED Business Manager Pereira presented the operating budget. He stated that MMED will decrease the PPCA to \$0; increase the PPC base rate \$0.0176; increase the distribution charge (\$0.01 per kWh); and increase the monthly customer charge. He reviewed a chart showing there was an increase in energy sales of 5% to 12% during the time period between 2018 to 2022.

Mayhew Seavey of PLM stated that energy costs are significantly lower than they were a few months ago and capacity costs are decreasing. He said that spot market energy purchases have come way down from where they were expected to be. He did note that transmission costs continue to increase and as of right now there is a 20% decrease in the average cost of purchased power.

Commissioner Rhein questioned the increase from \$6 to \$8 in the monthly residential customer charge. Business Manager Pereira said that based on his market research, it should actually be doubled instead of increasing by \$2. Manager Sollecito noted that MMED has been underfunding this.

FY24 Capital Budget – Manager Sollecito presented the capital budget. He explained there are four types of capital projects, one time projects; recurring projects; billable projects and general plant improvements. There are 24 new capital project investments and one carry over project from FY23 equal to \$3,464,700 for FY24. Manager Sollecito reviewed the more important projects which he said MMED will be chipping away at while the remainder on the list are standard projects. He also noted that MMED has prepared a five year budget.

Commissioner Rhein questioned replacing the Taurus and asked who uses it. Manager Sollecito said the engineer and office staff use it. Due to a recall, the Volt cannot be driven at this time. Commissioner Rhein thought it would be more cost effective to have the employees drive their own car and be reimbursed. Chair Aptowitz didn't think buying another car was necessary and thought it was totally unacceptable that the Volt was sitting unusable. Manager Sollecito said the purchasing clerk has been following up on having the Volt repaired. Manager Sollecito believes it is still appropriate to purchase the new vehicle due to maintenance issues.

Chair Aptowitz questioned the facility enhancement project. Manager Sollecito said that is the upgrade on the seven bathrooms in the building as well as four offices for the clerical staff.

Cash Reserve Analysis – Manager Sollecito reviewed a cash reserve analysis. He said the five risk factors to consider were O&M expenses; power costs; historical investment in assets; annual debt payment and a total five year capital plan. He noted that the last time MMED did this was 2019.

After review, the total of these five items requires a minimum of \$11,059,014. With the new evaluation, the recommended minimum cash reserve is just under \$15M (\$14,575,578).

Rate Changes – Mayhew Seavey of PLM presented proposed rate changes for June 1, 2023. He said that the present residential rate is \$0.1820 and will drop to \$0.1383 while the commercial rate is 30%-40% lower than National Grid. Chair Aptowitz asked if Mr. Seavey would say that the average residential bill will decrease by 20% and he answered yes. Chair Aptowitz asked Manager Sollecito to reach out to the Town side with the rate change information for their budgeting purposes.

Motion: To approve the FY24 Operating Budget
(Delvecchio/Rhein) Passes 3/0

Motion: To approve an amended FY24 Capital Budget less the purchase of the \$45,000 automobile
(Rhein/Delvecchio) Passes 3/0

Motion: To approve the new rates as proposed for June 1, 2023
(Rhein/Delvecchio) Passes 3/0

Wholesale Delivery and Supply Service Rate – Manager Sollecito told the Board that MMED was approached by National Grid and asked to provide service to a mid-sized plant in Foxboro. MMED proposed to extend three phase to the Foxboro line and National Grid will take it from there. He said the customer will not be charged the rate that would normally be charged to a Mansfield customer, it will be higher since it is wholesale delivery service. Mr. Seavey said that it is less than the Foxboro customer would be paying National Grid but they made sure that Mansfield customers are not subsidizing it.

Motion: To approve the Wholesale Delivery and Supply Service Rate
(Delvecchio/Rhein) Passes 3/0

PILOT Allocation – Manager Sollecito explained that a PILOT is a “payment in lieu of taxes”. MMED makes this payment to the Town as municipalities do not pay taxes on their assets. Last year the Board voted to pay \$780,000. Manager Sollecito said there are different standards in every utility and that FY22 was the last time that MMED actually did the calculation.

Motion: To approve the PILOT payment to the Town for \$780,960
(Delvecchio/Rhein) Passes 3/0

General Manager’s Performance Review for FY23 – Chair Aptowitz explained that all five Board members were given a questionnaire with 16 questions for which they scored 1 to 5 with 1 being unsatisfactory and 5 being outstanding. He read all of the questions and each of the five scores given to Manager Sollecito for an overall average of 4.3 from all five Board members. Commissioner Rhein said he appreciated Manager Sollecito’s communication and Vice Chair Delvecchio commented that this is a very good evaluation. Manager Sollecito thanked the Board for their support. He also thanked Chair Aptowitz and Vice Chair Delvecchio for their service as this was their last Light Commissioners meeting.

Comments from the Commissioners – Commissioner Rhein suggested that the MMED website reflect that Mansfield is a green community as he believes this is a selling point. He also suggested that MMED provide an orientation for the upcoming Board members. Manager Sollecito offered that any new members can come to the MMED office and sit with him.

Vice Chair Delvecchio thanked Manager Sollecito and said that he always tried to do what was best for the Town at all times during his years of service.

Chair Aptowitz said that after fifteen years, it was time for a change and time to move on. He thanked everyone and wished the Light Department employees all the best.

Motion: To adjourn at 7:11 PM
(Delvecchio/Rhein) Passes 3/0

Respectfully submitted: Jacqueline Lee


Signature of Clerk

5-22-23
Date of Approval