



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2020-10-22

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:**

Due to the pandemic and the March 12, 2020 Governor's Executive Order Suspending Certain Provisions of the Open Meeting Law, all participants attended remotely.

John Stempeck, Chair; David Hennessy, Vice Chair; David Talbot, Commissioner; Robert Coulter, Commissioner.

Members - Not Present:

Phillip B. Pacino, Commissioner

Others Present:

RMLD Staff: Coleen O'Brien, General Manager; Charles Underhill, Director of Integrated Resources; Greg Phipps, Assistant Director of Integrated Resources; Wendy Markiewicz, Director of Business, Finance, and Utility Technology; Tracy Schultz, Executive Assistant.

George Hooper, Citizens' Advisory Board

Gail Page, Green Sanctuaries

Lynn Champion, 8 Franklin Avenue, Wilmington

James Satterthwaite, 8 Hunt Street, Reading

John Rogers, 39 Tower Hill Road, North Reading

Laura Haight, Partnership for Policy Integrity

Johannes Epke, Conservation Law Foundation

Caroline Whiting, 17 Chestnut Road, Reading

Haley Jones, Community Action Works

David Zeek, Chair, Reading Climate Action Committee

Minutes Respectfully Submitted By: David Hennessy, Secretary Pro Tem

Topics of Discussion:

Call Meeting to Order

Chair Stempeck called the meeting to order and read RMLD's Code of Conduct. Chair Stempeck announced that the meeting is being recorded via Zoom for distribution to the community television stations in North Reading, Lynnfield, and Wilmington.

Chair Stempeck asked Vice Chair Hennessy to serve as Board Secretary.

Public Comment

Mr. Epke stated that he is concerned regarding the inclusion of biomass in RMLD's Clean Energy Policy. Ms. Whiting stated she is a member of the Greater Alliance for Clean Energy (GRACE) and

expressed her concerns that RMLD is involved with the Palmer biomass plant, particularly its location in Springfield.

Mr. Rogers stated that GRACE sees RMLD as having three options: keeping all RECs and claiming the renewable energy, selling the RECs and not claiming the renewable energy, and keeping some RECs to meet RMLD's targets and then selling anything else for revenue.

Report of the Citizens' Advisory Board Meeting

Mr. Hooper stated that the CAB met right before this meeting and reviewed the operating and capital budgets and approved.

General Manager's Report

Ms. O'Brien welcomed Mr. Phipps, the new Assistant Director of Integrated Resources.

Community Updates

Abode Energy was hired to help with the heat pump program, and it is going very well. There are about 35 applications in the queue. Virtual Public Power Week and Virtual National Drive Electric Week were both a success. The voluntary fourth-grade art contest is going well. The 2021 historical calendar will be out around Thanksgiving and will be available in a kiosk outside the RMLD.

Approval of Board Minutes

Mr. Talbot made a motion, seconded by Vice Chair Hennessy, that the Board approve the meeting minutes of January 23, 2020, April 21, 2020, April 30, 2020, May 23, 2020 on the recommendation of the General Manager.

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

Motion Carried: 4:0:0 (one absent).

Review of Board Policy

Chair Stempeck explained that a review of Policy No. 30, RMLD's Clean Energy Policy, is on the agenda. Chair Stempeck suggested tabling the vote on that policy until November due to needed changes to wording in the policy. Chair Stempeck also stated that the Board was unaware of all the controversy surrounding the Palmer project. The Board needs time to look at all the data and information regarding that plant. Mr. Talbot stated that the money being used to build the Palmer plant would be better spent elsewhere and that the plant may only comply with state permits if the Governor were to weaken relevant regulations.

Mr. Coulter stated that there are positive aspects of burning wood debris and that it is not all negative. Vice Chair Hennessy asked Mr. Epke for more information regarding biomass. Mr. Epke replied that there are a variety of biomass plants. Lumber plants in Oregon have biomass plants on site which makes more sense since there are no transportation emissions involved. They can burn anything from residential compost to chipped dried wood to chipped tires. The enforcement of what is burned at a facility is a concern. Large facilities require large amounts of fuel: far more than tree trimmings from municipalities. From a climate perspective, biomass is not a neutral source in that the term to grow a tree back is not valuable in the time frame that we need to address carbon emissions. Biomass incentivizes cutting down trees that are decades old.

Mr. Talbot made a motion, seconded by Vice Chair Hennessy, that the Board of Commissioners direct the General Manager to explore all options relative to the disposition of the Palmer Biomass contract, starting by working with the Board to retain outside counsel not previously engaged on the issue.

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

Motion Carried: 4:0:0 (one absent).

Integrated Resources Division

Power Supply Report

Mr. Underhill stated that the system load for the first three months of the year were about three percent below what was anticipated due to unseasonably warm weather. June was very hot and was reflected in the load, July was as expected, August's load was a bit high, and September was slightly higher than the previous year but slightly lower than what was forecast. RMLD is

Power Supply Report

tracking very well and is not seeing a dramatic impact from COVID-19. Actual costs have been running below the budget numbers, resulting in lower power costs overall.

Climate Action Committee

Mr. Underhill stated that he met with Reading's Climate Action Committee and provided them an update on what RMLD has been doing. The presentation is included in the Board packet.

