



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2018-06-21

Time: 07:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Final

Attendees: Members - Present:

David Hennessy, Chair
David Talbot, Vice Chair
Tom O'Rourke, Commissioner
Philip B. Pacino, Commissioner
John Stempeck, Commissioner

Members - Not Present:

Others Present:

RMLD Staff:
Coleen O'Brien, General Manager
Hamid Jaffari, Director of Engineering and Operations
Jane Parenteau, Director of Integrated Resources
Wendy Markiewicz, Director of Business, Finance, and Technology
Joyce Mulvaney, Communications Manager
Ben Thivierge, Resource Specialist
Tracy Schultz, Executive Assistant

Citizens' Advisory Board:
Neil Cohen, Reading

Minutes Respectfully Submitted By: Tom O'Rourke, Secretary Pro Tem

Topics of Discussion:

Call Meeting to Order

Chair Hennessy called the meeting to order and announced that the meeting is being videotaped at the RMLD office at 230 Ash Street, for distribution to the community television stations in North Reading, Lynnfield, and Wilmington. Chair Hennessy then read the RMLD's Code of Conduct.

Public Comment

Chair Hennessy welcomed Mr. Cohen and Ms. Alvarado, neither of whom had comments. There was no public comment.

Chair Hennessy explained that Vice Chair Talbot was participating remotely due to travel, and that all votes would need to be roll call. Vice Chair Talbot greeted the Commission and apologized for his physical absence.

Approval of Board Minutes (Attachment 1)

Mr. Pacino made a motion, seconded by Mr. Stempeck, to approve the April 5, 2018 and April 17, 2018 minutes, per the recommendation of the General Manager.

Chair Hennessy called for a poll of the vote: Mr. O'Rourke: Aye; Mr. Pacino: Aye; Chair Hennessy: Aye; Mr. Stempeck: Aye; Mr. Talbot: Aye.

Motion Carried.

5:0:0.

RMLD Board Member Attendance at Citizens' Advisory Board Meetings Report – Mr. Pacino

Mr. Pacino stated that he attended the CAB meeting on May 16th. The financial report, reliability and organizational study updates, and NEPPA conference were discussed. Mr. Pacino stated that he attended the Town of Reading Audit Committee meeting on June 13th. The Committee recommended that the audit be accepted as presented. There was no management letter. On June 20th Mr. Pacino attended the Citizens' Advisory Board meeting in Mr. Stempeck's place. The CAB reviewed minutes and discussed OSHA compliance and the new RMLD website.

General Manager's Report – Ms. O'Brien**Review of Board Policies**

Ms. O'Brien explained that RMLD is in the process of reviewing and updating its policies. To date, 12 have been completed, and five are being presented to the Board for review tonight. Ms. O'Brien stated that she would provide an overview of the changes for each policy. Policy No. 7 Sick Time gives more responsibility to the General Manager, the Department Managers, and Human Resources for ensuring that there is no abuse of sick time. It

General Manager's Report – Ms. O'Brien**Review of Board Policies**

provides for monitoring for abuse of sick time and time off according to legislation and RMLD's collective bargaining agreements.

Ms. O'Brien explained that Policy No. 9 Section 2 Procurement policy has updated threshold values due to changes in M.G.L. Chapter 164 §56D.

Policy No. 17 Tuition Reimbursement now outlines approved areas of study and clarifies eligible expenses. Ms. O'Brien explained that some schools are now allowing students to defer tuition payment until after the course is completed if the employer has a tuition reimbursement program. Policy changes now allow for that. Mr. Stempeck asked if professional education courses were included. Ms. O'Brien explained continuing education credits are considered training and are processed as expenses. Mr. O'Rourke suggested adding a line for supervisor signature on the reimbursement form. All agreed this should be done.

Ms. O'Brien stated that NERC cybersecurity requirements for compliance were added to Policy No. 27 Use of RMLD Information Systems. Mr. Stempeck suggested adding language to Section D. Board of Commissioners to allow the Board to send pertinent data and articles to each other. Mr. Pacino suggested using the word "educational." Mr. O'Rourke suggested changing "When in doubt: don't" to "When in doubt: ask." Mr. O'Rourke mentioned that policy provisions for data protection may be something to consider in the future.

Mr. Pacino made a motion, seconded by Mr. Stempeck, that the Board approve the changes to RMLD Policy No. 27 Use of RMLD Information Systems, with the changes in Section II Item D that the word 'educational,' be added before 'procedural or housekeeping matters' and in Section III the last item in Section B replace the word 'don't' with 'ask.'

Chair Hennessy called for a poll of the vote: Mr. O'Rourke: Aye; Chair Hennessy: Aye; Mr. Pacino: Aye; Mr. Stempeck: Aye; Mr. Talbot: Aye.

