

**MINUTES OF THE  
MUNICIPAL LIGHT BOARD  
OCTOBER 8, 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 Owen H. Dugan, Commissioners Paul L. Criswell, David A. T. Donohue and Katharine Gibson; MLP Director Richard F. Joyce and staff members Joseph A. Bisol, Kevin P. Bracken, Michael Coppellotti, Trevor P. Criswell, Joanna A. D’Orazio, Debra J. Healy, Cynthia R. Lowe, William H. Marsh, Suzanne M. Newark, Gregory T. Oliver, Daniel J. Trant and James W. Verner. Also in attendance was Marjorie Freiman representing the Board of Selectmen, Katherine L. Babson, Jr. Chair of the Town Governance Study Committee (“TGSC”) and TGSC Members, Ann Marie Gross and Thomas Ulfelder. Advisory Representatives Frank Pinto and Scott Tarbox also were in attendance.

**APPROVAL OF MINUTES**

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

**VOTED:** To approve the July 21, 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**

**Introductions.** Mr. Dugan asked everyone in attendance to introduce themselves and give a brief description of their primary responsibilities.

**TGSC Utility Consolidation.** Ms. Babson reviewed the Committee’s proposed Warrant Article to form a “BPW Study Committee”. Only one of the fourteen surrounding towns and cities that utilize a Town Manager form of government have a Board of Public Works (“BPW”). This Warrant Article, if approved, could impact the MLP’s governance:

- 1) If the BPW is eliminated how will the MLP Board be selected; and
- 2) What will be the organizational structure if all utilities, water, sewer, electric and storm water are combined under the jurisdiction of a single utility board.

Ms. Gibson made some suggestions with respect to language changes that would improve the clarity of the Warrant Article. Ms. Babson was in agreement and committed to working with Commissioner Criswell to re-write specific sections. Mr. Dugan provided MLP employees with an opportunity to comment. No MLP employees wished to speak. All members of the Board and TGSC appeared to be in agreement the “BPW Study Committee” Warrant Article should be presented at the November 2015 Special Town Meeting.

**TGSC Recommendations.** Ms. Babson provided background information on the extensive work the TGSC did gathering information. The committee and Town Counsel recognized the authority all Massachusetts municipal light plants have as a result of Massachusetts General Law 164 (“M.G.L. 164”). The special legislation being proposed contains a specific exemption for the MLP recognizing the authority of the Board and MLP Director as stipulated within M.G.L. 164. Ms. Babson reviewed the organizational structure and responsibilities being proposed for the Town Manager, budget process and Human Resources function. The MLP is also exempt from each of these processes.

After a lengthy discussion with respect to the Town Manager versus Department Head hiring responsibilities (excluding MLP) Ms. Freiman, Ms. Babson, Ms. Gross, Mr. Ulfelder and Mr. Pinto left the meeting.

**Financial Statements.** Accounting Supervisor Joseph A. Bisol reviewed the August and Fiscal Year 2016 (“FY16”) Financial Statements. Net Income year-to-date before the Town payment was \$960,000 in FY16 compared to \$600,000 for the same period last year. Mr. Bisol attributed the increase to higher kilowatt-hour (“kWh”) sales and the 5% rate increase that went into effect in November 2014. Mr. Bisol noted that the Balance Sheet available cash was \$125,000 higher than August 2014. The Board and Mr. Bisol reviewed the composition of accounts that make-up the \$3,900,000 accounts receivable balance. Mr. Bisol stated the MLP received a \$361,000 payment from American Tower Corporation (“ATC”) in September and expects to receive full reimbursement by the end of October 2015. Mr. Paul Criswell reviewed the negative impact higher transmission costs were having on the MLP which more than offset the \$50,000 savings in purchased power.

**Powers & Sullivan (“P&S”) Annual Audit.** P&S presented the MLP’s audited Financial Statements to the Town Audit Committee on September 15, 2015. The MLP’s Fiscal Year 2015 (“FY15”) Financial Statements prepared by Mr. Bisol and presented to the Board each month were verified by P&S. In addition, P&S did not identify any MLP-related Management Letter concerns. Mr. Joyce praised the excellent work the MLP received from Mr. Bisol. All Board Members were in agreement.