Financial Report

August 2020

Ms. Markiewicz began with a list of highlights, including announcing that a new Credit and Collections Manager was recently hired, RMLD filed the 2019 DPU Report on September 30, and the Calendar Year 2021 Budget was distributed on October 1. In December RMLD has a pension obligation and will be transferring \$2.1 million to the Massachusetts Municipal Depository Trust. The second half of the two percent net payment to the four towns will be made at the end of December in the amount of \$803,000. The second half of the payment to the Town of Reading will be made at the end of December as well. That will be \$1.2 million. Ms. Markiewicz reviewed operating and maintenance expenses from January through August. RMLD is far under budget and is hoping to level out in some areas. However, it is currently projected that operating and maintenance expenses will be \$1 million under budget at the end of the year. Ms. Markiewicz explained the main area that is under budget is due to vacancies across the entire organization. These are due to the talent pool, retirees, and resignations. COVID has caused a halt or decrease in expenses such as tree trimming being halted or decreased, home energy audits being halted or decreased, vacation opportunities not being taken, the cancellation of education and training programs, and legal proceedings being cancelled or postponed. Unforeseen spending included roof repairs and security monitoring measures for IT infrastructure. Ms. Markiewicz stated that RMLD has been monitoring Accounts Receivable. The 30-day turnaround hit a low point in June but is now coming back up. Additionally, 95 percent of accounts are current through 90 days as of August.

OPEB Declaration of Trust

Ms. O'Brien explained that there were minor changes; the law allows the Board to choose a trustee, In this case, the Town Treasure. However, the Town Treasurer wanted language added to the trust prevent the Board from changing trustees in the future. Counsel has gone back and forth and made some minor changes,

Mr. Talbot made a motion, seconded by Vice Chair Hennessy, that the Board of Commissioners adopt the amendments to the Declaration of the Trust, as set forth in the proposed Amended and Restated Declaration of Trust presented by the General Manager.

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

Motion Carried: 4:0:0 (one absent).

Engineering and Operations Report

Mr. Jaffari reported that construction is ongoing on North Main Street in Lynnfield. Switchgear replacements at Haven Street in Reading have been completed and are scheduled to be completed at Riverpark Drive in North Reading this month. Seven electric vehicle charging stations have been installed at Analog Devices in Wilmington and are just awaiting inspection. The line extension on Marion Street in Wilmington is 85 percent complete. In 2020, approximately 30 manholes across all four towns were identified for repair. All have been completed except for five on Main Street in Reading. Those will be repaired in the spring as part of a repaving project. Construction projects that have been recently completed include underground facilities upgrades on Westover Drive in Lynnfield and are upgrades on Kenwood Road in Wilmington. The power factor optimization software implementation will be completed by December and the meter replacement project study will be finalized and available soon. Maintenance programs were reviewed, including a new primary metering test. The meters are being tested for accuracy and reliability. The aged transformer program has been very successful. Capital spending through September totaled \$5.5 million, \$11.5 million was budgeted so \$6 million remains. Double poles were reviewed. Reliability is better than the regional and national averages. There have been ten storms so far this year: the average is usually five.

RMLD Procurement Requests Requiring Board Approval

IFB 2020-15 for: Hourly Rates for As Needed Distribution Line Work of All Types

Mr. Jaffari explained the bid was sent to thirteen companies. Four responded. The lowest bidder was the company RMLD currently uses.

Vice Chair Hennessy made a motion, seconded by Mr. Coulter, that bid IFB 2020-15 for: Hourly Rates for As Needed Distribution Line Work of All Types be awarded to: **Power Line Contractors, Inc.**, pursuant to M.G.L Chapter 30 Section 39M, as the lowest responsible and eligible bidder on the recommendation of the General Manager.

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

Motion Carried: 4:0:0 (one absent).

IFP 2020-38 750 MCM 15kV Power Cable

Mr. Jaffari stated that the bid was sent to thirteen distributors. Of the five who responded, four did not give firm pricing due to the changing cost of metal. The price the fifth bidder gave is consistent with past pricing.

Vice Chair Hennessy made a motion, seconded by Mr. Coulter, that IFP 2020-38 for 750 MCM 15kV Power Cable be awarded to: **Arthur J. Hurley Company, Inc., for \$178,851.15**, pursuant to M.G.L. Chapter 164 Section 56D on the recommendation of the General Manager.

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

Motion Carried: 4:0:0 (one absent).

General Discussion

Meeting dates were discussed.

Adjournment

At 8:41 p.m., Vice Chair Hennessy made a motion, seconded by Mr. Coulter, that the Board go into Executive Session to consider the purchase of real property and to discuss confidential, competitively-sensitive or proprietary information in relation to making, selling, or distributing electric power and energy and return to Regular Session for the sole purpose of adjournment.

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

Motion Carried: 4:0:0 (one absent).

At 9:15 p.m., Vice Chair Hennessy made a motion, seconded by Mr. Coulter, that the Board adjourn.

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

Motion Carried: 4:0:0 (one absent).

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


David Hennessy (Feb 1, 2021 14:42 EST)

David Hennessy, Secretary Pro Tem
RMLD Board of Commissioners