Motion Carried.

5:0:0.

General Manager's Report – Ms. O'Brien
Review of Board Policies

Mr. Pacino made a motion, seconded by Mr. O'Rourke, that the Board approve the changes to Policy No. 17 Tuition Reimbursement, with the change to Attachment A: adding a line for Supervisor signature.

Chair Hennessy called for a poll of the vote: Mr. O'Rourke: Aye; Chair Hennessy: Aye; Mr. Pacino: Aye; Mr. Stempeck: Aye; Mr. Talbot: Aye.

Motion Carried.

5:0:0.

Ms. O'Brien stated that the last policy for review is Policy No. 31 RMLD Vehicle Use. An insurance company accident form is in every RMLD vehicle. Instructions were added to the policy on immediately notifying a supervisor after certain types of accidents occur. Hands free device use was clarified. Touching a phone or electronic device is prohibited when driving.

Mr. Pacino made a motion, seconded by Mr. Stempeck, that the Board approve the changes to Policy No. 7 Sick Leave Benefits, No. 9 Procurement, and No. 31 Vehicle Use, on the recommendation of the General Manager.

Chair Hennessy called for a poll of the vote: Mr. O'Rourke: Aye; Chair Hennessy: Aye; Mr. Pacino: Aye; Mr. Stempeck: Aye; Mr. Talbot: Aye.

Motion Carried.

5:0:0.

Ms. O'Brien announced that state entities must be OSHA compliant by February 13, 2019. A trainer will be coming in to RMLD for a meeting with the entire company. RMLD will be conducting a two-day self-audit at the end of the summer. RMLD already follows the APPA Safety Manual which is OSHA based.

Integrated Resources Division – Ms. Parenteau
Power Supply Report – April 2018 (Attachment 3)

Ms. Parenteau announced that she would be reporting on April 2018 purchase power and began with capacity requirements and imbedded costs from 2014 to 2018. In 2014 RMLD's April capacity requirement was 215,566 kW and the average cost per kW was \$10.25. In 2018 RMLD's April capacity requirement was 222,431 kW and there was a significant increase to cost: \$13.56 per kW. This was due to an increase in NEMA's capacity zone, which resulted in a 16 percent increase for the capacity year (which runs from June 1 to May 31). This is a \$3 million annual cost increase. Capacity is based on the summer peak from the previous year. Ms. Parenteau announced that Ms. Mulvaney has started the Shred the Peak campaign. RMLD has a list of 2,000 customers who have opted in for Shred the Peak notifications. RMLD issues tweets and e-mails when anticipating peak usage. Chair Hennessy asked how people can participate. Ms. Parenteau explained that customers can sign up on RMLD's website.

Ms. Parenteau then discussed purchased power and imbedded costs for fuel. April 2018 purchases, which are somewhat reflective of sales, were down significantly. Despite that, RMLD's average cost of power is still under five cents. Ms. Parenteau then discussed transmission costs over the last five-years, from 2014 to 2018. 90 percent of transmission costs are through ISO New England which provides regional network service. Costs are socialized throughout New England and are based on monthly peak. RMLD's transmission providers are National Grid and Eversource. Costs are based on monthly peak and regional network charges and are forecasted to increase annually.

Electric Vehicle Pilot Program – Mr. Thivierge (Attachment 2)

Mr. Thivierge explained that RMLD has started an electric vehicle (EV) pilot program for the summer called 'Electrify Your Ride'. Mr. Thivierge highlighted the environmental and savings benefits of EVs and explained that there are three types of electric vehicles: plug-in electric hybrid (gas and electric, with a battery capacity less than 10 kWh), plug-in electric hybrid plus (gas and electric, with a battery capacity greater than 10 kWh), and battery electric vehicles (completely electric). Mr. Thivierge explained that RMLD is offering a \$1,000 rebate for the

Electric Vehicle Pilot Program – Mr. Thivierge (Attachment 2)

purchase or lease of new plug-in electric hybrid plus vehicles and a \$1,500 rebate for the purchase or lease of new or used battery electric vehicles. RMLD also has a residential EV charging station rebate for 100 percent of equipment costs (up to \$500) for the home installation of level 2 networked ('smart') charging stations.

Vice Chair Talbot asked how many other light departments have similar programs? Mr. Thivierge replied that RMLD is the only municipal in Massachusetts offering a rebate for the purchase or lease of a car.

Ms. O'Brien explained that less people are coming in for solar. Ms. Parenteau stated that the rebate budget is \$235,000 and \$40,000 has been allocated to the EV program.

Vice Chair Talbot stated that a collaboration with the Town of Reading could benefit both sides. The Town and RMLD should think creatively about future technologies. Mr. Pacino added that he will soon be purchasing a new car and stated that zoning by-laws need to be tweaked.

