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Minutes

Town of Belmont

Belmont Municipal Light Board

Selectmen's Meeting Room, Town Hall

Monday, May 13, 2019

6:00pm

I-CALL TO ORDER

A meeting of the Light Board was called to order at 6:09pm by Vice Chair Adam Dash. Board Member Roy Epstein was present. General Manager Chris Roy was present. Chair Tom Caputo would arrive to the meeting shortly after it commenced.

II-PRESENTATION OF 2018 AUDITED FINANCIAL STATEMENTS

Maria Makar-Limanov first presented highlights from the internal control report. Two areas had been identified as 'significant deficiencies' in internal control: 1) Collections related to protected customer accounts - these accounts represent customers having necessary medical equipment, hence service may not be discontinued for non-payment. Makar-Limanov explained that Belmont Light had implemented organizational changes to increase focus on collections and customer service. 2) Customer lien accounts. It was recommended that Belmont Light should reconcile these accounts with the Town of Belmont on a periodic basis for more accurate tracking.

Makar-Limanov proceeded to review the Financial Statements. Overall, Belmont Light was in a stable financial position relative to the previous year. An increase in the net position of ~15% was largely a result of implementing GASB accounting standards for Other Post-Employment Benefits (OPEB). Net operating income was up to \$3.5m from \$2.8m in 2017.

Makar-Limanov noted the previously approved \$1m transfer from the Rate Stabilization Fund, to reduce unexpected expenses arising from the Eversource issue. Caputo asked if the transfer was still necessary given the increased operating income. Roy explained that timing affects the request for the transfer (bills are due) and that a conservative approach is taken to ensure Belmont Light can provide the PILOT to the Town.

In terms of power supply, Belmont Light was currently hedged at 80%, with the rest coming from spot market. The power supply portfolio consisted of 33% renewables; Dash noted this was the highest it had ever been.

Makar-Limanov requested the Board sign off on the annual Department of Public Utilities (DPU) report – this was a different grouping of accounts from the financial statements, though the underlying numbers were the same as had been presented. Roy noted that the team was continuing work on the budget book, which would align more closely with the DPU report. Caputo reiterated a request for the budget book to present relevant comparisons across years, as well as with other communities where possible.

Motion: To accept and sign the Town of Belmont / Belmont Light Department of Public Utilities form for the year ending December 31, 2018, as presented. (Vote passed 3-0)

III-DISCUSSION ON DISTRIBUTED ANTENNA DEPLOYMENT

Roy provided context surrounding the issue of potential small cell antenna deployment in Belmont. This item was prompted by receipt of two formal applications, currently pending, to install 5G cell antennas on light poles near Belmont Center (the Board of Selectmen would hold a public hearing on the applications the following day, May 14). Recent FCC guidance had put pressure on utility companies to support the 5G rollout, though it was unclear exactly how this applied in the case of municipal light plants.

With respect to Belmont Light's perspective on the deployment:

- Concern about possible poor aesthetics associated with the antenna installations, would reflect poorly on Belmont Light from a community perspective.
- Concern over safety from untrained technicians installing the antennas on BL owned poles.
- Other providers may want similar treatment, could lead to a 'peppering' of antennas in a given area.
- Attachment fees are regulated at the federal level; the fees are nominal, would not adequately cover the costs/associated risks of having antennas on BL poles.
- Would negotiate heavily the charge for providing a necessary backhaul fiber connection.
- Inquired as to why private buildings could not be used instead of BL poles.

In sum, from the perspective of a municipally owned utility, Roy's preference was to not allow for deployment of these antennas on Belmont Light poles; however, with 5G rollout this may not be an option due to the FCC rules. If deployment were to move forward it was preferable to use decorative light poles over pole attachments, with any changes to existing poles coming at the cost of the developer.

[Ellen O'Brien Cushman (Town Clerk) appeared at the meeting to notarize the DPU financial report that had just been approved by the Board.]

IV-VOTE TO ACCEPT THE RESIGNATION OF ROY EPSTEIN FROM LBAC

Motion: To accept the resignation of Roy Epstein from the Light Board Advisory Committee. (Vote passed 2-0; Roy Epstein recused himself).

V-DISCUSSION OF CANDIDATES FOR APPOINTMENT TO LBAC

Steve Klionsky (Chair, LBAC) joined the meeting. Dash suggested limiting discussion towards filling the slot just vacated by Epstein, although there was likely to be another spot opening up in June. Chair Caputo invited applicants who were present at the meeting to provide some background and their motivations for serving on LBAC. The following candidates were present: Michael Macrae, Jon Abe, Gordon Low, and Xiaoguang (Shirley) Wang.

Klionsky expressed that all the candidates had excellent qualifications; he noted that appointing Wang would add a needed element of diversity to the Committee. Epstein pointed out that the charge of LBAC includes having someone with expertise in electrical systems engineering, a qualification currently missing from the Committee and possessed by Wang. Dash and Caputo were both supportive of appointing Wang as well.

Motion: To appoint Xiaoguang Wang to the Light Board Advisory Committee through the remainder of Roy Epstein's term. (Vote passed 3-0)

VI-GENERAL MANAGER UPDATE

[Item deferred due to time considerations.]

VII-FUTURE MEETING DATES

[Item deferred due to time considerations.]

VIII-ADJOURNMENT

Motion: To adjourn. (Vote passed 3-0)