

- **Belmont Warrant Committee Meeting Minutes**
- **FINAL**
- **October 14, 2009, 7:30 p.m.**
- **Chenery Middle School Community Room**

-
-
- Present: Chair Curtis; Members Allison, Callanan, Epstein, Libenson, Lynch, McLaughlin, Paolillo; BOS Chair Leclerc, SC Chair Rittenburg

-
- Town Administrator Younger, Assistant Town Administrator Conti, Town Accountant Hagg

-
- Members Absent: Bruschi, Hofmann, Millane, and Smith

-
- The meeting was called to order at 7:37 pm by Chair Curtis.

-
- Chair Curtis began by introducing Mr. Tim Richardson.

-
- ***Belmont Municipal Light Department (BMLD)-- Substation Improvement Project***

-
- Mr. Tim Richardson, Manager of the BMLD, gave an overview of the Substation Improvement Project. He explained that the BMLD has been working on this warrant article for several years. He said he is seeking the WC's support for purchasing a site for a new Substation at 20 Flanders Road which would replace the existing substations. He said he is also asking for support to authorize bonding for the project. Acquisition of the new Substation will upgrade capacity to ensure reliable service to customers. The bond will be repaid by light department rate payers. Mr. Richardson reviewed issues surrounding electricity, including transmission and distribution systems. He noted that growth in peak demand periods exceeds present capacity. The present system is at its limit and a plan is necessary to meet Belmont's needs, he said.

-
- The proposal is to connect directly to a high-voltage grid, thereby bypassing the NSTAR transmission grid. Doing nothing, he said, is not an option; the lights will go out. Conservation and efficiency may reduce overall consumption, but not peak usage. And upgrades to the existing system will help only incrementally. The proposal of purchasing a site for a new Substation is an investment which will upgrade the entire system to 115kV costing \$34M.

-
- The Site Selection Committee has recommended acquiring 20 Flanders Road. This site has advantages, the BOS have approved it and are presently negotiating ways to purchase. In conclusion, he said, the BMLD would like the WC's support to acquire the site and to borrow (bond) \$34M (plus \$4M down the road for Concord Avenue).

-

- Member Allison asked that, given the amount of the bond (\$38M), how much will the households save per year? Is it a savings of 5 dollars a month, for \$60 a year with 11 thousand households, saving \$660K? Mr. Richardson said that if we let the existing system collapse, it will cost \$58M to repair, or, he continued the town can upgrade to higher voltage at \$38M. Member Epstein added that of those two choices, households will save \$20M in choosing an upgrade (\$38M) over repairs (\$58M). Member Libenson asked whether there will be savings compared with current rates, not just the next best alternative. Mr. Richardson replied yes, provided certain regulatory approvals are obtained. Assistant Town Administrator Conti added that rates will go up for a short term while the system is under construction. Chair Curtis asked if NSTAR could impede this plan. Mr. Richardson replied that “Belmont’s savings is their revenue” and that, while NSTAR can’t stop the project, “they can make it difficult with ISO approval”.

- Member Allison asked if rates will go up during peak capacity? BLMD Accountant Frizzell said that yes, during the summer, rates are raised. Member Allison asked if a bond of this amount will impact the town’s borrowing ability overall? Mr. Richardson said that he had consulted with the Town Treasurer on this issue, and the Treasurer stated that it would not impact the borrowing ability, because the project would be bonded with the rate payers as security. Member Allison asked if the line items making up the proposed \$38M have been vetted by the BMLD Advisory Board and other relevant town bodies. Mr. Richardson said yes, that it has been vetted through the BMLD advisory board, the BOS, and the Site Selection Committee.

- *Member Mclaughlin moved:* That the WC approve the plan for purchasing a site for a new substation and for borrowing \$38M for the land, building, and system upgrades.

- The motion passed unanimously with 9 WC members voting in favor.

Library Department – Reserve Fund Transfer Request

- Chair Curtis informed the WC that the Library Department had withdrawn the request.

Warrant Committee – Subcommittee Structure Discussion

- Chair Curtis passed around the Subcommittee assignment list, which, he said, is similar to last year. The WC needs to discuss what role the subcommittees should play in the budget process. Member Paolillo said he would like to understand further about the BOS department head meetings scheduled for November. The WC subcommittees, he said, should connect with the department heads at some level. BOS Chair Leclerc responded that the impetus for the November meetings is to get the BOS in on the budget discussions early enough to have a policy impact. The BOS, he said, can focus on one department at one time.

- Chair Curtis noted that Member Allison's summer group came up with four suggestions that the WC subcommittees will be responsible for with regard to department head meetings. Recommendation One suggested that the subcommittee provide "a program budget review of the department budget." Member Allison used, as an example, the work Mr. Conti did in looking at the programs and services provided by the COA. Each department, she continued, has 4 or 5 major programs. BOS Chair Leclerc added that there may be a need to push back earlier on budget requests. The departments will need to budget to the fiscal reality. Member Paolillo said a 5-year plan is good for looking at programmatic needs. The programmatic approach allows you to determine the effectiveness and impact from a service perspective, he added.

- Chair Curtis noted that Recommendation Three pertained to forecasting the big things that may be looming on the horizon, and that Recommendation Four focused on getting some perspective on the budgets by comparing with other communities, at least Winchester. Member Allison said that budget comparisons could have value for the department heads.

- Chair Curtis requested a document to hand out to the subcommittees which lays out these 4 recommendations, e.g., something that says "this is what you should be doing". He also requested that the subcommittees meet and elect a chair.

- ***Open seats on the WC***

- Chair Curtis noted that the Town Moderator is interviewing for the three open seats.

- ***Update on FY10 Local Aid Picture***

- Chair Curtis said that there will most likely be cuts to this year's current budget. Town Administrator Younger added that the state is at least \$600M short in its revenue projections. The Governor will have 2 weeks to make cuts, which could impact the Quinn bill and the SPED circuit breaker. The cuts will be announced by the end of October. At that time, Belmont will know how much less state aid it will be getting. Chair Curtis noted that free cash was carried over for this very purpose. The town, he said, will discuss whether or not to plug the budget hole with free cash or if the amount is too high, to not use free cash and make cuts instead. Or it may be a free cash and cuts combination. This may not be able to get done by the 11/16 TM -- the town may have to hold another session of TM in December.

- BOS Chair Leclerc said that there may be a TM resolution regarding Minuteman to communicate that we will not support the Minuteman budget. This would require calling a special TM and the FY10 budget cuts could be discussed then.

- The WC discussed the implications of holding another TM and the fact that FY 2011 could be worse than FY10.

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

Minutes of 9/23/09

The Minutes of 9/23/09 were approved.

There were two abstentions from absent members.

Other

The Minuteman study group is making progress. BOS Chair Leclerc introduced Ms. Kimberly Becker, who is a member of the Minuteman study group. She said she is speaking with the 16 member communities. She said no one wants to take responsibility for the Minuteman issues in most towns, but each town has found at least one person interested in pursuing this issue. Many said they will try to send a representative to Belmont's TM in November.

Member McLaughlin moved that the WC adjourn at 9:05 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary