

Reading Municipal Light Board of Commissioners
Executive Session
230 Ash Street
Reading, MA 01867
November 5, 2003

Start Time of Executive Session: 9:17 p.m.
End Time of Executive Session: 10:30 p.m.

Attendees:

Commissioners: Hughes, Pacino, Soli, Herlihy and Ensminger
RMLD Staff: Mr. Cameron
Ms. Antonio

Minutes

September 11, 2003

Mr. Ensminger made a motion seconded by Mr. Hughes to approve the Executive Session meeting minutes of September 11, 2003 as presented.

Motion carried 5:0:0.

October 1, 2003

Mr. Ensminger made a motion seconded by Mr. Hughes to approve the Executive Session meeting minutes of October 1, 2003 as presented.

Motion carried 5:0:0.

Quarterly Legal Update

Mr. Cameron informed the Board that the outside legal services are \$214,000 below budget.

Mr. Herlihy congratulated Mr. Cameron on the lowering of the legal expenses.

Mr. Cameron proceeded with the current legal matters, which are ongoing. Mr. Cameron noted there is some activity on the Duncan Allen side, which occurred relative to an ISO filing on Halloween. What ISO is proposing would be detrimental to municipal utilities. There is work being performed locally by Ken Barna of Rubin and Rudman with the Attorney General and the DTE behind the scenes to lessen the possible impact of the proposed changes. Senator Morrissey is involved with this issue as well.

Mr. Cameron then touched upon issues with Choate, Hall and Stewart. They are working on the Professional Management negotiations as well as an employee matter involving arbitration. This employee issue is very involved as it encompasses multiple grievances and briefs on the legal side.

Mr. Cameron pointed out the Department is no longer using Delaney as the RMLD's lobbyist. The cost annually was \$25,000 in which the Department was not receiving a satisfactory return on this investment. Taunton and Braintree use their services presently. Their lawyers have contacts with the DTE and the Attorney General.

Mr. Cameron commented relative to Ferriter, Scobbo, Sikora, Singal, Caruso & Rodophele; Bob Rodophele is used in conjunction with MEAM. The Depart does not use him independently.

Mr. Cameron pointed out that Rubin and Rudman is working on the ex General Manager's release.

Lynch, Brewer, Hoffman and Fine, LLP

Mr. Cameron pointed out Messrs. Hoffman and [REDACTED] have not signed the necessary releases. [REDACTED]
[REDACTED]. It was agreed that the Department would not cover [REDACTED] for State Ethics issues.

Energy New England (ENE)

Mr. Cameron stated he attended the ENE Board meeting and set forward to try to negotiate a settlement amount that would represent the best interest of the RMLD. Mr. Cameron noted that it is ENE's feeling the RMLD find someone to buy their shares. The Directors are in agreement that ENE is not fiscally responsible to pay the RMLD off and the RMLD is owed nothing. Mr. Cameron noted Leo Swift pointed out the financials have been consistent.

Energy New England (ENE)

ENE has followed General Accounting Principles (GAP) and the RMLD has always agreed to such findings. Mr. Cameron further added that Leo Swift mentioned that Phil Pacino should understand what ENE's financial position is as he is a Certified Public Accountant.

Mr. Soli asked if Braintree and Taunton would not buy our share.

Mr. Cameron replied no.

Mr. Pacino added the withdrawal becomes effective in December at this point the Department can institute a lawsuit.

Mr. Cameron suggested a long legal battle will hurt them in the long run.

Discussion then turned to a strategy for legal action and how much it would cost the Department. The legal action would be two pronged, as it would involve the liability statement being wrong and not following the intent of the original agreement.

The Board agreed to direct the General Manager to pursue this legally when the withdrawal becomes effective.

Mr. Pacino said that if the RMLD could get \$50,000 they would walk away. The Board agreed.

Union Negotiations

Mr. Cameron updated the Board on the current status of the Professional Management negotiations. Discussion ensued by the Board on which strategies it would like to see the Department utilize.

Motion to Adjourn

At 10:30 p.m. Mr. Soli made a motion seconded by Mr. Herlihy to adjourn the Executive Session, and to return to Regular Session for the sole purpose of adjournment.

Motion carried 5:0:0.

Mr. Pacino called for a poll of the vote:

Mr. Soli Aye; Mr. Herlihy Aye; Mr. Hughes; Aye, Mr. Ensminger Aye; and Mr. Pacino Aye.

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

Daniel A. Ensminger, Secretary
RMLD Board of Commissioners