



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2021-03-18

Time: 7:30 PM

Building:

Location:

Address:

Session: Open Session

Purpose: General Business

Version: Final

Attendees: **Members - Present:**

Mr. John Stempeck, Chair; Mr. David Hennessy, Vice Chair; Mr. Philip B. Pacino, Commissioner; Mr. David Talbot, Commissioner; Mr. Robert Coulter, Commissioner

Members - Not Present:

Others Present:

RMLD Staff: Ms. Coleen O'Brien, General Manager; Mr. Hamid Jaffari, Director of Engineering and Operations; Mr. Charles Underhill, Director of Special Project; Mr. Greg Phipps, Director of Integrated Resources; Ms. Wendy Markiewicz, Director of Business and Finance; Ms. Janet Walsh, Director of Human Resources; Ms. Kathleen Rybak, Operational Assistant Engineering and Operations; Ms. Marguerite Quigley, Executive Assistant - Temp

Citizens' Advisory Board: Mr. Jason Small, Chair, North Reading

Others: Mr. Bob Connor

Minutes Respectfully Submitted By: Philip B. Pacino, Secretary Pro Tem

Topics of Discussion:

PER GOVERNOR BAKER'S MARCH 10, 2020, ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G.L. c. 30A, §20, THIS MEETING WAS HELD REMOTELY VIA ZOOM.

1. Call Meeting to Order

Chair Stempeck called the meeting to order at 7:33 PM and read RMLD's Code of Conduct.

Chair Stempeck announced that the meeting is being videotaped via Zoom for distribution to the community television stations in North Reading, Lynnfield, and Wilmington.

Chair Stempeck noted that Mr. Pacino will be the Board Secretary.

2. Public Comment

a. Citizens' Advisory Board/RMLD BOC Report from CAB Meeting

Mr. Small, CAB Chair had nothing to report on at this time.

Chair Stempeck was the Board representative at the CAB meeting; He reported that the presentations made by staff were excellent.

b. Liaisons to RMLD Board

There were no liaisons present.

Public Comment

Chair Stempeck opened public comment.

Mr. Connor asked for clarification on how public comment is addressed at RMLD Board meetings. Chair Stempeck responded that public comment was changed to the Select Board format. Public comment was opened at the end of the last meeting due to the amount of material on the agenda and timing constraints.

3. Approval of Board Minutes

Mr. Pacino made a motion, seconded by Mr. Hennessy, to approve the meeting minutes of November 19, 2020, December 3, 2020, and December 16, 2020, on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Hennessy, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

Mr. Pacino noted that Mary Ellen O'Neill, former chair commissioner, reminded us that the Commission was behind on the minutes; a reminder of the importance of being timely was sent to a former RMLD staff member. Ms. O'Brien responded that the RMLD is currently up to date with the minutes and has secured a transcription company to transcribe the minutes.

4. General Manager's Report – Ms. O'Brien, General Manager

a. Community Update

Heat Pump Webinar

Took place on March 2 and was well attended (125 live participants and 250 views of the webinar recording). This is being aired on the community TV stations.

Annual Report

The RMLD 2020 Annual Report will be out in June, the winning high school student's artwork will be the cover. The art contest deadline was March 15; 21 students submitted artwork. This year's cover is "Resiliency"; the artwork was inspiring. This is the fifth year RMLD has used high school student's art. RMLD rewards all students who send submissions. Chair Stempeck complimented the students' artwork submissions.

Virtual EV Workshop

Will be held on April 27 at 7:00 pm. Information will be sent out once formalized.

b. Electric Vehicle (EV) Grant Update

The RMLD is applying for Massachusetts state grants for EV charging stations at multiple locations, for both level twos and threes in Reading and Wilmington. The RMLD appreciates that the Select Boards provided their authorization. Ms. O'Brien and Mr. Phipps attended the Board of Library Trustees and obtained their permission. Wilmington has two sites for consideration.

c. 2020 Financial Update/Town Meeting Presentation

The RMLD changed to a calendar year, as result, Ms. O'Brien will present the findings at the Fall Town Meeting. The presentation details CY20 and highlights year to date. Subsequently, she will be making a presentation to the remainder of the service town Select Boards.

