

Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

GM Search Committee Meeting

Date: 08-24-2022

Time: 4:00 PM

Building: Reading Municipal Light Building

Location:

General Managers Conference Room

Address: 230 Ash Street

Session: Open Session

Purpose:

Version: Final

Attendees:

Members - Present:

Chair Jason Small - RMLD Citizens' Advisory Board and GM Search RMLD Board of Commissioners - David Talbot and Robert Coulter

Members - Not Present:

Others Present:

Janet Walsh, Director of Labor Relations & Human Resources

Minutes Respectfully Submitted By: David Talbot, Secretary Pro Tem

Topics of Discussion:

1. Call Meeting to Order

Chair Small called the meeting to order at 4:00 p.m.

2. Number of new resumes received since last meeting

Chair Small reported since the last meeting there have been four resumes received that will be discussed in Executive Session.

3. Update on contracting a professional recruiting company

Chair Small stated that two interviews for the professional recruiting company will be conducted at this meeting. Ms. Walsh added she was able to confirm a third professional recruiting company that will be interviewed at this meeting.

Chair Small polled the committee members if they had questions to ask the professional recruiting companies.

Mr. Coulter stated that as has been discussed their experience level for placement of municipal employees at the executive level, their proximity to the New England area. It is not to preclude anyone that is not in the area as there has been good candidates outside of this area applying for the General Manager position. Mr. Talbot concurred with Mr. Coulter. However, as discussed, he would like information on the specific positions placed coupled with where candidates' (excluding names) were placed at municipal utilities. Mr. Coulter added that he would prefer an electrical background and experience for potential candidates. Mr. Talbot also suggested looking at results (success rates) for the placements over a two-to-five-year timeframe. Chair Small added that another question is how you generate a list of candidates. The committee agreed on questions to be asked for each professional recruiting company.

3. Update on contracting a professional recruiting company Community Paradigm - Bernie Lynch

Ms. Walsh pointed out that for the General Manager position to broaden the spectrum of potential candidates' additional postings have been placed to include all four towns the RMLD serves as well as the Massachusetts Municipal Association website.

The members of the committee introduced themselves, to the prospective recruiting companies who then provided their credentials. The committee members followed by soliciting questions.

Chair Small asked Mr. Lynch for his experience in placing municipal employees at the executive/director and above level at municipalities or municipal light plants? Mr. Lynch responded that this would be his first municipal light plant. In terms of general experience in placing people in executive positions in municipal government, primarily over the past six or seven years, they have placed approximately 80 town managers within the state. In addition, they have filled approximately 20-30 positions ranging from Finance Directors, Public Works Directors, Planners, Community Development Directors. They have also performed a search for an administrator of a regional transit agency for the Merrimack Valley Regional Transit Authority subsequently contracted to perform a search for the Greater Attleboro Taunton Regional Transit Authority, and MetroWest Regional Transit Authority. They have done some work for the MBTA Advisory Board. They worked with the transit agencies, identified the type of person that they were looking for in a candidate then utilized their network throughout the state as well as in the industry to find people to serve in those roles. As far as electric light departments, he has had interactions with the former manager of Shrewsbury Electric & Cable Operations and Norwood Light Department, General Manager. In addition, he has a good relationship with several electric light companies within the state. He has experience on the purchase of electricity working on municipal aggregation with several municipalities across the state.

Mr. Coulter asked is the business focus Massachusetts, New England or broader. Mr. Lynch responded that they reach out across the country to fulfill positions, utilizing networks and organizations. Their focus is Massachusetts. They performed a search for a town in New Hampshire and Rhode Island. He has 40 years' experience in municipal government.

Mr. Talbot asked in all his experience placing positions in Massachusetts how often are position placements from out of state? Mr. Lynch responded that for the most part it stays in state. For Town Managers it becomes a little bit challenging for communities to bring someone in from out of state because they are dealing with the town meeting form of government which is unique to New England. Another issue with the positions is the retirement system. It is a great retirement system (that includes health insurance for retirement) if you can be in it not a great system to come into. If you are midway through your career, you lose your social security years. The reality is that people do not necessarily like to move. They placed the Town Manager of Truro who came from Colorado, a position in Brookline (candidate recently relocated to Massachusetts from New York City). Not as many people come from out of state as many as they would like for a variety of reasons.

Mr. Coulter clarified that the challenge is the compensation component for retirement if they come from the outside. Mr. Lynch responded that it is an issue, in addition people do not like to move, the pension issue, the cost of living in Massachusetts which are factors that play into this.

