

**Minutes**  
**Town of Belmont**  
**Belmont Municipal Light Board**  
**Virtual Meeting on Zoom**  
**Monday, May 18, 2020**  
**5:30pm**

**RECEIVED**  
**TOWN CLERK**  
**BELMONT, MA**

DATE: July 24, 2020  
TIME: 9:50 AM

**I-CALL TO ORDER**

A meeting of the Light Board was called to order at 5:32pm by Chair Roy Epstein. Vice Chair Adam Dash was present; Board Member Tom Caputo arrived into the meeting. Belmont Light General Manger Chris Roy was present.

**II-APPROVAL OF MEETING MINUTES**

- April 27, 2020:  
*Motion: To approve the Belmont Municipal Light Board regular session minutes of April 27, 2020.*  
*(Vote passed 2-0, roll-call vote: Roy Epstein, Adam Dash)*

**III-UPDATE ON EV CHARGING RATE PROPOSAL**

Epstein had circulated an update to his memo on EV charging rates; the update included a table showing rates for EV charging stations implemented by other surrounding communities with municipal light plants. The average charge was \$1 / hour.

No vote to be taken at present – still planned to follow up with the Belmont Center Business Association.

**IV-REVIEW OF 2020 BELMONT LIGHT BUDGET**

Roy gave an overview of the most recent version of the budget (Revision 4). The budget numbers took into account the potential effects of COVID-19 on the economy through the end of 2020. Projections were centered on the assumption of a W-shaped economic recovery, where-in a rebound was expected in the summer, followed by a decline in the fall associated to a possible second wave of the virus, ending in another recovery at the end of 2020. This version also incorporated adjustments to prior projections taking into account actual Belmont Light customer data from March and April.

- Overall projections for a 6% system-wide load reduction due to COVID-19 impact had largely been borne out by the data thus far. Residential demand was actually up 2% in terms of load (more people at home), whereas commercial/industrial/municipal load was down.
- There had been reductions to power costs resulting in reduced expenditures. Market REC prices were noticeably lower compared with prior projections.
- Tracking COVID-related expenses in anticipation of a possible reimbursement, but this was not factored into the budget analysis.
- Collections, penalties, fees and shutoffs were suspended during the COVID-19 crisis.

A projected overall net return of 5.62% (not including PILOT) was safely below the DPU maximum of 8%. Factoring in the enhanced PILOT payment for 2020 (further discussion below) the projected return was 1.23% or \$480k. Epstein relayed from the most recent LBAC meeting that concern had been expressed over such a slim margin of return, especially given the amount of uncertainty with COVID-19.

[Caputo arrived at 5:57pm.]

Discussion turned to focus on the plan for an enhanced PILOT payment for 2020 and 2021. The plan called for a \$1.15m PILOT at the end of 2020, which amounted to an additional \$500k over the PILOT that was normally made each year (\$650k). In addition, Belmont Light planned to make another \$1.15m PILOT payment in 2021, in two stages – one in the spring (\$500k) and then the usual \$650k at the end of calendar year 2021. The reason for this timing was that the first payment would coincide with the Town's Fiscal Year 2021; the net effect was that Belmont Light would be contributing an additional \$1m in total to the Town's FY21 budget. PILOT would be reduced in subsequent out years to make up for these enhanced payments.

Roy had requested a memo from legal counsel about the appropriateness of this payment scheme. The memo advised that PILOT contributions were voluntary and could not be made at the expense of reduced Belmont Light operations, or an increase to rates. Roy pointed out that if budget projections for the year did not hold, the amount of the PILOT may have to be adjusted in order to sustain Belmont Light's operations.

Epstein raised two issues that he felt were not adequately addressed by the memo: 1] whether a PILOT must be made out of the current years' surplus, or could be made from other reserves; 2] could a PILOT payment legitimately be made early in the calendar year 2021 (vs the standard practice of making near the end of the year), given that there was little certainty at that point in time about the projected surplus for the year. Roy would arrange a phone call with legal counsel, Epstein and Light Board Advisory Committee Chair Klionsky to clarify these issues.

#### V-GENERAL MANAGER UPDATE

Roy announced that as of July 13 he would be leaving Belmont Light to join another utility. He was currently working on a transition plan. Roy expressed appreciation for the accomplishments the team at Belmont Light had made under his tenure; Epstein likewise expressed appreciations for Roy's contributions, and disappointment that he would be leaving.

Roy proposed to hold an executive session to discuss the future plans for Belmont Light management, as they involved personnel matters. The meeting was planned for Friday May 22 at 7:30am.

#### VI-PUBLIC COMMENTS

[There was none.]

#### VII-FUTURE MEETING DATES

- June 15, 2020.

#### VIII-ADJOURNMENT

*Motion: To adjourn at 6:36pm. (Vote passed 3-0, roll-call vote: Roy Epstein, Adam Dash, Tom Caputo)*