5. Review of Policies – Ms. O'Brien, General Manager

Ms. O'Brien sent out a summary table with updates on RMLD policies; a standard three-year review date mechanism has been implemented.

a. Policy 4: Smoking

Ms. O'Brien stated there are no recommended changes for Policy 4. If any of the laws change with respect to E cigarettes, vaping, etc. then it will be brought to the Board. Mr. Coulter asked if new hires are restricted from smoking; is non-smoking the standard. Ms. O'Brien replied that new hires are required to comply with all RMLD Board policies. Smoking is not permitted on premises or in trucks.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that Policy 4: Smoking be scheduled for the next periodic review without change.

Roll call vote: Mr. Hennessy; Aye, Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

b. Policy 7: Paid Sick Leave

Policy 7 was reviewed for any legal changes; there are no recommended changes.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that Policy 7: Paid Sick Leave, be scheduled for the next periodic review without change.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

c. Policy 8: Other Post Employment Benefits (OPEB) Liability Trust Fund

Mr. Coulter asked relative to town trustee oversight; is it a component or independent? Ms. O'Brien replied it is independent. Mr. Coulter asked; why wasn't this shifted over with the other pension and benefits? Ms. Markiewicz responded this is the new trust; OPEB trust that was recently signed by the Board of Commissioners. Some of the legal language was changed in the policy to reflect proper chairpersons and to say that the trust is with the town, and the custodian is the treasurer.

Ms. O'Brien explained that the main change is the Declaration of Trust; Mr. Coulter was not on the Board on September 19, 2019, when it was signed. The town will be submitting this to Pension Reserves Investment Trust (PRIT), and that is why we had to recertify for the OPEB.

Before the vote is taken on the policy, there needs to be one addition of the date of September 19, 2019, in the first paragraph.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that Policy 8: Other Post-Employment Benefits (OPEB) Liability Trust Fund with the addition of the date September 19, 2019 as recommended in the first paragraph on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

d. Policy 12: Reading Municipal Light Board Documents Dissemination

There are no recommended changes in Policy 12.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that Policy 12: Reading Municipal Light Board Documents Dissemination be scheduled for the next periodic review without change.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

e. Policy 19: Board of Commissioners

Aside from Board Book Comments from KP Law and in specifics addressing OBEB language, there are no further recommendations.

Mr. Talbot commented that clarification is needed where it says the Board approves power supply contracts. There was discussion at recent meetings; it says the Commission does approve large power supply contracts.

Chair Stempeck stated that it is in the policy; Power Contracts, Agreements, and their resource mix, which happens after the 30-day review period by the CAB.

Mr. Talbot asked, why did not this happen with the biomass? The Board wants to know about and approve something of the magnitude of \$90 or \$150 million, the Commission had no knowledge.

Chair Stempeck responded that the policy does not differentiate between 10%, 30%, or 40%. Chair Stempeck has no issue with adding language that says, below a certain level the General Manager has the freedom to do the right thing in terms of capturing these kinds of elements, because there is always a question of time in terms of getting on board with power contracts.

Mr. Talbot agreed; If it is timely, the best practice is not to wait weeks to have a meeting for a transient opportunity, but when it is a long term, such as a 20-year contract for a plant that will not be built for three more years, it does not fit in that category.

Ms. O'Brien stated that she would bring all power contracts to the Board with the exception being Transaction Facilitation Annex (TFA). There is already a vote in place for layering and laddering small transactions through the TFA. Chair Stempeck confirmed.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board of Commissioners approve Policy 19: Board of Commissioners, as presented, on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

6. Power Supply Update – Mr. Underhill, Director of Integrated Resources

Mr. Underhill provided an update on RMLD's Power Supply, inclusive of the actuals for 2019/2020, which RMLD used for the 2021 load forecast for power supply. In 2020, RMLD finished above 2019's results (6/10ths of a percent); and below 2020 ENE forecast (about 3%). The load difference occurred in the first four or five months of 2020.

It was projected that there would be an 8% reduction in RMLD's retail sales due to COVID 19 isolation protocols; this did not happen. The differences between forecast and actual results are primarily due to weather related effects. Our industrial customers kept their production going; residential loads were up slightly; commercial traffic was down slightly; but overall, sales remained stable.

