

Minutes
Town of Belmont
Municipal Light Advisory Board
BMLD Conference Room, 40 Prince Street
Tuesday, January 28, 2014
7:15 P.M.

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I. CALL TO ORDER:

A regular meeting of the Board was called to order at 7:20 PM by BMLAB Chair Brown.

Present: BMLAB Chair Brown, Vice Chair Forrester; MLAB Members DiOrio, McClain, Klionsky; BMLD General Manager Palmer, BMLD Staff Klubnichkina, Murphy; BMLD Project Team Joseph; BMLD Legal Counsel Foskett; Sustainable Belmont Members.

Absent: Member McVay

II. APPROVAL OF MINUTES DATED 12/10/13

The Board moved: To approve the minutes dated 12/10/13.

The motion passed unanimously (5-0).

III. FY13 FINANCIAL REVIEW

Klubnichkina reported on the preliminary Belmont Light 2013 Income Statement and Balance Sheet. Klubnichkina explained some items of significance, including that 2013's net profit was \$101,000.00 less than the previous year due to an \$180,000 increase in sales revenue that was offset by a \$74,000 decrease in other revenue and a \$207,000 increase in expenses. Also, non-operating income for 2013 was \$113,000 lower than 2012 due to a lack of reimbursements for storms that occurred in 2012. Compared to 2012, total power costs decreased \$114,000 because of the expiration of high pre-set contracts. Meter costs increased by \$26,000 due to maintenance and license fees for new software. General administrative salaries increased \$82,000, as Belmont Light recently hired to fill an IT position. Advertising and marketing expenses increased \$27,000 because of the website improvement project and the outsourcing of communications and community outreach functions.

McClain suggested distributing an itemized balance sheet in order to more easily track the numbers that Klubnichkina presented. It was agreed that when Klubnichkina prepares the final report, she will utilize footnotes in order to provide more detail. Palmer stated that a Permanent

Audit Committee meeting will likely take place in April. It was agreed that Belmont Light staff will confirm this date. The final report will be distributed to the Board in April.

IV. PRICING POLICY

Brown requested an update on the dynamic pricing pilot program. Palmer stated that members of the Belmont Light staff have not started work on the pilot program since they are currently focused on the Emission-Free Renewable Generating Facility Phase II rollout. Palmer stated that because Belmont Light is now sufficiently staffed with key personnel in IT and Customer Service, the company will be able to support more of the Board's initiatives.

Palmer also stated that there have been problems with Cogsdale in performing its most basic billing tasks. Upgrading and testing the software has been expensive and very disruptive. He suggested outsourcing the complex billing tasks associated with the dynamic pricing pilot program, which could offset the costs of upgrading equipment and testing the software. It was agreed that Belmont Light staff will research available alternatives and report their findings to the Board.

V. BOARD COMMUNICATIONS

Palmer stated that future Board meetings will be more structured around specific business topics. Example topics include financial reporting, power supply, and energy resources programs. To allow Board members sufficient time in planning for meetings, specific business topics will be scheduled on a cyclical basis and meeting materials will be distributed in advance.

McClain then requested that meeting material be distributed at least 5 days in advance. She also stated that the meeting minutes format should go into more detail, so that absent Board members would be effectively informed on meeting content and occurrences that they missed. Brown stated that he is not convinced full transcripts of meetings are needed. Palmer stated that the current format used is consistent with that used by the Selectmen and the Warrant Committee. Foskett noted that sometimes too much detail within minutes can lead to unintended consequences. He also suggested, based on his prior experience with meeting minutes, a Board member is usually responsible for preparing them. It was agreed to have meeting transcripts and recordings given to McClain to prepare for Board approval.

The Board moved: To appoint McClain as Advisory Board Secretary.

The motion passed unanimously (5-0).

McClain brought up the issue of meetings that Palmer attends outside MLAB meetings and how to report their happenings back to the Board. When such meetings occur, Palmer should send an email to inform the Board what was discussed. Brown stated that sending such emails is in violation of the Open Meeting Law. Foskett explained that it can violate the Open Meeting Law if two or more people are involved in the email. Brown suggested that they need some guidance as to what is permitted or not under the Open Meeting Law; there is a fine line between deliberation and negotiation within email-based communication.

Foskett stated that an email coming from Palmer—not from a Board member—with the intent to update members on recent Belmont Light meetings is permitted if no board members respond. Foskett stated that at the ends of such emails, it must be written that items mentioned in emails will be added to future meeting agendas.

VI. TRANSMISSION SUBSTATION UPDATE

Palmer stated that he met with the Planning Board to present the 20 Flanders Road Site Plan. The Planning Board was very pleased with the presentation and unanimously approved the Site Plan.

Sustainable Belmont member Thayer asked Palmer if, during the construction phase, the substation will be in compliance with the local noise bylaw. Palmer stated that noise studies and testing were conducted and expected noise levels will be below what is required by the town bylaw.

Palmer stated that the demolition bid went out on January 16th and there were 38 requests for documents. On January 23rd, during a mandatory pre-bid walk-through, 18 companies were represented. Masonry sub-bids are due February 13th and will be opened publicly. The general bid opening for demolition is scheduled for February 27th. Palmer hopes to award construction contracts by mid-April.

VII. ADJOURNMENT

The Board moved: into Executive Session at 8:20 PM.

Executive Session: to discuss trade secrets or confidential, competitively-sensitive or other propriety information provided in the course of activities conducted by a governmental body as an energy supplier under a license granted by the department of public utilities pursuant to section 1F of chapter 164.