Mr. Coulter asked what methodologies are used for candidates - a local contact group or a listing they have, repackaging Linked In or the personal reach out.

3. Update on contracting a professional recruiting company Community Paradigm - Bernie Lynch

Mr. Lynch responded that when they did the work for Reading that brought in Fidel as Town Manager. If they can provide a service to find your next General Manager, they would be interested and willing to do so. How he would attack this - which speaks to the process they use - he would need to speak to you and the people important to talk to about what the issues are facing the organization, the town, skills required, major upcoming projects. Then he would draw upon his contacts in Massachusetts with other municipal utility companies to identify candidates, the best way to reach out to candidates across the region and the country. Like other searches conducted he will speak to his contacts in the business in Massachusetts to help identify candidates. e.g., people in municipalities, people who purchase electricity for organization based on what your needs are.

Mr. Talbot pointed out that there are 41 municipal light plants in the state some which are departments of the town. There are different governances for the municipal light plants in Massachusetts.

The rate is \$15,000 plus advertising.

Janet Bryson

The members of the committee introduced themselves, to the prospective recruiting companies who then provided their credentials. The committee members followed by soliciting questions.

Ms. Bryson, worked in the electric utility industry for over 20 years. She worked as a Corporate Recruiter for Keyspan Energy working for the Director of Human Resources. With National Grid's acquisition promoted Talent Acquisition hiring for New England as well as Syracuse, Buffalo, Brooklyn, Long Island that had 35,000 employees. Due to the acquisition by National Grid in the first year a reorganization took place, there were over 600 open positions filling 400 within 12 months. She managed a team of 15 recruiters some contracted. She prescreened all high level at the executive level. Most of the KeySpan's leadership team was retained then a subsequent reorganization took place six years later the recruitment process resumed for senior level executives. She has a full scope understanding, an in depth understanding of the utility industry. She had additional experience working for Liberty Utilities who did electric, gas and water, at that time was like a startup. She performed prescreening and sourcing for executive positions and sat in on interviews. After six months an agency was hired to assist. She did the vetting and homework. They kept on her on as a consultant for two years.

Chair Small asked if Ms. Bryson has had any experience in placing any executive level candidates at a municipal setting. Ms. Bryson responded she has not, however, does have an understanding of how a municipal operates.

Chair Small stated that Ms. Bryson had reported on her experience in the New England area with National Grid and KeySpan as well as York in addition Brooklyn and Long Island. Ms. Bryson concurred.

Chair Small that Ms. Bryson had addressed her experience in electric utilities.

Chair Small asked if Ms. Bryson has the results for the two-to-five-year timeframe for placements have the candidates remain in their respective positions. Ms. Bryson responded that she had provided a list of hires and their tenure. Most of the employees listed at Liberty are in their positions.

There is some longevity. However, considerations for National Grid hires are different due to reorganizations that occurred for some of the positions listed.

3. Update on contracting a professional recruiting company Janet Bryson

Chair Small inquired how would you generate a list of candidates for this position. Ms. Bryson responded that initially there would be 18 to 20 candidates that would be shortlisted to four to six candidates by an interview and vetting process.

The rate is 30% of the General Manager's salary which would be approximately \$220,000.

Etech Executive Hire, Inc. - Elliot Hadaegh Senior VP of Recruiting and Tesa Tabler, Senior Recruiter

The members of the committee introduced themselves to the prospective recruiting companies who then provided their credentials. The committee members followed by soliciting questions.

Mr. Hadaegh stated that they are a nationwide staffing business with 22 years of experience. His background is that he is a degreed electrical engineer. He has worked with private and public utilities, water, and wastewater entities, as well as industrial manufacturing to global companies. Clients come to them because they have a difficult position to fill. They advertise but do not get quality candidates. They will work with a client based on their needs to fill a position. They reach out to potential candidates who are not actively looking on job sites and do not realize their clients have that staffing need. There are no retainers, they sign an agreement. They solicit candidates if they are worthy will submit them for consideration then reveal who their client is to move forward. The potential candidate's information is then sent to the client. If a viable candidate is selected, there is a fee associated with that hire payable after they onboard. For a General Manager position dependent on the requirements, it may take two to three weeks to find a viable candidate.

Ms. Walsh asked what is the formula to arrive at the contingency fee? Mr. Hadaegh responded that generally it is a onetime fee 25 percent of the candidate's annual salary. They also provide a three-month probation period replacement guarantee with the exception of layoff. If the employee does not work out in the three-month probation period, there is no charge.