RMLD came in below our budgeted amount in January 2021; RMLD's portfolio in January showed forecasted kilowatt hour sales slightly below what was projected, as well as loads and energy prices. Part of this is due to slightly warmer temperatures attributing to a decrease in sales and load. Loads from 2019/2020 were used to forecast RMLD's peak and the monthly load factors. Loads were down slightly, and costs were down dramatically. Regular on peak costs were about \$20 - \$25 a MWh in early January; the low energy costs were a big piece of the savings component. RMLD's portfolio in January showed forecasted kilowatt hour sales slightly below what was projected, as well as loads and energy prices.

Capacity costs came in slightly above projection. Transmission costs were down by an offsetting amount. Capacity and transmission are rolled into the same price grouping on the customer bill, and the cost impact on that was essentially flat for the month of January.

7. Greenhouse Gas Emissions Standard/Policy 30 Update – Mr. Phipps

Assistant Director of Integrated Resources

Materials, Greenhouse Gas Emissions Standard/Policy 30 Update Presentation, as shown in the Board Book.

Mr. Phipps provided an update of Policy 30, reviewed a power portfolio hydro opportunity, a legislative update, and the certificate management plan.

Mr. Phipps discussed the information on the legislation update *Slide 3*. On March 18th the House approved the legislation; next, the Bill goes back to the governor and will likely be effective at the end of April.

Mr. Phipps discussed the information on Certificate Management *Slide 4*. Beginning in April, RMLD will transition to retiring certificates and will provide regular updates. RMLD will be retiring a larger portion of its portfolio each quarter. The remaining certificates, after completing the required retirements, will be sold. This is a means to buffer the financial impact going forward.

Mr. Phipps discussed the information on *Slide 5*. Past practice was to sell and retire certificates. RMLD will be implementing a more a disciplined approach with monitoring and managing these certificates monthly; there will be monthly internal updates, quarterly reports, and annual filings. Mr. Phipps noted that it is important that the Department manage them on a consistent basis and retire or sell as required for compliance.

Mr. Coulter asked, is the Department approaching the solar customers in Reading to buy their certificates? It might be an opportunity. Mr. Phipps responded that it is relatively small right now because most of those certificates are not owned by RMLD, they tend not to pass through RMLD's portfolio. For the short-term, the Department is not including those in any sort of compliance management. There are other opportunities that the Department will look at relative to some of our community solar, where the Department has the choice to participate or take an ownership role in those RECs, but right now, it is mainly the other resources.

Mr. Underhill noted that the RMLD is participating with DOER for incentives for small scale programs. Part of that requires that the RECs be turned over to the participating MLP and then retired.

Mr. Coulter asked would this apply to battery program? Mr. Phipps responded that batteries do not have certificates right now, but they will impact the way the solar plays out.

Mr. Talbot noted that he has a 4.65-kilowatt system on his roof; does RMLD get RECs from that and retires it? Mr. Underhill responded that if it is under the DOER program, with a DOER incentive, then that is correct.

Mr. Phipps discussed the NE Hydro Generator *Slide 6*. RMLD continuously aims to fill the open part of the power portfolio. RMLD has three existing projects (on a smaller scale) with Gravity Renewable, whose focus is hydro projects that they own or manage.

This hydro project will be able to start delivering power in the summer of 2021. It is an existing dam that started in 1870 as a mechanical dam; In the early 19th century, it transitioned to electric generation. There is a lot of history in terms of what the flows are associated with it. It is not a pumped hydro; it is a river-based system in Connecticut. It went through major relicensing back in the early 1980s. Hydro projects undergo extensive regulatory scrutiny from all sorts of issues, especially environmental related and are extensively reviewed during the FERC relicense.

This project has been family owned for many decades. Gravity Renewables is in the process of acquiring this asset and refurbishing it to bring it up to reliable standards. If contracted, this would be about 3.8% of RMLD's load; 25,000 megawatt hours per year and has associated RECs.

