

PRINCETON MUNICIPAL LIGHT DEPARTMENT
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BOARD OF LIGHT COMMISSIONERS

**MARCH 16, 2017
4:00 PM**

EMERGENCY MEETING MINUTES

The meeting was called to order at 4:02 PM.

Present were: Commissioner/Chairman, Jim Whitman, Commissioner Chris Conway, Commissioner Tim Cochrell and PMLD General Manager, Brian Allen.

Agenda:

The Board voted unanimously in favor (3-0) to accept the March 16, 2017 agenda as presented.

The Board acknowledged the need to call for an emergency meeting to discuss and vote on time-sensitive windfarm loan/bond refinancing processes that were unforeseen and outside the Board and General Manager's control. Mr. Allen confirmed for the Board that Massachusetts Open Meeting Law G.L. c. 30A SS 18-25 allows for such a meeting. Within the law an emergency meeting is defined as "a sudden, generally unexpected occurrence or set of circumstances demanding immediate action". The Board acknowledged that the meeting and agenda was publicly posted online through Virtual Town Hall on March 16, 2017 at 12:15 PM on the Town of Princeton's public meeting calendar. A copy of the meeting and agenda was also posted at the Princeton Municipal Light Department at 168 Worcester Rd Princeton MA.

PMLD Board Vote on Confirmation and Ratification of Authorization of Pooled Loan Program (PLP) Loan Agreement and Promissory Note:

Mr. Allen explained to the Board the emails he received this week from representatives at the Massachusetts Municipal Wholesale Electric Company (MMWEC) and Attorney, Brian McGrail regarding plans to move the pool financing short-term loan into a bond this week and secure the lowest interest rate possible through Bank of America. Mr. Allen reminded the Board that this issue was originally voted on in February 2015 authorizing Mr. Allen to refinance the old windfarm loan through MMWEC's pool refinancing program. Mr. Allen explained that MMWEC requires an attorney's opinion letter to be filed with the bond documents; however, Attorney McGrail informed MMWEC that he cannot provide an opinion letter until all of the electric department Boards of Directors/Commissions for each town involved in the bond take another formal vote for confirmation and ratification of the authorization of the pooled loan program agreement and promissory notes votes that were taken two years ago to resolve ambiguity and alleviate future issues regarding the General Manager's authority to enter into Notes under the PLP Loan Agreement. Mr. Allen provided a copy of the March 16, 2017 email from Attorney Nick Scobbo "MMWEC – Pooled Loan Program – Princeton" (a copy will be placed on file). Mr. Allen also provided the Board with a copy of the loan repayment schedule (a copy will be placed on file) detailing the amounts paid from March 2015 through current - March 2017. PMLD has paid just

over \$1.1M on the original \$6.8M pool refinanced loan. The balance of the loan will be calculated and a new promissory note will be provided once the bond paperwork is complete. A copy of the written legal document detailing the Confirmation and Ratification of Authorization of Pooled Loan Program Loan Agreement and Promissory Notes Votes was provided to the Board (a copy will be placed on file).

Chairman Whitman read into the record the following:

**CONFIRMATION AND RATIFICATION OF AUTHORIZATION OF POOLED LOAN PROGRAM LOAN
AGREEMENT AND PROMISSORY NOTES**

WHEREAS, by votes taken at the February 5, 2015 meeting of the Princeton Municipal Light Department Commission (“Commission”), the Commission, among other things:

- (i) 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 thereof presented to the Commission at that meeting;
- (ii) authorized the General Manager of the Princeton Municipal Light Department (“PMLD”) to execute and deliver the PLP Loan Agreement, substantially in the form of the PLP Loan Agreement presented to the Commission at that meeting; and
- (iii) authorized and approved the borrowing of funds by the PMLD from MMWEC, from time to time, pursuant to MMWEC’s Pooled Loan Program; and

WHEREAS, the General Manager of the PMLD executed the PLP Loan Agreement, effective as of March 16, 2015; and