**Eversource Damage Claim.** The Director notified the Board that the Department of Public Utilities (“DPU”) determined Eversource Gas crews violated Dig Safe procedures when they drilled into the MLP’s sub-transmission line in February 2015. Mr. Joyce reported that settlement discussions with Eversource were unproductive and recommended the initiation of litigation with the Norfolk Superior Court. The Board was in agreement. Mr. Joyce asked if Mr. Paul Criswell would be willing to meet with the MLP staff and Town Counsel. Mr. Criswell was in agreement.

**Annual Town payment.** The MLP’s annual \$1,000,000 cash payment to the Town of Wellesley remains the most generous as a percent of revenue among all Massachusetts public power systems. With Forward Capacity Market costs projected to increase by \$250,000/month beginning in June 2016 the Director recommended no increase in the annual payment. Upon a motion made by Mr. Donohue and seconded by Mr. Criswell, it was unanimously

**VOTED:** To authorize the payment of \$1,000,000 to the Town of Wellesley’s General Fund for Fiscal Year 2017 by making payments of \$250,000 at the end of each quarter during the fiscal year.

**Distributed Antenna System (“DAS”).** Assistant Director Debra J. Healy provided the Board with an update on the progress ATC and MLP are making in the DAS installation. Fiber has been installed to all 48 node locations and approximately 70% of the splicing is completed. Both ATC and MLP are on schedule to have all antennas and auxiliary equipment mounted on wooden poles by the end of October. Five aluminum poles and one decorative pole have been ordered and delivery is expected by the end of November and mid-December, respectively. At this point, it appears the construction of the carrier’s shelter will be finished by the end of December and testing/quality assurance will take place in January 2016.

The Board asked Ms. Healy what the staff was receiving for feedback from the abutter notifications. Ms. Healy said no negative responses have been received from abutters but the “What is this?” article in The Wellesley Townsman generated a number of telephone calls. Residents wanted to know why their specific locations were not included with the DAS deployment. Mr. Dugan discussed the meeting he attended with ATC on September 29<sup>th</sup> and informed the Board that ATC was well aware of the MLP’s desire to provide Town-wide cellular coverage.

**Director’s Objectives.** Mr. Joyce reviewed the fifteen recommended FY16 Objectives. Given the significant increase in Forward Capacity Market costs specific attention was given to expanding external sources of revenues to offset these costs. Objectives for renewable energy and commercial peak shaving projects were also included. The MLP continues to make safety a priority with a goal of completing FY16 without a Lost Time Accident (“LTA”). If this Objective is achieved the MLP will have completed 1,975 consecutive days without a LTA. The Board was in agreement with the FY16 Director’s Objectives as presented.

**Fiscal Year 2017 (“FY17”) Capital Plan.** Superintendent James W. Verner presented the MLP’s 2017 Capital Plan. This year’s budget request is \$764,000 below last year’s estimated amount. The extensive labor required to meet the 48 node DAS schedule has resulted in two FY16 capital projects being deferred until FY17. Mr. Verner requested the approval of \$2,516,000 for new capital projects. The largest and most expensive project is the complete replacement of the 1582 underground circuit in the amount of \$664,000. FY17 capital expenditures also include customer reimbursed work in the amount of \$405,000 for 200 AMP services, pole accidents, etc. and \$258,000 for individual 400 AMP and 600 AMP house services. Other major capital expenses include routine replacement of transformers, retrofitting Route 9 streetlights with LED bulbs, and replacing a 15-year old heavy duty digger derrick truck and a 2000, Ford 150 pick-up truck. Mr. Verner and the Board discussed various projects and the importance of maintaining a highly reliable electric distribution system. Upon a motion made by Mr. Criswell and seconded by Ms. Gibson, it was unanimously

**VOTED:** To approve the Fiscal Year 2017 Capital Plan in the amount of \$2,515,512 as presented.

**Next Meeting.** The Board scheduled the next MLP meeting for Wednesday, November 18, 2015 at 5:30 PM.

**ADJOURNMENT**

The Board Meeting adjourned at 7:30 PM.

Respectfully submitted,

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Paul L. Criswell, Secretary