This project is undergoing relicensing; expected to be completed by 2026. RMLD anticipates those will be Connecticut Class 1 certificates, but as there is some uncertainty 15 and 25 years into the project, RMLD was provided an option for certificates that have a fixed price. This way, if the market softens, (highly unlikely) RMLD is not committing that far out to buy those certificates. If they maintain value, which is expected, then RMLD will have a fixed price option tied to those. RMLD is being strategic with long-term contracts regarding how

the RECs are managed. Between now, 2021 and 2026, these will be the equivalent of Maine class one certificates. These certificates will be able to be part of our compliance portfolio, and this reflected in the pricing.

This project is a non-carbon renewable with a long-term contract. While this contract is 25 years out, the rate is very good (less than \$2m a year); the project fits RMLD's portfolio and meets Policy 30 requirements. The RMLD recommends moving forward with this contract. It is with a company that the RMLD trusts and has a good track record with, from a compliance, environmental, and risk management perspective. This contract was approved by the CAB in the previous session.

Mr. Stempeck asked; is there any community pushback or anything environmental that the Commission needs to know of? Mr. Phipps commented that the only environmental related requirement from what is already there is putting in a fish ladder. The fact this place has been there for a long time speaks to the stability of all the environmental factors.

Mr. Hennessy asked about the river; Mr. Phipps responded that Gravity is trying to close the purchase and asked us not to reveal it.

Chair Stempeck clarified, from a flow perspective, there are dams ahead of this to try to maintain a constant flow. Mr. Phipps noted that is correct, a little steadier flow.

Mr. Coulter asked if there any river bladders (potential) involved? Mr. Underhill responded not that the RMLD is aware, this is run of the river.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board of Commissioners vote to accept the General Manager's recommendation to execute a contract with Gravity Renewables for energy, including associated certificates from a hydro facility in Connecticut. Roll call vote: Chair Stempeck, Aye; Mr. Hennessy, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

Mr. Talbot asked about pricing; How does the pricing change over the life of the contract; is it a fixed price? Is that typical for hydro projects? Mr. Phipps responded that the actual price rate is fixed and is on the lower end of the average of RMLD's hydro projects. Relative to RMLD's total portfolio, hydro projects tend to be about 80% higher than the average unit price. That reflects the premium of being non-carbon and renewable. One of the reasons RMLD wants to move forward on this contract is there are not many of these projects available, and interest has heightened over the past month.

Mr. Talbot asked is there anything the Commission should know about, like a controversy? Mr. Phipps responded none known; the asset has been in place since the early 1900s. Mr. Talbot thanked Mr. Phipps for moving quickly on this.

8. Engineering & Operations Report – Solar/Battery System Impact Study Mr. Jaffari **Director of Engineering & Operations**

Mr. Jaffari reported on RMLD's Reliability Report *Slide 2* RMLD's reliability is great, well below regional and national averages. Everything came in below the average for a five-year period (through February 2021) aside from weather and related outages.

Mr. Jaffari reported on the Solar and Battery System Capacity Study *Slides 4,5,6 and 7*. The study was performed in 2020 to find out the limitations on the system, the feeders, and to ensure RMLD is not exceeding those limitations. One of the goals was to find out what the operating limits are and ensure this does not impact the system reliability and safety. The study calculated the maximum capacity that RMLD can offer to customers for interconnection at every node as well as better tracking and control over the capacity limit. The deliverables were to perform an engineering analysis and provide a report with a data file containing an updated heat index map based on the GIS data provided; and to identify

the limiting factors (such as wires) and protective devices that need to be an upgraded to open more capacity.

Mr. Jaffari reported on the solar GIS map *Slide 5* which tracks requesting interconnection and monitors the heat index map for available capacity. To date there are approximately 90 installations and increasing.

RMLD engineers provided the system modeling for the consulting firm to minimize the cost of this study. Studies of this type generally cost between \$50K to \$100K; the completed study came in under \$20K. This RMLD information was integrated into the study; parameters such as system impedance; voltage; wire sizes; and protective devices were provided to a highly sophisticated software system to conduct the study.

As a result of the study, a heat index map *Slide 8* was created for every feeder or circuit systemwide. These maps are updated every six months which requires a few hours of PSE consultants.

