

RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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AGENDA
RMLD CITIZENS' ADVISORY BOARD (CAB)

TUESDAY, AUGUST 7, 2012
6:30 P.M.

at

READING MUNICIPAL LIGHT DEPARTMENT
WINFRED SPURR/AV ROOM
230 ASH STREET
READING, MA 01867

1. Call Meeting to Order – J. Norton, Secretary
2. Discussion on appointing a Vice Chairman on the CAB – J. Norton
3. Reorganization of the CAB – J. Norton
4. Minutes of Meetings – J. Norton
 May 16, 2012
 June 12, 2012
5. General Manager's Retirement – V. Cameron
6. General Manager's Search Committee – One CAB Member to be appointed – J. Norton
7. CAB Rotation Schedule for the RMLD Board Meetings – J. Norton
8. Other Items for Discussion
 NEPPA Annual Conference- September 16 – 19, 2012
9. Schedule Next Meeting
10. Adjournment

This Agenda has been prepared in advance and does not necessarily include all matters, which may be taken up at this meeting.

Upcoming RMLD Board Meetings:

Wednesday, August 29, 2012 – CAB Rep: Tom Ollila

ITEM 4.

Minutes of Meeting

May 16, 2012

**CITIZENS' ADVISORY BOARD
MEETING MINUTES
Joint Meeting with the RMLD Board of Commissioners Budget Committee
Regular Session**

TIME: 7:10 P.M.
DATE: May 16, 2012
PLACE: Town of Wilmington, Town Hall, 121 Glen Road – Room 9, Wilmington, MA 01887
PRESENT: CAB: A. Carakatsane (Lynnfield), J. Norton (North Reading), G. Hooper (Wilmington),
T. Capobianco (Reading)
RMLD Board Power & Rate Committee: P. Pacino, M. O'Neill, M. West
RMLD Board: R. Soli
RMLD Staff: V. Cameron, J. Parenteau, W. Seldon, R. Fournier, B. Antonio, K. Sullivan
J. Foti
ABSENT: T. Ollila (Wilmington)

1. Call Meeting to Order – A. Carakatsane, Chairman

Chairman Carakatsane called the meeting to order at 7:10 P.M.

Chairman Pacino called the meeting to order at 7:11 P.M.

2. FY13 Operating Budget – V. Cameron

Budget discussion will be held jointly with RMLD Board Budget Committee

Chairman Carakatsane commented that he and Chairman Pacino are comfortable with a recap of the Capital Budget with any left over questions being addressed. Chairman Carakatsane added that Mr. Sullivan has one update to provide.

Mr. Sullivan reported that the Fiscal Year (FY) 13 Capital Budget draft two is in the amount of \$6,423,414. Mr. Sullivan stated that at the joint CAB and RMLD Board Power & Rate Committee meeting last week, that the FY13 Capital Budget amount was \$6,845,895 which was incorrect because it reflected a carryover of Project17B.

Chairman Carakatsane clarified that the number presented this evening, \$6,423,414 is the correct number. Chairman Pacino asked Mr. Sullivan if \$6,423,414 is the FY13 Capital Budget draft two number. Mr. Sullivan replied, yes.

Chairman Carakatsane polled the CAB if they had any questions on the addendums brought forward or had any other questions left over from the prior meeting. The CAB had no questions.

