

Reading Municipal Light Board of Commissioners
Executive Session
230 Ash Street
Reading, MA 01867
April 22, 2003

Start Time of Executive Session: 8:20 p.m.
End Time of Executive Session: 9:25 p.m.

Attendees:

Commissioners: Hughes, Pacino, Ensminger, Soli and Herlihy
RMLD Staff: Mr. Cameron, General Manager
Guest: Ms. Diedre Lawrence, Rubin and Rudman

Chairman Pacino called the Executive Session to order at 8:20 p.m.

Minutes

March 13, 2003

Mr. Herlihy made a motion seconded by Mr. Soli to approve the Executive Session meeting minutes of March 13, 2003 as presented.

Motion carried 3:0:2. Messrs. Pacino and Ensminger abstained, as they were not present at the meeting.

March 27, 2003

Mr. Herlihy made a motion seconded by Mr. Soli to approve the Executive Session meeting minutes of March 27, 2003 as presented.

Motion carried 3:0:2. Messrs. Pacino and Ensminger abstained, as they were not present at the meeting.

Legal Bills

Mr. Cameron pointed out since Diedre Lawrence from Rudman and Rudman is present he would like to have her update the Commission on the status of the ongoing legal bills.

Ms. Lawrence updated the Commission that she will be presenting arguments relative to this on Thursday.

Mr. Pacino suggested that Diedre give the Commission background information on this issue.

Mr. Cameron noted the attorney from the firm of Lynch, Brewer and Hoffman were paid \$1,900 directly due to the Inspector General. Mr. Cameron added certain legal issues the was not indemnified for under his contract. Mr. Cameron spoke with Mr. Barna specifically about the provisions of 8E in the Employment Agreement. Mr. Cameron stated this was brought before the Board and the total due was \$19,000. Mr. Cameron pointed out \$12,000 to \$13,000 of this represents costs related to the Melanson Heath, Price Waterhouse Coopers and the Choate Hall & Stewart reports.

Mr. Pacino pointed out the bill was sent directly to the .

Mr. Cameron noted the amounts of money were broken into the following categories: prohibited by statute, policy violation, and poor business judgment and questioned by Melanson Heath. Mr. Cameron added the Department has received restitution from Commissioners and employees for such items as spending of family members at conferences. The total received from such individuals was less than \$1,000. Mr. Cameron pointed out that the refused to pay his bill. The Department did send a letter to the District Attorney seeking action for these funds however, it is below their radar screen and the restitution occurred due to a loss of control no illegalities. The District Attorney was not in position to go further with this.

Mr. Hughes added the District Attorney's office has a cap of \$100,000.

Ms. Lawrence replied the amount of restitution owed by the in their eyes is de minimus.

Mr. Soli suggested sending a copy of this to the State Ethics Commission.

Mr. Cameron replied they did receive a copy of the letter.

Ms. Lawrence pointed out that is not a co-plaintiff on this case. Ms. Lawrence noted Mr. Hoffman might have his own strategy on this.

Mr. Pacino interjected the Choate, Hall & Stewart report.

Legal Bills

Ms. Lawrence did state that [REDACTED] is stating that a deceased member of the staff at Rubin and Rudman did state the clause would be in the current contract. Ms. Lawrence did note this could go to court at the district court level.

Mr. Cameron pointed that the Secretary of State noted that in the Choate, Hall & Stewart report it is a protected document. The Inspector General, Timothy Kelley and FOX television requested these documents.

Complaint from 12 Hickory Lane, North Reading

Mr. Cameron updated the Commission by stating this issue came about due to an ice storm in March 2001 in which there was a fire in the residence. The fire was contained to the fire panel in the home and it had water in it. Subsequently, this has been rebuilt \$92,000 worth of monies have been put into it. The RMLD, the Town of North Reading, and the Town of Reading have been sued. The general liability insurance policy the RMLD the Department's exposure is limited to \$5,000. The Town of Reading however, is not an additional insured. Mr. Blomley is looking into this. The RMLD is covered under the Town of Reading's MIAA as an additionally insured. Mr. Cameron stated they are waiting for the two Fire Inspectors to get together. The Department's investigator has not talked with theirs, as they were not ready. Mr. Cameron added what caused the fire is not a surge our responsibility is the connection at the weather head to the weather head on the meter. The claimant is stating that this was caused due to the meter and the lack of training of RMLD personnel as well as the supplying of power their residence. Mr. Cameron is unsure of where this will settle.

Mr. Ensminger inquired if this is covered under homeowners insurance?

Mr. Cameron replied it is the homeowner's insurance that is suing the RMLD.

Mr. Pacino inquired if Ray Couture, RMLD's legal counsel has reviewed this?

Mr. Cameron replied yes.

Mr. Ensminger inquired if a physical inspection of the site was ever performed?

Mr. Cameron replied the Department was at the residence to cut the power. Personnel from the Department did go into the residence, which is not the most advantageous course of action. Mr. Cameron then explained how this can be of benefit to our customers as this morning the Troubleman went to a laundry room and by mistake someone had hit the main causing them to have no power. The Troubleman reset the switch which is due diligence on behalf of the Department. Not all situations are this cut and dry.

Ms. Foti recused herself from the Executive Session meeting at this point.

Professional Management Union Association

Mr. Cameron updated the Commission on the status of the Professional Management Union Association.

Motion to Adjourn

At 9:25 p.m. Mr. Ensminger made a motion seconded by Mr. Soli to adjourn the Executive Session and return to the Regular Session for the sole purpose of adjournment.

Motion carried by a show of hands 5:0:0.

Mr. Pacino called for a poll of the vote:

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