Mr. Jaffari reported on the Solar Capacity Results *Slide 9* and System Limitations *Slide 10*. The capacity limitations are a shared responsibility that requires cooperation and collaboration between RMLD and its customers. RMLD strongly recommends using the smart inverters for solar systems which can control the power flow, reverse the power flow, and regulate the voltage. More companies are offering these advanced features which can be programmed by the customer or the technicians. Using the smart programmable inverters are the key to participation in RMLD's Demand Response (DR) program in the future. The intent is to protect RMLD's system reliability and safety to make sure the Department is not exceeding system limitations.

Mr. Jaffari commented on the System Limitations *Slide 10*. RMLD's procedure starts with E&O performing a preliminary analysis, then the customer will be advised to seek other solutions, such as: installing programmable Smart Inverter; installing batteries to store energy during the day and to use at night; participating in the peak shaving or demand response program when called for by RMLD.

Mr. Jaffari reported on RMLD's Business Process *Slide 11*. The process starts with the customer contacting RMLD's Customer Service department to request Solar/Battery interconnection to RMLD's distribution system. Customers are encouraged not to make any economic investments (residential or commercial) prior to contacting RMLD to find out the possible interconnection requirements and limitations. This allows customers to know the system limitations and options beforehand. From there, a series of steps occur internally to ensure the customer project moves from inception to completion. Interconnection is a shared responsibility between the customer and RMLD, which requires cooperation, and collaboration.

The RMLD Electrical Service Requirements Handbook (updated in 2021, located on RMLD's website) contains information for customers about the construction duties, responsibilities, and requirements.

Information on DG installations can be found in Section 13.1 on page 44.

9. Financial Report – December Financials (Unaudited Draft) – Ms. Markiewicz
Director of Business & Finance

Ms. Markiewicz stated that RMLD aims to present the audit to the Audit Committee in May. The draft audit findings are presented to the Audit Committee, who makes a recommendation to the Board of Commissioners; then the Board of Commissioners accepts the audit. After accepting the audit, the final financial statements, can be released to the public. This aligns with Ms. O'Brien's report to the Select Board in the service towns.

Ms. Markiewicz presented the unaudited draft of the financials prior to any pension and OPEB adjustments. Due to COVID, the focus is RMLD's ongoing relationship with customers; trying to provide leeway and extend services to provide further assistance.

The financials dipped in June, because of people experiencing the financial effects of COVID; and dipped again in October on receivables. Currently, RMLD is back at 96.5% cash in the bank, 90 days current; 90 days is a good judge as oftentimes utility bills get missed. RMLD does not impose any finance charges or penalties for late payments. Ms. Markiewicz addressed the depreciation reserve compared to capital spending. RMLD's capital improvements for the safety and reliability of the infrastructure is the only depreciation reserve that has to be held for capital projects. This is reflected in the capital spending. RMLD came in below the projected budget in CY20 (\$7.3m) in CY 20; but due to the COVID impact that is where RMLD ended.

On the operations and maintenance expenses, (actual expenses through 12/31/20), the budgeted expenses were approximately \$1.1m under budget, the majority of that is due to COVID. There are still a few outstanding invoices.

RMLD's biggest decrease in the budget was from vacancies in multiple areas due to talent pool, retirees, and resignations, which caused an overall decrease. The vacant positions were in grid asset management, station technicians, material management linemen, and administrative staff. COVID caused a decrease in spending particularly in tree trimming programs, which were halted or decreased because of the state mandate, as well as education and training programs which were cancelled or diminished.

Unforeseen events caused an increase in spending. Due to the new language in the union contracts, RMLD now allows employees to cash out buy back sick time (with strict guidelines in place). If employees meet the guidelines, they are encouraged to buy back the sick time because that eliminates the liability. Historically, the liability increases annually as payroll increases. This year, the liability decreased, which is positive for RMLD. Additional funds were spent on necessary roof repairs and the security monitoring measures for IT infrastructure due to the ransomware intrusion.

Mr. Coulter commented on the sick policy. The Department has a sick buyback liability, and it is working to make it better by encouraging employees to take the money now rather than later. Is that something the Department should revisit in the sick policy to potentially limit that exposure in the future? Ms. Markiewicz responded that in the past contract, Ms. O'Brien worked hard to minimize the sick time (unlimited 90, 60, 30 days for new employees). Through negotiations, Ms. O'Brien was able to get it down to 30 days. In the past many employees have had unlimited sick leave buyback. As employees retire, that is diminishing, and as new hires come in, they are limited to 30 days.

