



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2020-04-21

Time: 07:30 PM

Building: Reading Municipal Light Building

Location:

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; Daivid Hennessy, Vice Chair; David Talbot, Commissioner; Bob Coulter, Commissioner; Philip B. Pacino, Commissioner

Members - Not Present:

Others Present:

RMLD Staff: Coleen O'Brien, General Manager; Charles Underhill, Director of Integrated Resources; Wendy Markiewicz, Director of Business, Finance, and Utility Technology; Hamid Jaffari, Director of Engineering and Operations; John McDonagh, Assistant Director of Engineering and Operations; Tracy Schultz, Executive Assistant

Karen Herrick, Select Board
Vanessa Alvarado, Select Board

Vivek Soni, Citizens' Advisory Board

Minutes Respectfully Submitted By: Philip B. Pacino, 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 videotaped via Zoom for distribution to the community television stations in North Reading, Lynnfield, and Wilmington.

Chair Stempeck asked Mr. Pacino to serve as Board Secretary and had all attendees identify themselves.

Report on Citizens' Advisory Board Meeting

Mr. Soni stated that the CAB met the prior week. The CAB is satisfied with how RMLD is addressing the pandemic. Mr. Soni stated he has reached out to Reading Select Board members regarding extending the Twenty-Year Agreement.

Public Comment

Ms. Alvarado replied to Mr. Soni, stating they received his correspondence were waiting to respond until after the Town election. Addressing COVID-19 has been the priority for the last month.

Public Comment

Ms. Alvarado stated she will speak with the Select Board Chair. Ms. Herrick stated she asked the Town Manager and if RMLD wanted to issue debt going forward, Reading would be supportive.

RMLD's Response to COVID-19

Ms. O'Brien announced that there are no illnesses at the RMLD and that RMLD was extremely proactive when the virus came out. Mr. Jaffari explained that RMLD management set up an emergency response team with directors from all departments. Daily meetings have been held via Zoom. Social distancing was immediately implemented, and employees were trained in Zoom. The HR Director sends out updates to employees via e-mail discussing the CDC and Public Health. Facilities checked all the HVAC filters and the cleaning contractors were given additional instructions. Cleaning products were upgraded, and gloves were provided to employees. All non-essential preventative maintenance work has been suspended. RMLD is focusing on emergency work. RMLD is following the building enclosure instructions per the Board of Health. RMLD has a one-month supply of materials for both the electric and business side. Some employees have been able to work from home. RMLD is working with customers who need payment plans. RMLD's Emergency Plan of Operation, employee phasing, and employee teams were reviewed. Employees are socially distancing during storm responses. No sixteen-hour shifts are being scheduled. Lessons learned include maintaining Zoom security to prevent Zoom bombing.

General Manager's Report

Ms. O'Brien stated that she gave a presentation to the Wilmington Board of Selectmen the previous week. They passed the extension to the Twenty-Year Agreement. Ms. O'Brien stated she will follow up with Lynnfield and North Reading. The renewal expires May 31. Ms. O'Brien announced that the Annual Report was completed and sent out. The financials are delayed due to COVID. They should be in draft form by June.

RMLD's Storm Response

Mr. McDonagh explained that the wind event that occurred on April 13, a total of 3,900 customers lost service. The majority were restored within the first 24 hours. There were a few outliers that needed wiring inspections or repairs to their personal property. The crews were split into shifts and worked through the night. Chair Stempeck stated that the RMLD restored power much faster than the IOUs. Mr. McDonagh stated that National Grid peaked at 80,000 customers and Eversource at 78,000 customers without power. It was a multi-day event for those companies. Mr. Coulter asked how RMLD handled the Control Center-were they remote or socially distanced. Ms. O'Brien reported in the latter. There were two Control Room operators and the Communications Manager: they were properly separated.

Integrated Resources Division

COVID-19 Load Impact Discussion

Mr. Underhill stated he was asked by Ms. O'Brien to examine the potential financial implications and effects of COVID-19 on load and power supply. To assess the changes, it has to be determined if the impacts on load changes, power supply costs, residential class sales and revenue, non-residential class sales and revenue, fixed operating expenses, and the capital budget were due to weather, COVID-19, or other factors. In terms of other utilities, there has been a six to ten percent drop in electric consumption in the second quarter of 2020. The anticipated drop for the remainder of the year is anticipated to be between seven and nine percent. RMLD assumed an eight percent load reduction for the remainder of 2020 and then conducted a baseline analysis. The wholesale load for the remainder of the year is 520,524.4 MWhs. An eight percent reduction is approximately 41,642 MWhs. RMLD then examined two years of historic data and the current budget. The first three months of 2020 included the warmest January on record as well as a warm February. Those impacts need to be considered. RMLD can use the rate stabilization and deferred fuel funds and can consider a rate adjustment if needed. At this point, the magnitude and duration of the COVID-19 event is unknown. RMLD is assessing the impact of the pandemic on the power supply budget, Accounts Receivable, Accounts Payable, credit ratings, RMLD programs and services, and cash flow. Shifts may need to be made between the operating and capital budgets. Mr. Underhill explained that if RMLD needs to cover an impact of an eight percent reduction in load for the remainder of the year by using the deferred fuel reserve,