Chair Small asked his experience level in candidates at a municipal executive level and above. Mr. Hadeagh responded that they are an executive search firm. Recruiting experience is the key to finding qualified candidates. How to find the prospective employee and qualify them is their skillset. They are very good at executive recruiting.

Chair Small asked if any of that experience with municipalities? Mr. Hadeagh said that most of their experience is with the private sector but also engage in the public sector.

Chair Small asked if they have any experience hiring in the New England area? Mr. Hadeagh said that Ms. Tabler is the Operations Manager she handles the New England area. The larger radius will provide for a broader pool of candidates to have access to. It is a matter of your philosophy, culture and how you run your business.

Chair Small requested that Mr. Hadeagh describe his experience of placing candidates in electric utilities.

Mr. Hadeagh said that they need to know what companies they want to seek out a potential employee from. He explained that they will conduct their search based on what the client provides for direction working in tandem with them as a team and they will do their due diligence.

3. Update on contracting a professional recruiting company Etech Executive Hire, Inc. - Elliot Hadaegh Senior VP of Recruiting and Tesa Tabler, Senior Recruiter

Mr. Coulter clarified that we would tell you who to reach out to and mine those companies to find candidates. Do they have a pool or candidates or suggest going to PG&E or National Grid this is who we are looking for then you in turn would work the industry for a candidate for us.

Mr. Hadeagh said that once they understand the portfolio of an ideal candidate, the caliper, specificity of the role they will use over 200 associations, memberships, job boards and social media. Often clients will instruct them to target certain companies.

Mr. Hadeagh inquired about the timeframe when they would be informed about who was selected. Ms. Walsh explained that this process involves going to the full Board of Commissioners therefore it would not be until mid-September.

Ms. Walsh stated that she did not interview Mr. Hadaegh beforehand therefore did not get his fee prior to the meeting.

Mr. Coulter presented his rankings on the three recruitment companies in order of preference, Community Paradigm, Etech Executive Hire, Inc., and Janet Bryson. Mr. Coulter stated that Community Paradigm is the most imbedded in New England ease of finding a local candidate whereas although Janet Bryson was in the industry, she followed and recruited for one person although it was for different entities, her network may not translate into what RMLD is looking for. With Etech Executive Hire, Inc. we would be directing them as to what municipalities to seek candidates from. Mr. Talbot concurred with Mr. Coulter's insight on the recruitment companies. In addition, Community Paradigm's fee is lower and know this municipality, the network among the municipalities is greater which adds value. Chair Small agreed with all that had been said by the committee members. His ranking is consistent with Mr. Coulter's.

Mr. Talbot added that this goes under the presumption that we are hiring Community Paradigm, there is also the premise do we need to hire any of them at all. Ms. Walsh stated that it is the committee's choice, not a mandate as to whether it should hire a consultant to assist in the hiring of the General Manager position.

Mr. Talbot said that with Community Paradigm's assistance it could possibly bring in more candidates. Chair Small agreed. Mr. Coulter said that would be his recommendation to the Board.

Mr. Talbot made a motion seconded by Mr. Coulter that the General Manager Search Committee recommend to the RMLD Board of Commissioners that Bernie Lynch be hired to assist the RMLD in the RMLD General Manager Search.

Motion carried 3:0:0 (3 in favor) Roll Call: Chair Small, Aye, Mr. Coulter, Aye and Mr. Talbot, Aye.

The recruiters not selected will be informed. Once five finalists are selected, the candidates that did not make that level of screening will be informed.

4. Final date for soliciting candidates for the General Manager position (take down ads)

The consensus was to let the postings lapse and not take them down.

Confirm date of next meeting as: September 7, 2022 at 4PM
 September 7 - Hybrid - 4 p.m. 230 Ash Street, Reading.

6. Executive Session

Although Executive Session was posted it was not held.

7. Adjournment

At 5:16 p.m. Mr. Talbot made a motion seconded by Mr. Coulter to adjourn the meeting.

Motion carried 3:0:0 (3 in favor) Roll Call: Chair Small, Aye, Mr. Talbot, Aye and Mr. Coulter, Aye.

A true copy of the RMLD General Manager Search Committee as approved by a majority of the RMLD General Manager Search Committee.

David Talbot
David Talbot (Nov 11, 2022 10:08 EST)

Nov 11, 2022

David Talbot, Secretary Pro Tem RMLD General Manager Search Committee