

MARBLEHEAD MUNICIPAL LIGHT COMMISSION

Monday February 25, 2019

80 Commercial Street, Commissioner's Conference Room, Marblehead, MA

Minutes

Present for the meeting were: Commissioners – Chairman Hull, Homan, Maccario, Tumulty and Johnson. General Manager Kowalik, Manager of Finance Dugan and Finance Assistant Barrett.

Chairman Hull opened the meeting at 4:01 P.M.

Minutes:

Vote #2019-5

It was moved by Commissioner Johnson and seconded by Commissioner Homan to approve the minutes of the February 4, 2019 meeting. **Unanimous.**

Financial Report:

Finance Manager Dugan distributed the Financials without the final December 2018 Operating Statement as we are currently still in the middle of closing the books for 2018. They will be up to date at the next Commission meeting.

The Purchased Power Adjustment for February 2019 remains at .27 cents per Kwh for all customers.

General Manager's Report:

Wilkins Plant Restart:

General Manager Kowalik informed the Commission that the MMLD Compliance Report was delivered to DEP last Friday, February 22nd. QuietStar Industries completed additional sound mitigation February 21st. MMLD is continuing preventive maintenance and will be doing test runs later this week. MMLD did not request reconfiguration market coverage for March or April. We need to be ready for ISO dispatching as of March 1st. High bid price should keep us offline.

80 Commercial Street Renovation Update:

General Manager Kowalik discussed with the Commission an update on the renovations. Total project expense to date is \$8.66 million without open PCOs. Finished items include the upper garage three south facing windows, parking lot lighting and 1st floor garbage

disposal. The ChargePoint EV charger is partially installed, baseboard heating has been installed in the meter room and the lower garage linemen sink is partially installed as well. The well-water heat problems continue. Items remaining to be done include Commercial Street fencing and gate, Hammond Park fencing, substation air conditioning, north wall extend gutters to full length and entry rails. The FEMA or MA CZM reimbursable improvements are currently on hold.

Closing Steps on MMWEC Pooled Loan Financing:

General Manager Kowalik discussed with the Commission an update on the MMWEC Pooled Loan Financing. MMWEC provides a pool of funds for members to borrow on, the total pool is around \$27 million of which MMLD is in for \$4.5 million on the 80 Commercial Street Renovation Project. MMWEC is in the process of finalizing the documents and terms and targeting a March 22nd closing date for the financing. The Pooled Loan Program Loan Agreement and Promissory Note need to be approved and signed by the General Manager prior to March 22nd.

Vote #2019-6

WHEREAS, pursuant to its votes taken at the July 25, 2017 meeting of the Town of Marblehead Municipal Light Department (“MMLD”) Commission (“Commission”), the Commission, among other things:

- 1) approved the Pooled Loan Program Loan Agreement (“PLP Loan Agreement”) which had attached to it the Pooled Loan Program Note (“Note”), substantially in the forms presented to the Commission at the July 25, 2017 meeting;
- 2) authorized the General Manager of the MMLD to execute and deliver the PLP Loan Agreement and Promissory Note (“Note”), substantially in the forms of the PLP Loan Agreement and Note presented to the Commission at the July 25, 2017 meeting;
- 3) authorized and approved the borrowing of funds by the MMLD from MMWEC, from time to time, pursuant to MMWEC’s Pooled Loan Program.

WHEREAS, the General Manager of the MMLD executed the PLP Loan Agreement, effective as of September 22, 2017; and

WHEREAS, MMLD now desires to refinance its obligations under the PLP Loan Agreement, evidenced by the Note; and

WHEREAS, in order to effectuate the refinancing, a new Note must be issued in order to reflect the changes to the principal amounts and schedule of payments due to the refinancing.

WHEREFORE, in an abundance of caution and in order to avoid any ambiguity as to whether MMLD's obligation evidenced by a new Note reflecting the refinancing was approved on July 25, 2017, it is voted that:

It was moved by Commissioner Tumulty and seconded by Commissioner Maccario to

VOTE: For purposes of both: (1) St. 1975, c. 775 § 6, which authorizes the Town of Marblehead, as a member of MMWEC acting by and through the MMLD by vote of the MMLD Commission, to borrow funds from MMWEC to be repaid by the MMLD pursuant to the Pooled Loan Program; and (2) the Pooled Loan Program requirements contained in the PLP Loan Agreement, as approved by the Commission on July 25, 2017, the Commission hereby delegates to the General Manager of the MMLD the authority to execute any number of amendments to the PLP Loan Agreement and/or the Appendices thereto (including but not limited to Appendix A [including Attachment 1] to the PLP Loan Agreement) and/or any number of promissory notes in various amounts (not to exceed the amount of the original Note), at various times and for any number of purposes contemplated by, consistent with and pursuant to the PLP Loan Agreement, without the need for further approval or action by the Commission, including but not limited to the Amended Attachment 1 to Appendix A and the Note required to evidence the refinancing of the Note executed by MMLD on September 22, 2017, substantially in the forms of the Amended Attachment 1 to Appendix A and the Note presented to the Commission at this meeting and made a part of the record of this meeting.
Unanimous

VOTE: The Commission hereby confirms and ratifies the votes taken at the July 25, 2017 Commission meeting with respect to the Pooled Loan Program ("Prior Votes").
Unanimous

VOTE: That the above votes adopted today provide the authority to the General Manager of the MMLD to execute, accept, and deliver, on behalf of the MMLD and with advice of legal counsel, such further amendments to the PLP Loan Agreement and/or Appendices thereto and any and all related notes, as the General Manager deems reasonably necessary and may be required to carry out, give effect to and consummate the PLP Loan Agreement, all as set forth above, without the need for further approval or action by the Commission.
Unanimous

MEAM-sponsored House Bill 3054:

General Manager Kowalik discussed with the Commission House Bill 3054 which was unanimously approved at a MEAM meeting and was sponsored by State Representative Tom Golden and State Senator Anne Gobi. It pertains to non carbon emitting energy, not Renewable Energy, which includes nuclear, hydro plus renewable. Goals were set for non carbon emitting energy levels as follows: 2021-7%, 2030-40%, 2040-60% and 2050-80%. Penalties for not hitting the goals are paid into an escrow for local carbon free projects.

NREL Renewable Energy Optimization:

General Manager Kowalik discussed with the Commission an update on NREL. The billing terms have been finalized between MMLD and NREL. There has been a second revised statement of work with NREL.

Glover Landing-records request status:

General Manager Kowalik informed the Commission that he has been looking over the Glover Landing records request from Nicholas Mango and Elizabeth Garthe-Elmwood Road, Swampscott and that we have a 30 day window period to review and probably will not go any further into it.

Vote #2019-7

It was moved by Commissioner Homan and seconded by Commissioner Tumulty to adjourn at 5:15 P.M. **Unanimous.**