10. RMLD Procurement Requests Requiring Board Approval – Mr. Jaffari
Director of Engineering & Operations

IFP 2020-47 HVAC/Ice Machines Maintenance and Repair

Mr. Jaffari reported that this bid was sent to 25 companies: one respondent. Bidders did not respond because they either did not have the DCAM certifications, or they could not provide services for both the ice machines and the HVAC system. It saves RMLD money if both services are performed by the same vendor. Last time, Ambient Temperature was awarded the bid for \$89,808. For this bid they came in higher at \$118,056. This was due to COVID restrictions; the CDC mandated requirements to change the air filters to nerve DASH-13 filters and increased the frequency from four to six times a year.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that IFP 2020-47 for HVAC and Ice Machines Preventative Maintenance Service be awarded to Ambient Temperature Corporation for \$118,056.00, pursuant to M.G.L., c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager. This is a three-year contract.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Coulter, Aye; Mr. Talbot, Aye.

Motion carried 5:0:0.

IFP 2021-03 ABB OVR-3 15kV Reclosers

Mr. Jaffari reported that this bid was sent to 14 vendors, two respondents. The lowest responsible and responsive bidder was Stuart Irby, approximately \$1,000 less than Wesco. This was slightly over the budgeted amount (\$100K for five units). by \$1,215.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that IFP 2021-03 for ABB OVR-3 15kV Reclosers be awarded to: Stuart C. Irby Company for a total of \$101,215.00, pursuant to M.G.L. c. 164 § 56D, on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Coulter, Aye; Mr. Talbot, Aye.

Motion carried 5:0:0.

IFP 2021-09 Pole Mounted Transformers

Mr. Jaffari reported that the bid was sent to 18 vendors, four respondents. The lowest responsible and responsive bidder was Wesco Distribution for \$120,074. These transformers are for system reliability and for maintenance for both overhead and underground applications.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that bid IFP 2021-19 for pole mounts and transformers be awarded to Wesco Distribution Inc for \$120,074 pursuant to M.G.L. c. 164 § 56D on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Coulter, Aye; Mr. Talbot, Aye.

Motion carried 5:0:0.

IFP 2021-10 Pad Mounted Transformers

Mr. Jaffari reported that the bid was sent to 21 bidders, five respondents. This was for 14 transformers for underground projects. The lowest responsive and responsible bidder was Wesco Distribution for \$194,274.00.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that IFP 2021-10 for Pad Mounted Transformers be awarded to: WESCO Distribution, Inc. for \$194,274.00, pursuant to M.G.L. c. 164 § 56D, on the recommendation of the General Manager.

Roll call vote: Chair Stempeck, Aye; Mr. Hennessy, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

11. Scheduling – Chair Stempeck

Next RMLD Board Meeting: Thursday, April 22, 2021

CAB Meeting Coverage, Thursday, April 22, 2021 – Commissioner Pacino

12. 2020 Review of General Manager – Chair Stempeck

Chair Stempeck stated that this has been a particularly difficult year for everyone. RMLD stayed the course and that was directly attributed to the leadership role that Ms. O'Brien played in the organization. The format for the GM performance review was changed from a point system to a 360-degree review. This review was conducted late due to COVID; and this payment raise, etc., will be retroactive back to January 1, 2021.

Ms. O'Brien sent out goal narratives with a list of accomplishments, changing from a point system to quarterly check in. The goals included the Wilmington Substation, the Ash Street campus (put on hold due to COVID), solar battery system, impact study, master sell agreement and electrification workshop. Despite COVID, RMLD had a successful year. The Chair and Ms. O'Brien met on a weekly basis, provided updates, and sent memos, as a mechanism of staying transparent. The RMLD has, and will continue to do, an outstanding job of providing excellent detail. The Commission appreciates everyone keeping up with all the technicalities of this engineering organization.

