

**MINUTES
TOWN OF BELMONT
BELMONT MUNICIPAL LIGHT BOARD
GOVERNANCE PUBLIC FORUM #1
VIRTUAL MEETING ON ZOOM
DECEMBER 14, 2020
7:00PM**

**RECEIVED
TOWN CLERK
BELMONT, MA**

DATE: January 13, 2022
TIME: 3:07 PM

I. CALL TO ORDER

Chair Adam Dash called a meeting of the Municipal Light Board (MLB) to order at 7:01 p.m.

Present for the MLB were Chair Dash, Vice Chair Tom Caputo, and Member Roy Epstein. Present for Belmont Light was General Manager Craig Spinale and Communications Coordinator Aidan Leary. Also present was Counsel for the Town of Belmont, George Hall.

II. PUBLIC FORUM ON GOVERNANCE OF BELMONT LIGHT

Chair Dash said there had been discussion on changing the governance of Belmont Light for years, so he was glad to finally be holding a public forum to that effect.

Dash started by reviewing the history of Belmont Light and the Municipal Light Board, including the establishment of Belmont Light (Belmont Municipal Light Department) in 1898 and the formation of the Municipal Light Board in 1938. He next gave an overview of the current governance structure for Belmont Light, the options that had been discussed for a change in the governance structure, and the process that would take place for each change. Dash said that Board was working toward bringing the issue to the April 2021 Town Meeting.

Caputo praised the work that had been done to bring the governance issue to the point it was at. He said that the forum was mainly to hear from the public on the issue, but he wanted to acknowledge that it did make sense to have Town Meeting look at the governance structure. He said there were challenges in the current situation and that the utility industry had gotten a lot more complex in the past few decades, so it made sense to bring in more expertise for the Board.

There was discussion about there being a quorum of the Light Board Advisory Committee (LBAC) and the Energy Committee. Dash and Hall agreed that, if those bodies refrained from deliberating, there were no Open Meeting Law issues.

Epstein said that while the governance structure had remained the same since 1938, the discussion of a change in governance had been going on in some form since 2002. He said the discussions came to a head earlier in 2020. He said he hoped the issue could be dealt with expeditiously, since any change would not be instantaneous. Dash reviewed the timelines for implementation of each proposed change.

Dash turned to public questions. Some questions were written via the Zoom chat box, and some were asked directly by residents. A summary is as follows:

Q: Are term limits being proposed for a potential new Board?

Dash said that had not been discussed at this point and that there are currently no term limits for any public body in Belmont.

Q: Could someone please speak to what some of the recent issues are that were alluded to, and what thoughts you have about what would have prevented such problems?

Dash said the former General Manager, Chris Roy, raised concerns over the governance structure and the interaction between the Light Board, LBAC, and the General Manager.

Resident Anthony Alcorn commented that this issue was critical for climate action purposes, that in the future all energy consumption in Belmont should be electric, so there is need for expertise in getting this right.

Q: What is the process in terms of what will be done with ideas you hear tonight from the general public? Will you make recommendations based on what you hear at Town Meeting?

Dash said the Board had previously discussed this idea, created the matrix presented on the screen, were now taking comments from the public, and planned to discuss it and hopefully winnow it down from four ideas to two or one, and then would hold another public forum to further discuss the elimination process.

Q: Will an elected or appointed light-board be compensated? Can Adam comment on any not-so-obvious advantages to each of the options?

Dash said a separate Light Board would not be compensated. He said the advantage of the appointed board would be that you could appoint individuals who are more skilled at utility topics compared to others. On the other hand, Dash said, appointed members are not accountable directly to the voters. For the elected board, Dash said members would be accountable directly to the voters, but the downside could be that people have no knowledge on the topic or in the field. Dash said the hybrid board comes with a mix of the pros and the cons of both the appointed and elected bodies.

Resident Christopher Morris reiterated Dash's point about the pros and cons of each structure. He added that, with an appointed board, it is easier to make difficult decisions without politics involved.

Q: With the various board structures, could you talk a bit about how any problems (e.g., performance, financial, hiring, firing) would be handled?

Dash noted that Belmont Light is different from the Town and that under Massachusetts law, the General Manager is given strong power over the operation of Belmont Light, as well as the ultimate budget.

Q: What does "Adopt Town Charter" mean? I'm familiar with Home Rule, but don't know the Town Charter.

Hall said not every town has a charter, but it has become more common for towns to design their own governing structure aside from the options prescribed in Massachusetts General Laws (MGL). Adopting a town charter can be done through the charter commission process or by petitioning the state legislature to enact a charter. Hall said while adopting a charter was an option, it would make the entire process of governance change much more complex.

