



November 8, 2021
STERLING MUNICIPAL LIGHT DEPARTMENT
REGULAR SESSION
MEETING MINUTES



DATE: November 8, 2021

LOCATION: SMLD, Zoom & Rear Board Room
50 Main Street, Sterling, MA

BOARD MEMBERS: Joe Curtin (Curtin), Chairman
Brian Pierce (Pierce), Vice Chair
Eric Darlington (Darlington), Clerk

SMLD STAFF: Darren Borge (Borge), Manager
Sean Hamilton (Hamilton), Consultant

MINUTES: Patty Page

5:00 pm. Meeting called to order; Curtin stated that the meeting is subject to audio recording. Roll Call
Attendance: Darlington present, Curtin Present, Pierce present.

1. PLEDGE OF ALLEGIANCE

Board members in attendance pledge allegiance to the flag of the United States of America

1.A Safety Announcement - Equipment in office

2. Approval of Agenda – **Darlington made a motion to approve agenda as written**, Pierce seconded, no discussion, all in favor, Darlington aye, Curtin aye, Pierce aye.

3. Manager's report given by Darren Borge: Tabled until regular monthly meeting.

Pierce wants attachments to be added to the minutes or a note addressing the attachments.

4. Unfinished Business

- a. Rate Study Update: 9/22 preliminary cost of service – no updates or changes, still updating. 2021 Total sales are approximately \$1M up from 2020 DPU report for total KWH Sales. 2020 \$8,386,000 in Revenue Sales, 2021 \$9,908,872. Loss factor 3-4% part of operating cost. Currently 63,000 MW sales. Projected 67,000MW Sales for year end 2021.

5. New Business - Borge presented 2022 Budget to board.

2022 Budget Presentation Review:

- Added cost of boom mower. \$115/hour for 3rd Party Boom Mower Operator. The DPW is looking to go with loader attachment for street side mower. Curtin stated that there needs to be more of an effort to do preventative measures.
- Pole Replacement and Maintenance – need to get the work done and replaced for fiber to stay ahead. (replaced 57 poles in 2021 and 37 in 2020). SMLD needs bigger financial commitment and prioritizing pole changes. Each year try to do at least 100/yr. Currently SMLD has approximately 5,000 poles.
- Property insurance increase of 20/30%. Workers Compensation increased as well as adding 3 new employees.
- Projected income from 40B projects (Northgate Meadows & South Meadow Village).

- Hamilton commented on FCC Tax – Verizon may not have to take care of the copper, they could potentially just abandon their current distribution system. Currently 911 ruling keeps it in place.
- Reallocating \$25k from 2021 Budget for Replacement of Yellow F250, and put funds towards the garage renovation. Spoke with Auditors and can add cost for materials and labor to depreciation – significant upgrade. 3% going forward after completed.
- Fiber – Capital Cost Reimbursement 60/40 split. 40% of Capital Investments from Electric to be paid back from fiber department (fiber to reimburse electric. Keep track of fiber as separate line items in budget.). Fiber will then carry 40% of that depreciation value going forward.
- Infrastructure will become asset. And depreciation value will be split 60/40
- Fiber generating revenue, but not covering capital. Fiber needs to plan to be able to cover indirect costs in budget.
- Added 3 new fiber employees
- Curtin commented that need to be able to show numbers for Fiber and Electric as separate budgets in future years
- Hamilton looking into Fiber grant for November.
- Increase costs – tree trimming, boom mower, insurance, Workers Compensation, property. Conference costs down due to Covid.
- Payroll – potentially adding part-time account receivables, currently Assistant General Manager and Operations Supervisor are vacant.
- Need to evaluate if a staff accountant is necessary in the i for transition of existing accountants future retirement .
- Curtin wants more detail. Pull fiber out so you can compare – then you'd be approving electric and a fiber budget.
- Vehicle replacement to be added to list.
- Projected revenues \$560k
- 4% system losses.

6) FUTURE AGENDA ITEMS AND SCHEDULE NEXT BOARD MEETING: Next meeting November 29, 2021 @ 5 pm.

7) Executive Session

At 6:50 pm **Darlington made a motion to go into Executive Session (1) under M.G.L. Chapter 30A: Section 21(a), Clause 10 (to Discuss Trade Secrets or Confidential, Competitively-Sensitive or other Proprietary Information Provided in the Course of Activities Conducted by a Governmental Body as an Energy Supplier – (7.1) New Customer Inquiry, only to return to regular session to adjourn,** Pierce seconded, no discussion, Roll Call Vote, Curtin aye, Pierce aye, Darlington aye, all in favor.

7:12 pm meeting adjourned.

ATTEST:



Eric Darlington, Clerk

DATE:

3/16/22

BOARD APPROVAL FOR RELEASE:

3/16/22