WHEREAS, on the terms and conditions contained in the PLP Loan Agreement, PMLD borrowed funds from MMWEC and executed a Note in favor of MMWEC evidencing PMLD’s promise to pay MMWEC the funds borrowed, the form of which Note was attached to the PLP Program Agreement as approved at the February 5, 2015 meeting; and

WHEREAS, PMLD now desires to refinance the obligation evidenced by the Note pursuant to the PLP Loan Agreement; and

WHEREAS, a question has arisen with respect to whether the votes taken on February 5, 2015 encompass the authority to refinance the obligation evidenced by the Note through the issuance of a new Note in the same form as that approved on February 5, 2015; and

WHEREAS, it was the intention of the Commission, at the time the votes were passed at the Commission’s February 5, 2015 meeting, that the General Manager be authorized to execute such documents necessary or desirable for the PMLD’s participation in the Pooled Loan Program and to participate in the process outlined in the PLP Loan Agreement, including refinancing loans or undertaking additional new loans evidenced by Notes substantially in the form of the Note approved as part of the PLP Loan Agreement, without the need for further approval or action by the Commission; and

WHEREAS, in an abundance of caution, the Commission desires to confirm and ratify the votes taken at its February 5, 2015 meeting in order to avoid any ambiguity with respect to the process followed under the PLP Loan Agreement and to clarify the Commission’s authorization and approval of said process:

WHEREFORE, it is voted:

Chairman James Whitman made a motion:

VOTE: 17-1 That for purposes of both: (1) St. 1975, c. 775 § 6, which authorizes the Town of Princeton, as a member of MMWEC acting by and through the PMLD by vote of the PMLD Commission, to borrow funds from MMWEC to be repaid by the PMLD pursuant to the Pooled Loan Program; and (2) the Pooled Loan Program processes and requirements contained in the PLP Loan Agreement, the votes taken on February 5, 2015, with respect to the Pooled Loan Program provide and delegate to the General Manager of the PMLD the authority to execute any number of Notes in various amounts, for any number of purposes and at various times, all as contemplated by and pursuant to the PLP Loan Agreement, without the need for further approval or action by the Commission, including but not limited to the Note required to evidence the refinancing of the Note executed by PMLD on March 20, 2015, substantially in the form of the Note presented to the Commission at this meeting and made a part of the record of this meeting.

Commissioner Tim Cochrell seconded the motion. All were in favor (3-0).

Chairman James Whitman made a motion:

VOTE: 17-2 That Commission hereby confirms and ratifies the votes taken at the February 5, 2015 Commission meeting with respect to the Pooled Loan Program. ("Prior Votes").

Commissioner Chris Conway seconded the motion. All were in favor (3-0).

Chairman James Whitman made a motion:

VOTE: 17-3 That the authority delegated to the General Manager of the PMLD by the Prior Votes includes the authority to enter into such amendments to the PLP Loan Agreement and/or any and all Notes as the General Manager, with the advice of counsel, may deems necessary or appropriate, without the need for further approval or action by the Commission.

Commissioner Tim Cochrell seconded the motion. All were in favor (3-0).

Chairman James Whitman made a motion:

VOTE: 17-4 That the Prior Votes provide the authority to the General Manager of the PMLD, with the advice of counsel, to execute, accept, deliver or perform obligations for such further documents, or agreements and take any and all further actions, as the General Manager deems reasonably may be required to carry out, give effect to and consummate the PLP Loan Agreement and any and all Notes, without the need for further approval or action by the Commission.

Commissioner Tim Cochrell seconded the motion. All were in favor (3-0).

The Board acknowledged that PMLD is still a member of MMWEC until the bond obligation is paid off. The bond has a 10-year repayment plan.

At 4:23 PM the Board voted unanimously in favor (3-0) to adjourn.

Respectfully Submitted,

Christine Trudeau

Recording Secretary