Q: Is there any more or less danger that a corporate (fossil fuel company) interest could manipulate the selection and stack the board in any of these scenarios?

Dash said they would have to run a candidate and that candidate would have to win or would have to be appointed to the board.

Q: Is there any more guarantee that members appointed would be knowledgeable about electricity or business vs. elected members?

Dash said there is no guarantee that any member would be knowledgeable, but that currently everyone involved seems to take their duties seriously. He said the Select Board takes applications for appointments, vets the candidates, and sometimes interviews them, but that even being so diligent cannot guarantee anything. He said the same applied for elected boards.

Q: Have comparisons or investigations been made to the operating structure of other MLPs in respect to their Boards?

Spinale said Belmont Light had done a survey of all 40 other municipal light plants (MLPs) to determine their governance structures. He said around half of the forty have an elected board made up of three members. There are several with five members as well as seven light boards with appointed members. There are four other boards that are similar to Belmont Light with the Select Board serving as the Light Board.

Q: To potentially address the issue with the elected board not having the knowledge/background for the job, Is it possible to require a candidate to have some basic skill / experience/ knowledge that would be required for them to be able to run?

Dash said most likely not. Hall added that he was not aware of any elected office that allows the town to attach any qualifications other than being a registered voter for the town, as outlined in state law.

Rick Rys, Chair of Princeton Light Board spoke on his own personal experience and what he felt worked best for the Princeton Light Board, which is made up of three elected members. He said he had been on the Board for four years. He commented on how this works in his town and said he favored an elected board. He said that the Princeton Light Board has control over everything, including hiring and firing the General Manager and said the Princeton Select Board is not involved in the Princeton MLP at all. Hall confirmed that MGL Chapter 164 states that a light board has control over the hiring and firing of a general manager.

Caputo asked about Princeton's experience in having competitive Light Board elections, whether there is a sufficient number of good candidates. Rys said that while the town is at the mercy of who the public elects, the electric utility industry is so robust that Princeton has not had any issues with getting good candidates with relevant experience to run.

Eric Fisher, Commissioner for Groton Electric Light Department, gave his experience as a newly elected commissioner. He said Groton has had a three-member board since the utility was founded in 1909. He said the problem with a three-member board was that the Open Meeting Law requires any conversation between two commissioners to be a posted meeting, so he strongly recommended a five-member board. He added that those who run for the Light Commission in his opinion tend to self-select, that general managers are capable of handling the operational issues, so there is no need for commissioners to have a deep understanding or industry experience. He said a good commissioner should be interested in the utility and committed to the success of the project. The Board asked Fisher additional questions about the setup in Groton.

Q: I'm a Precinct 1 resident. I've been in the Energy Committee for 2 years (I'm no longer in the committee). I can't stay for the rest of the meeting but I have a preference for a 5-member elected board. Thank you for all the work that you do.

Q: I am a precinct 1 member. I have to leave the zoom meeting, but based on the discussion, I believe that the proposal of 5 elected members is the best option for Belmont.

Q: Are there training materials available on the internet for incoming board members to help them learn how to do their job and learn the relevant policy information?

Dash said there is a lot of great information on the Belmont Light website, including past budgets and meeting minutes, that he used when he first ran for Select Board. Dash and Caputo also discussed the other materials and communities available to incoming board members.

Timothy McCarthy, former General Manager of Belmont Light from 1994-2005, reviewed the history of the establishment of LBAC. He said a committee had been set up by statute to study the opening of the energy markets in 2002, and that instead of disbanding that committee, the Light Board had continued to give it projects. McCarthy said when he retired in 2005, the Light Board made that committee permanent as the Municipal Light Advisory Committee. He said the appointed setup worked well.

Q: There are lots of resources about energy, utilities. ISO and MMWEC have websites.
Dash agreed that there are plenty of resources to educate yourself further.

Q: How many of the 41 municipal light boards have been appointed? How many of the 41 munis have been elected? Pls show the bar chart.

Spinale showed a bar chart up on the Belmont Light website demonstrating MLP governance types in Massachusetts. He said of the forty municipal light boards there are twenty-nine elected boards, with twenty of them being three-member boards and nine being five-member boards. As for the seven appointed boards, three are three-member boards, three are five-member boards, and one is a seven-member board. For the four boards where the Select Board serves as the Light Board, Belmont is the only three-member board, with the remainder being five-member boards.

Q: What is the actual statutory/legal relationship between Belmont Light and the town?

Dash said that the Light Board guides the policy of Belmont Light, while the General Manager oversees the day-to-day operations of the utility. He said that Spinale, as General Manager, can and does consult with the Board on a number of things, although that has not been the case with all other General Managers. Hall added that although Belmont Light is technically a town department, light departments in Massachusetts operate in a unique way and are given more autonomy different from any other type of departments

Resident Mark Wagner raised a question about the Light Board setting electric rates and the effect that it would have on the PILOT (payment in lieu of taxes) that Belmont Light pays to the Town on a yearly basis. Spinale said that any rate-setting responsibilities would be in the purview of the Light Board, however it was set up. It would also be up to the Light Board to determine the PILOT. There was discussion on the setting and appropriateness of electric rates, as well as the mechanism of the PILOT. Wagner said he was a strong supporter of action on this issue and that he supported an elected board.

Q: I have to go - best of luck in your process! It's not my place to make a recommendation but I can say that Groton has had a good experience with an elected Board. I like the idea of a 5-member board especially with a town your size and your ambitions to become carbon neutral in such a short time frame. It can be a strain on a select board to try to govern the light department along with all of the other tasks.

Dash said it has been a privilege to serve on both the Select Board and Light Board.

Q: There seems to be hypothetical worries about either elected (not qualified) or appointed (maybe not accountable). Are there horror stories about either of these? (Belmont has its MLAB story, for instance.)

Dash said he was unaware of any horror stories.

Q: I would like to offer my support for a 5 member elected board. It is my experience that there is strong interest in the citizenry about the issues that lie ahead, and a wealth of talent. 5 members allows for a diversity of views (in addition to getting around that open meetings problem). I would hope that beyond taking on the important matters of electrification in service of climate, issues like municipal broadband could be brought into the collective expertise of a 5 member committee. I think Belmont Light is a community resource that has served our community well, and can do even more.

Dash noted that Belmont Light and the Light Board had been discussing municipal broadband through Belmont Light for a few years. There was discussion about how the Light Board/Select Board handles conversations in keeping with the Open Meeting Law.

Q: Based on the charts you've shown for other towns, it's clear that the trend/majority have an elected Light Board. I believe that people who would run would most likely have the interest, dedication and background to bring us into the new century with green/renewable energy, which is my preference. I don't think we'd have problems finding people to run, based on the fact that there are currently 7 volunteers who are already working on the LBAC. Because Selectmen already have so many matters to focus on, and because electricity is an exceedingly complex arena, and because I like simple and elegant solutions, and because I prefer direct accountability to the voters, I'm in favor of a structure of a 5-member elected Board. I prefer a 5 to 3 member Board for the reason discussed by another contributor tonight who talked about the issue when 2 members of a Board have a discussion, then that constitutes a requirement to report.

Dash said he understood, but that there were differences between being appointed to LBAC and running a political campaign.

There were multiple comments in favor of a five-member elected Light Board.

Q: Haven't the historical electric rates been artificially low because of externalized costs—of fossil fuels' impact falling on future generations and property of people whose land is impacted by mining/clearing for tar sands mining/fracking/impact from global warming? If the Light Board were to raise rates to match actual costs to humanity and ecosystems, can those be put into infrastructure change to make Belmont carbon negative and incentivize conservation?

Spinale said by statute, there is a cap on how much profit an MLP can make, set at 8% over costs. He said when Belmont Light reaches that cap and then takes out all the funds that are reserved for future repair or rate stabilization, the amount of money left is much smaller. Spinale said, because of that, it is unlikely that Belmont Light would be able to raise rates to combat climate change, that there is a limit set by statute based on the electric distribution system.

Q: Could a selectman run for an elected position on the Light Board, should Belmont go in that direction?

Hall said that a person can run for as many elected offices as they wish and serve in as many public bodies as the voters chose them for.

Q: Being on the Select Board vs. being on the Light Board requires very different skills and level of expertise. Needing to serve on the Light Board is almost an "afterthought" or a side-effect of being on the Select Board. Most importantly, not having to be the Light Board lightens the load on the SBs plate.

Dash said that he enjoyed being on the Light Board and did not think he needed to have his load lightened, therefore, he did not think that was a reason to make this change. He said the Select Board Members have lots of different parts to their job that people might not think of.

Q: Perhaps a non-sequitur, and something that can't be answered, but it's puzzling to me why are none of the LBAC members, or the people who spoke tonight, women? Does this imbalance occur to anyone else on this call?

Dash noted that there have been women writing in with questions and comments so that there are women present in this meeting. He added that there have been women on LBAC in the past, as recently as last year.

Steve Klionsky, Chair of LBAC, put forth his support for an elected Light Board.

The Board discussed a plan for a second public forum on governance.

The Board adjourned the meeting at 8:46 p.m.