Chairman Pacino polled the RMLD Power & Rate Committee members if they had any questions. Ms. O'Neill questioned Project 21 - Purchase & Install a new Automated Building Systems (ABS) that this should be pulled back. The Board has discussed the core efficiency of the 230 Ash Street building. If this is not the best choice going forward, she is not comfortable until it is decided what can be done for the building and until priorities are set. Mr. Cameron suggested to keep this project in the budget, because there will be meetings before the money is spent. Mr. Cameron explained that an Invitation to Bid needs to go out, because it will be more than \$25,000. Ms. O'Neill suggested the time to have discussion on this would be before the meeting. Mr. Cameron stated that everything could be totally vetted before the meeting prior to sending out the bid. Chairman Carakatsane added that he noticed this project would be completed in the fourth quarter which would allow time for input. Ms. O'Neill said that she would like to look at what the staff perceives and what the options would be to provide the best results. Chairman Carakatsane pointed out that in the capital plan \$150,000 is budgeted. This gives you something to work with versus not budgeting this. Ms. West pointed out if it is not in the budget, then nothing will get done for another year. Chairman Pacino stressed that this does need to be discussed and fully vetted beforehand. Mr. Cameron agreed. Mr. Cameron said that specs are required before an Invitation to Bid goes out. Mr. Cameron pointed out that what is currently in place is seventeen years old and needs to be replaced.

Mr. Cameron explained that he put together a summary at the beginning of the FY13 Operating Budget book. The overall budget proposed for FY13 is 3.8% lower than what is forecast to be expended in FY12. FY13 is estimated to come in at \$77,000,601 versus FY12 \$80,667,000, which is mainly due to the decrease in the cost of

2. FY13 Operating Budget (continued) – V. Cameron

fuel. The estimate for the price of fuel from FY12 to FY13 decreases approximately 20%. However, the Purchase Power Base cost is increasing \$4 million, which is a 15% increase from \$26,000,174 in FY12 to \$30,000,102 in FY13. Mr. Cameron explained that transmission costs drive this in addition to some generation increases. Mr. Cameron stated that the Operations and Maintenance is remaining pretty steady, Depreciation Expense is going up 2.3%, and the Town Payment is going up 1.2%. The overall budget is going down; however, the base expenses are going up as a result of the Purchase Power Adjustment in FY13 that will be \$2.1 million whereas in FY12 this was a credit to the customer of \$128,000. The other salient parts of the budget are that there will be no rate increase; however, the Purchase Power Adjustment is going to be included. The OPEB will be funded at the level suggested of \$169,000. The Pension Trust payment will be made in the amount of \$1 million, which was not in last year's budget. At the end of calendar year 2012, the three union contracts will expire. Negotiations will start after the middle of this year. There has not been an increase for labor costs included in this budget, starting January 1, 2013. The labor costs increases end at the end of FY12. Mr. Cameron explained that the union contracts are on a calendar year basis, and there is no increase for the second six months of FY13. Mr. Cameron said that the estimate of a 2% increase in labor costs for half a year is approximately \$55,000. Mr. Cameron said that when the contracts come to closure he will come back to the Board and CAB to provide them with the impact on the budget.

Mr. Fournier explained that the budget is not a line item budget. Mr. Fournier pointed out such incidents as the August and October storms can derail the budget. Spending does not stop because someone has exceeded the budgeted amount if the situation requires spending. The RMLD needs to keep its system reliable, and if this causes the budget to be exceeded, it is with this type of justification. Mr. Fournier reported that on a monthly basis with the financials any deviations, overages and underages to the budget are reported. Mr. Fournier said that line items are put in the budget to demonstrate where the expenses are being derived from. Mr. Fournier also stressed that if an item is budgeted, and not purchased, the money is not spent just because the item was budgeted.

Mr. Fournier then addressed the Operating Budget and the operating expense which is \$80 million when the fixed costs that consist of Purchase Power Base and Fuel, Depreciation, Town Payments, and Payment to the Town of Reading are backed out. These costs amount to \$68 million or 85% of the budget, which leaves \$12 million that can be reviewed. Mr. Fournier said that there are semi-variable costs such as labor, overtime, training, insurances, rent expense, and bad debt expense, which accounts for \$8.5 million. The conservation expenses are backed out because they have their own rate revenue, which is approximately \$700,000. Mr. Fournier said that of the \$80 million, \$2.7 million or 3.44% is up for discussion.