Mr. Hennessy stated that Ms. O'Brien and her team had a lot to go up against during this pandemic year; and Ms. O'Brien accomplished all the key goals that are in her control. There are many things that you cannot control, like the land in Wilmington. There are many stakeholders - union employees, nonunion employees, commercial, residential, that Ms. O'Brien has, who set demands. Ms. O'Brien met those demands, resiliency during a very

tough year. Mr. Hennessy noted that there are challenges that Ms. O'Brien faces that others would not, being in a male dominated industry. Mr. Hennessy shared congratulations on an impressive year.

Mr. Talbot made a comment on the process; noting that he received all the emails from Ms. O'Brien with her achievements and letter, and some salary comparisons, but none of that was in the board book. Should that material be in the board book as a matter of process, openness? Chair Stempeck commented that he believes there is no issue with including it.

Ms. O'Brien said that the goal narrative can be put in the Board book. Ms. O'Brien added that the goal information will be transparent and found in the annual report.

Mr. Talbot noted that it was a lot of information to process. Mr. Talbot thanked Ms. O'Brien for all her hard work and all the great engineering that is done at RMLD. Mr. Talbot echoes the comments of Mr. Hennessy about COVID and the excellent way it has all been handled. It is worth acknowledging. Mr. Talbot asked what Ms. O'Brien's assessment of the biomass is, as she looks back at the decision she made and what has happened in the last six months. What are her own reflections on that?

Ms. O'Brien responded that she did not discuss it specifically in her goals narrative because it has been discussed continuously over the last six months. It was clearly stated at the beginning, she was following the policy as it has been implemented. RMLD has been focused on obtaining renewables at a pretty good clip to make the percentage goals that were in the policy. The RMLD is actively adding renewable projects and presenting them every month. Palmer was presented in February and November. The Department has learned a lot about environmental justice. That is something the RMLD is very interested to see for new projects coming out. RMLD was asked to provide options and provided options quickly. Everything will be brought to the Board. That is why Policy 30 reflects that.

Mr. Pacino stated that he agrees with many of the same things that Messrs. Hennessy and Talbot have said. Mr. Pacino complimented Ms. O'Brien on her handling of the IT situation and thanked her for that and for all her services.

Mr. Coulter stated that he has a unique perspective coming from the industry. At first, Mr. Coulter was very neutral and blind to the inner workings of the RMLD model; he has been extremely impressed by Ms. O'Brien, the staff and all the employees at RMLD. Mr. Coulter commented that it is a small tight knit group, and he is very impressed with the organization to date, its accomplishments with the budget, and the personnel. It has been a pleasure and hope it continues. Mr. Coulter noted that when Ms. O'Brien finds an obstacle, she gets through it, and meets the challenges every day. Kudos to yourself and all the staff at RMLD.

Mr. Hennessy noted that he is impressed with the staff that Ms. O'Brien has hired who are in this Zoom meeting. In addition, a lot of the credit goes to her because she brought them here and developed them. Ms. O'Brien commented that RMLD is building a good team.

Chair Stempeck proposed the following numbers to be added to the motion, a 4% salary increase and a \$6,000 bonus. Chair Stempeck opened that to discussion.

Mr. Talbot asked Chair Stempeck to address the comparisons of where RMLD stands in terms of the General Manager salary. Chair Stempeck stated the data that Mr. Talbot is referring to is produced by MEAM, which covers all the municipals in terms of salary versus the revenue of the municipal. The numbers referenced are from 2020. In the meantime, others have received an increase in this past year. Because of this, Chair Stempeck is suggesting a 4% increase and a \$6K bonus. The union increase this year is 3%.

Mr. Hennessy asked for the prior salary increases. Chair Stempeck responded that 2019 - 4%, 2018 - 4.5%, 2017- 4.5%, 2016 - 6%, 2015 - 3.6%, 2014 - 3%. Her starting salary was \$165,000. She was starting at a significantly lower salary in those days because, she

was just hired and the Commission was bringing in a new person that had to prove that she could handle the load and do whatever was needed, Ms. O'Brien has accomplished that.