Integrated Resources Division

COVID-19 Load Impact Discussion

it would be \$673,829. This is doable. The operating revenues for the remainder of the year are targeted to be about \$23 million. An eight percent reduction in sales revenue for the remainder of the year is \$1,834,239. This could be covered by the rate stabilization fund without changing retail rates. RMLD has the resources to cover the impacts of COVID if it stays at eight percent.

Payment to the Town of Reading

Chair Stempeck stated that the CAB met and there was consensus that the three-year rolling average was the best formula presented. Vice Chair Hennessy confirmed.

Vice Chair Hennessy made a motion that for the years 2020 and beyond, that he PILOT payment to the Town of Reading, be calculated annually based on a three-year rolling average of kWh sales, at the rate of 3.875 mils, and that the GM has the authority to adjust the payment as necessary in times of crisis or other reasons to maintain the fiscal stability and reliability of RMLD.

There was discussion whether COVID would be included in the calculation. Chair Stempeck stated the model could be run to determine the impact. The mils amount was a compromise between the Board and the CAB. Mr. Talbot and Mr. Pacino pointed out that the motion wasn't on the agenda. Mr. Pacino stated he is uncomfortable seconding or voting on the motion. Mr. Talbot stated it would be prudent to table the motion for the next meeting and examine the COVID impact in the interim. Mr. Pacino stated he supports the concept but wants to see the numbers. Mr. Soni asked that the above-the-line payment be examined as well. Ms. Alvarado thanked the Board for collaborating with the Town and stated that the Select Board would appreciate time to review the new proposal.

Since the motion was not seconded it was withdrawn

Integrated Resources Division

Homeowner Information Sessions and Rebate Programs

Mr. Underhill stated two of the four homeowner information sessions were held prior to COVID. A webinar is being developed. RMLD has a heat pump rebate program, including a program to do panel changeouts. The solar program through DOER has been extended through the end of the year. RMLD is launching a yard products program on electrically operated lawnmowers (including lawn tractors), weed whackers, chainsaws, and leaf blowers.

RMLD Procurement Requests Requiring Board Approval

RMLD VEH 98 RFQ 2020-13 Light Duty Vehicles with Trade Ins

Mr. Jaffari explained that this is not a bid. Requests were sent to dealers on a state list for quotes. Ms. O'Brien explained that RMLD has a 30-point electric vehicle program that is comprehensive. One of the parts of the program is fleet transition: for RMLD to change to electric vehicles. RMLD has spent a significant amount of time and no one responded with the capacity RMLD needed for storage (size of vehicle, such as SUVs). RMLD has been waiting for the electric technology to be applied to larger vehicles but current fleet can't pass inspections. It's at the point where the vehicles must be replaced. Leasing was considered but it wasn't cost beneficial.

Mr. Pacino made a motion, seconded by Vice Chair Hennessy, to recommend that the General Manager through the Materials Manager purchase four (4) Toyota Hybrid Highlander SUVs with Trade Ins from MHQ, Inc. for Harr Toyota for \$151,997¹ and one (1) Ford F-150 Eco Friendly Pick Up Truck with Trade In from Marcotte Ford Sales, Inc. for \$32,536.50 pursuant to M.G.L. c. 30B, Statewide Contract VEH98. The total of all five (5) vehicles is \$184,533.50.

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

Motion Carried: 5:0:0.

General Discussion

Meeting dates were discussed. Mr. Pacino stated that the warrants are now being signed electronically. FEMA reimbursement filings were discussed.

Adjournment

At 9:10 p.m., Mr. Pacino made a motion, seconded by Vice Chair Hennessy, that the Board go into executive session to consider the purchase of real estate and to return to regular session for the sole purpose of adjournment.

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

Adjournment

Motion Carried: 5:0:0.

At 9:30 p.m., Mr. Pacino made a motion, seconded by Vice Chair Hennessy, that the Board adjourn.

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

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