Mr. Fournier explained the break out of the \$2.7 million which consists of Vehicle Maintenance Repairs-\$240,000; Office Supplies-\$253,950 including banking services and credit card fees; Departmental expenses pertinent to each department-\$1,616,655; two tree trimming crews-\$434,000; Station Transformer including hazardous waste-\$188,500; and the RMLD Board and Citizens' Advisory Board budget of \$15,955. Mr. Fournier added that much of the budget contains items that are preset.

Chairman Carakatsane questioned the professional services that increased by \$75,000, which he is assuming is due to the union contract negotiations. Mr. Fournier responded that is correct. Chairman Carakatsane said that professional services ran a little over budget in the present fiscal year.

Chairman Pacino questioned where the total operating expenses of \$77,586,084 are found in his book. Mr. Cameron responded that he was quoting the Six Year Plan, and Mr. Fournier extrapolates that in a different manner. The miscellaneous deductions, which are the non-operating revenues and expenses, are where he includes that number.

Chairman Pacino pointed out that in the Six Year Plan the number is \$77,601,348 whereas the breakout presented by Mr. Fournier reflects \$77,586,084 with the miscellaneous deductions of \$2,418,000. Chairman Pacino said that he wants to know where the \$77,586,084 is coming from. Mr. Fournier commented that there is a discrepancy in which he may have missed something; however, the percentages are what they are. Chairman

2. FY13 Operating Budget (continued) – V. Cameron

Carakatsane said to follow up on Chairman Pacino's question, the difference is about \$15,000, Mr. Fournier clarified it is \$20,000.

Chairman Carakatsane polled both boards to see if there were any questions on the Summary or general questions. Ms. O'Neill said that she has a question on the Six Year Plan. Ms. O'Neill looked at the Capacity and Transmission Costs for the last nine months and they are going down. Ms. O'Neill asked where is the evidence that the transmission costs are going up to the extent it is projected in the budget. Ms. O'Neill commented that transmission costs have been steadily declining. Ms. O'Neill looked at the Purchase Power Summary reports from July 10 to March 11 and July 11 to March 12 in which the decrease is \$750,000. Ms. O'Neill added that capacity costs have decreased as well. Mr. Cameron responded that on annual basis these costs are increasing the amount the RMLD pays. Mr. Cameron explained that on a monthly basis, it may not be the same because the RMLD transmission and capacity can change. Ms. O'Neill said that she is aware that they do change on monthly basis; however, her dates are for the exact same nine months. Ms. Parenteau explained that the way transmission is calculated, the majority of RMLD's transmission costs are based on the ISO's Regional Network Service, which has to do with the transmission throughout New England, which is socialized. Ms. Parenteau stated that the way the rate is calculated is based on your monthly coincident peak. Ms. Parenteau said that if the RMLD can control its monthly peak, they have the potential to reduce the transmission cost, however, the rate associated with that went up from \$60 per kilowatt year to \$74 per kilowatt year. Ms. Parenteau commented that she does not have the numbers with her, but will provide them. Ms. Parenteau said that there was a significant increase. Historical peak data is used to project what those transmission costs will be. The RNS rate went up and it is just a matter of what the RMLD does with its monthly peak as a utility. Ms. Parenteau said that when she was developing the forecast for the increase, she utilized the prior year's monthly peak. Ms. Parenteau reiterated that there should be a significant increase in this rate charged by the ISO. Ms. O'Neill asked when this increase will take effect. Ms. Parenteau replied this will take effect on June 1, which runs June to May. Ms. Parenteau said that the RMLD provides a forecasted schedule and there will be significant increases in the upcoming year, but in 2015 the rate is somewhat levelized. Ms. Parenteau added that there are other factors that are part of this increase, such as a bill at the FERC that will reduce the rate of return that the transmission owners are able to recoup, because there is an automatic 2% adder and an 11% rate of return. Ms. Parenteau commented that the RMLD is trying to impact these changes at the FERC and try to reduce that, but it is out of their control. Ms. Parenteau stated that these are projections; however, they are projected to increase. Ms. Parenteau said that one component the RMLD does have control over is the peak demand to offset this rate. Mr. Cameron pointed out that in the operating budget reflects this increase leveling off in 2015.