Ms. Alvarado stated that is a timely idea since Select Board is beginning to discuss Master Plan and the Zoning Board is updating their guidelines. Chair Hennessy asked if there's anything RMLD can do. Ms. O'Brien told Ms. Alvarado that RMLD can provide the Select board with specs, guidelines, and language regarding charging stations.

Ms. O'Brien stated that RMLD is developing a program to approach retailers in strategically selected locations about installing EV chargers. Chair Hennessy asked if the EV chargers will be RMLD owned. Ms. O'Brien replied that only RMLD can sell electricity within its service territory. Unless a company installs a meter and provides charging to its employees for free the electricity must be sold by RMLD.

Mr. Thivierge continued his presentation. RMLD's goal is to have 30 approved vehicle applications in five months and is therefore aiming for six per month. Six applications have been approved in June so far. Educational articles will be running in local newspapers and online on The Patch and the RMLD website. Information will be provided on billing envelopes and through e-mails to customers. RMLD will be at the Wilmington Farmer's Market on Sunday, July 15 to showcase and allow customers to test drive electric vehicles.

Community Engagement – Ms. Mulvaney

Ms. Mulvaney announced that RMLD's new website launched on June 1st. Content has been reorganized and the design has been cleaned up. The website is now mobile friendly. It's a responsive design so it adjusts to any screen. There will be an outage map. There are separate sections for residential and commercial customers. RMLD looked at analytics from its previous website and the most selected are now quick links. The News and Announcements section highlights current events and campaigns. Ms. O'Brien added that there is a calendar showing upcoming Board and CAB meetings.

Mr. Talbot disconnected from the meeting.

Financial Report-April 2018 – Ms. Markiewicz - (Attachment 4)

Ms. Markiewicz announced that she would be reporting on the first ten months of the fiscal year, ending on April 30, 2018. Ms. Markiewicz stated that a FERC accounting trainer stated that the industry standard is to have three to four months of operating cash available. RMLD targeting two months understanding that there is reserve available if needed. Ms. Markiewicz then presented a summary of plant. As of April, total capital assets were \$77.5 million. Of that \$77.5 million, \$52.5 million is infrastructure, which makes up the bulk of plant. Structures and improvements total \$10.8 million, equipment and furnishings total \$12.9 million (computer hardware and software, office furniture, fleet, tools, GIS, SCADA, fiber), and land totals \$1.3 million. Ms. Markiewicz then presented a plant comparison over the last five-years. In 2014 structures and improvements started at \$6.4 million and has gone up to \$10.8 million. Equipment

Financial Report-April 2018 – Ms. Markiewicz - (Attachment 4)

and furnishings has stayed flat because RMLD hasn't put a lot of money into office equipment or fleet. Infrastructure started at \$49.5 million and has increased to \$52.5 million.

Ms. Markiewicz stated that year-to-date operating and maintenance expenses are on target for the budget. May looks like it will go over budget but the impact from the March storms does not seem to be as dramatic as anticipated.

Engineering and Operations Report – April 2018 - Mr. Jaffari (Attachment 5)

Mr. Jaffari stated that year-to-date capital spending totals \$5,007,896. \$7,685,521 was budgeted for Fiscal Year 2018 so \$2,677,625 remains. Mr. Jaffari stated that routine maintenance is going well and that RMLD is monitoring the tree-trimming program to ensure that it doesn't go over the amount budgeted. 843 spans have been cut through April. There were no substation hot spots. Three underground subdivisions were completed in April and eight more are in progress. Lynnfield has 20 pending transfers and one pending pull pole. North Reading has 10 transfers and 49 pull poles. Reading has 27 transfers and 54 pull poles. Wilmington has 35 transfers and four pull poles. These numbers will be substantially higher in May and June because a lot of upgrades have been completed. Reliability indices are well below the national and regional averages for outages. Mr. Jaffari announced that all Fiscal Year 2018 projects are completed except for the parking lot. There was a round of applause. Mr. Jaffari stated that Fiscal Year 2019 projects are being started ahead of schedule.

General Discussion

Mr. Pacino suggested that the Sub-Committee Payment to the Town of Reading be listed as an agenda item for the next Board meeting and future meeting dates were discussed.

Adjournment

Mr. Stempeck made a motion, seconded by Mr. O'Rourke, that the Board go into Executive Session to consider the purchase of real property and return to Regular Session for the sole purpose of adjournment.

Motion Carried.

4:0:0.

A true copy of the RMLD Board of Commissioners minutes
as approved by a majority of the Commission.



Tom O'Rourke, Secretary Pro Tem
RMLD Board of Commissioners

