

**MINUTES OF THE
MUNICIPAL LIGHT BOARD
MARCH 3, 2015**

PURSUANT TO notice given the Wellesley Municipal Light Board (“Board”) met in the Wellesley Municipal Light Plant (“MLP”) Gordon F. Kingsley Board Room, 4 Municipal Way, at 5:30 PM.

PRESENT

Those present included Chair Katharine Gibson, Commissioners Paul L. Criswell, David A. T. Donohue, Owen H. Dugan and Edward J. Stewart, III; MLP Director Richard F. Joyce and staff members Joseph A. Bisol, Michael Coppellotti, Trevor P. Criswell, Debra J. Healy, William H. Marsh, Suzanne M. Newark, Kevin M. Sullivan, Daniel J. Trant and James W. Verner. Also in attendance was Advisory Representative Thomas Frisardi.

APPROVAL OF MINUTES

Upon a motion made by Mr. Stewart and seconded by Mr. Dugan, it was unanimously

VOTED: To approve the January 16, 2015 Public Session Minutes as written.

CITIZEN SPEAK

The Chair presented all of those in attendance with the opportunity to speak on matters of interest with respect to the MLP. No one in attendance wished to speak.

DIRECTOR'S ITEMS

Financial Statements. Accounting Supervisor Joseph A. Bisol reviewed the January and Fiscal Year 2015 (“FY15”) financial results. Year-to-date operating revenue is \$400,000 below Fiscal Year 2014 despite the 5% rate increase that went into effect in November 2014. Mr. Bisol attributed the reduction to a 3.1% decrease in kilowatt-hour sales. Available cash for FY15 remains healthy at \$6,700,000. Mr. Bisol reviewed the Balance Sheet and detailed the accounting for the MLP’s purchase of Verizon’s share of all jointly-owned poles. Net Income for FY15 prior to funding the Town Payment is projected to be \$684,000.

Reliability Report. Supervisory Electrical Engineer Michael Coppellotti summarized the three power outages that occurred during the second quarter of FY15. A total of 168 customers lost power. Two of the outages were tree-related and one was due to a squirrel. Year-to-date the MLP has experienced nine interruptions affecting 451 customers. This compares to twelve instances the prior year affecting 2,382 customers.

Sales Tax Audit. During the first week of January 2015 the MLP’s sales tax exemption records were audited by the Department of Revenue (“DOR”). The DOR reviewed all exemptions for calendar years 2012, 2013 and 2014 (through November 30, 2014). On average 1,070 commercial customers are eligible to be charged a sales tax with 228 receiving the exemptions. Overall the audit results were very good. For the period March 1, 2012 through November 30, 2014 the MLP collected \$1,870,000 in sales tax. The DOR identified two accounts that received an exemption but were not eligible. The total sales tax for these accounts was \$396. Mr. Bisol and Ms. Healy recognized the excellent work and conscientiousness of Cynthia R. Lowe. The Board asked that the Minutes reflect their appreciation of Ms. Lowe’s efforts.

Chamber of Commerce Award. The Director informed the Board the MLP had been chosen to receive the Wellesley Chamber of Commerce annual "Community Service" award. The MLP will be recognized at the Chamber's March 26, 2015 Awards Dinner. Mr. Joyce was of the opinion that this recognition was equally attributable to the five Board Members and 33 employees. The cost to attend the dinner is \$125/per person and Mr. Joyce asked for authorization to reimburse any employee that wanted to attend. The Board was in unanimous agreement that all employees deserved to be recognized and authorized the Director to notify all employees and provide a reimbursement for dinner expenses. Mr. Dugan recommended that the Board Chair receive the award on the MLP's behalf. All Board Members were in agreement.

Bucket Truck Gift. The Fiscal Year 2016 ("FY16") capital work plan includes the replacement of a heavy duty bucket truck. The MLP usually replaces its vehicles at the end of the fiscal year and disposes all vehicles via the ADESA auction. The auction typically results in a payment of between \$5,000 and \$10,000 for a bucket truck. The Town's Facilities Maintenance Department ("FMD") has the purchase of a used bucket truck in its FY16 budget. The Director asked the Board if the MLP should offer the truck to FMD at no cost. Mr. Stewart asked why the truck could be used by FMD and not the MLP. Mr. Joyce stated that FMD would use the truck to replace parking lot lights and remove ice dams whereas the MLP's bucket trucks are used eight hours a day while operating on high voltage electrical wires. It is critical that the MLP has dependable equipment available to restore power quickly and safely during emergencies. All Board Members were in agreement to allow the FMD to have the MLP's replaced bucket truck at no cost.

Northeast Power Coordinating Council ("NPCC"). The MLP received a compliance spot check from the NPCC in December 2014. The spot check covered the period October 1, 2010 through August 19, 2014. The NPCC "Compliance Spot Check Report Non-Public Version" was submitted to the MLP on December 22, 2015. The NPCC rating of the MLP was very favorable with no deficiencies noted. Mr. Joyce acknowledged the excellent work provided by Kevin M. Sullivan in responding to the NPCC staff.

Director's Objectives. Through the second quarter of FY15 the staff has completed 5 of 15 Objectives. These are:

- Verizon Pole Purchase;
- Administration Building Demolition;
- Forward Capacity Market Financial Impact;
- Telephone System Purchase/Conversion; and
- Lost Time Accident Extension.

In addition to the five completed Objectives significant progress has been made in four other Objectives. The Director was optimistic that all fourteen Objectives would be completed by year-end.

Town Payment. Town Meeting requires a formal vote from the Board to accept the annual Town payment. Upon a motion made by Mr. Stewart and seconded by Mr. Dugan, it was unanimously

VOTED: To authorize a payment of \$1,000,000 to the Town of Wellesley for Fiscal Year 2016 from the Municipal Light Plant; payments shall be made at the end of each quarter in the amount of \$250,000.

Distributed Antenna System (“DAS”). American Tower Corporation (“ATC”) is making progress with one prominent cellular carrier in the utilization of DAS in Wellesley. The Director was hopeful ATC and the carrier would finalize a collocation agreement in April 2015. Once this agreement was completed the name of the carrier and proposed locations can be made public. In order to complete the installation by the end of calendar year 2015 the MLP has begun the process of obtaining the building permit for the hub. The Town’s Design Review Board unanimously approved the expansion of the Weston Road Substation on February 11, 2015. The MLP is scheduled to present the DAS Hub design to the Zoning Board of Appeals (“ZBA”) on March 19, 2015. Once the ZBA approval is received the Town’s Building Inspector will issue the building permit. The Director and Board discussed the critical role of ATC and how fortunate the Town is to have such a professional organization as a partner.

ADJOURNMENT

The Board Meeting adjourned at 6:55 PM.

Respectfully submitted,

Paul L. Criswell, Secretary