Mr. Talbot said that the MEAM salary comparison showed there are four municipal managers who make more than Ms. O'Brien. There are 41 municipal light plants, Taunton, Holyoke, and Braintree whose managers earn more but also have a broadband business. There also may be one other manager above \$212,000. Mr. Talbot noted that Ms. O'Brien receives \$800 monthly for her vehicle. It is not about performance or raises, what is the market and our obligation to the ratepayer. He does not see the market justification for keeping going so much higher

Mr. Coulter commented that he is comfortable with the percentage of the raise. In a year there are two important things the Commission should base everything on, to keep the rates low, and the reliability significantly lower than others. The General Manager accomplished the goals that we wanted. If the revenue stream is good, which it is, that is another positive. The 4% in this industry is a good raise. On the bonus side, maybe even a little bit higher, he would be more than willing to make that increase.

Mr. Hennessy noted that he is comfortable with both numbers because it is very consistent with what raises we have given Ms. O'Brien in the General Manager position since he has been around, and it has been in the mid-range. This has been an extremely difficult year, and she has met the challenge for this year. He is fine with the numbers the way they are.

Mr. Pacino stated that after hearing what Mr. Coulter had to say he is comfortable with the numbers.

Mr. Talbot said that he would propose a 2% raise, with a small bonus. The current salary suggestion is too much. Soon, it is going to be the highest salary in the state, and he does not see the justification for it.

Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board of Commissioners approve a 4% salary raise and a \$6,000 bonus retroactive to January 1, 2021 and to be paid as Ms. O'Brien chooses as ICMA, cash or combination of the two.

Roll call vote: Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Hennessy, Aye; Mr. Mr. Coulter, Aye; Mr. Talbot, Nay.

Motion carried 4:1:0. Mr. Talbot voted against the motion.

13. Reorganization of the RMLD Board of Commissioners – Chair Stempeck

Chair Stempeck put forth the notion of a reorganization of the Commission's officer for the coming year at this meeting. This would provide continuity to the leadership and avoid any possible lapse in direction to the Department.

Mr. Talbot noted that the Commission has never done a reorganization at this point in the cycle during his tenure on the Commission. He requested that the Commission defer the reorganization until after the upcoming election.

Chair Stempeck said that it is very close to when we usually do it. He restated that the purpose is to avoid any possible gap in leadership.

Mr. Talbot responded that the Commission traditionally has a reorganization after the election when there is a new Board in place. Chair Stempeck commented that he is putting forward an innovative process to address the continuing leadership of the Commission.

Mr. Hennessy added that he agrees with Mr. Talbot's position to defer the reorganization until after the election.

Mr. Pacino was asked if the Commission had done a reorganization before the election at any time during his 34 years on the Commission. He replied in the negative.

Mr. Coulter added that he agrees with the purpose behind the reorganization at this point in time. He reiterated his experience of coming on the Commission and going through a learning curve.

Mr. Pacino was asked to put forth the motion to nominate the new Commission officers for the coming period. He stated that he believed it was an innovative idea. However, seeing that the Commission was evenly split on the idea of a reorganization at this meeting, he stated there is not enough consensus to go forward and thus declined to make the motion. Chair Stempeck then stated that we will forego the motions related to the reorganization of the Commission.

14. Executive Session

At 9:44 PM, Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board of Commissioners go into executive session pursuant to Mass General laws, Chapter 164 Section 47(d) exemption from public records and open meeting requirements in certain instances to discuss comparatively sensitive issues regarding options for power supply and to consider the purchase, exchange, lease or value or really property and return to regular session for the sole purpose of adjournment.

Roll call vote: Chair Stempeck, Aye; Mr. Hennessy, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

15. Adjournment

After reverting back to Regular Session, at 10:02 PM, Mr. Pacino made a motion, seconded by Mr. Hennessy, that the Board adjourn.

Roll call vote: Mr. Hennessy, Aye; Chair Stempeck, Aye; Mr. Pacino, Aye; Mr. Talbot, Aye; Mr. Coulter, Aye.

Motion carried 5:0:0.

A true copy of the RMLD Board of Commissioners Minutes
As approved by a majority of the Commission.

Philip B Pacino

Philip B Pacino (Aug 13, 2021 09:25 EDT)

Philip B. Pacino, Secretary Pro Tem
RMLD Board of Commissioners