Ms. O'Neill commented that the Purchase Power Adjustment increases in 2013, then more substantially in 2014, and goes to zero in 2015, and asked what allows for this significant drop even though the levelizing occurs in this year. Mr. Cameron responded that in FY15, the amount of money from the Purchase Power Adjustment gets put into the base rates; however, this would require a Cost of Service Study. Ms. O'Neill clarified that a professional Cost of Service Study is required when a rate increase occurs. Mr. Cameron replied, yes. Ms. O'Neill commented on the capacity, saying Nextera or Florida Power & Light contracts, which were approved in 2008, go into effect in 2013. Ms. Parenteau responded it was hedged against the capacity market. Ms. O'Neill added that the capacity market turned out to be better. Ms. Parenteau added that the capacity market is in a state of flux, and the ISO is formulating working groups to try to restructure how capacity gets charged and how generators get paid because there is a surplus of capacity where generators are stating that they need the revenue to sustain their business models. Ms. O'Neill asked if that is going to replace half of what the RMLD receives from the ISO. Ms. Parenteau replied that is correct.

Ms. Parenteau stated that the RMLD had an open position of over one hundred megawatts and the new contract is for sixty megawatt transaction. Ms. O'Neill commented that the contract looked good at the time.

Business Division

Mr. Fournier provided a summary of the Business Division. Mr. Fournier stated that if you compare FY12 versus FY13 budget there has been an increase of .61 % in the Business Division Budget or \$57,000. This compared to

2. FY13 Operating Budget (continued) – V. Cameron

the projected FY12 number is a 1.9 % increase or \$175,000. When compared to the FY13 budget versus three year actual the increase is \$850,000.

Mr. Fournier said that a big piece of this is the miscellaneous income deduction cost center. In FY10, the RMLD had a 2% depreciation rate of \$2.2 million, compared to \$3.6 million. The RMLD has been averaging this in the last couple of years and of the \$850,000 increase, \$710,000 pertains to depreciation. The other piece of this has to do with other deductions, which are a reflection of the payment to the Town of Reading and write off loss for the meters not fully depreciated, because they are being replaced under the new meter program in this fiscal year. Between those two items there is a discrepancy. When comparing this year's budget with the three year average the variances are very minimal

Chairman Carakatsane polled both Boards to see if they had any general questions on the Business Division.

Ms. O'Neill asked what the change on the mailing of the billings was. Mr. Fournier responded that the budget was completed and this bid had not gone out yet; it was approved by the RMLD Board in April. Mr. Fournier said that there will be an adjustment in the part time labor costs and the maintenance of the Pitney Bowes machine, but not significant enough to change the budget. Mr. Fournier added the hope is to go live in June with the outsourcing of the bills. The alternative is procuring an in house machine costing \$40,000 to \$50,000. As Mr. Fournier explained at the last Board meeting, it was more prudent to outsource this function. Ms. O'Neill said that she thought there was ample time to reflect the change in the billing process. Mr. Fournier responded that it can be reflected in draft two. Ms. O'Neill said that she is not going to hold up the budget for this sole adjustment.

Ms. O'Neill clarified that office supplies for the credit card and debit services includes Century Bank and Invoice Cloud. Mr. Fournier replied, yes. Ms. O'Neill asked compared to last year are we doing better or the same. Mr. Fournier replied that in the past with Century Bank, the RMLD paid a percentage of the payments received by credit card. Mr. Fournier explained that with Invoice Cloud depending if it is a debit check or a credit card processing is \$1.00 to \$1.50 depending on the card. Mr. Fournier said that there are savings garnered by not having to send out termination letters, 72 hour notices, and making payment plans. There will be cost savings for the fixed cost versus the percentage. Ms. O'Neill asked will this be lower than last year. Mr. Fournier replied that it will be a \$50,000 to \$60,000 savings.

Chairman Pacino asked if these numbers included capital. Mr. Cameron replied, no. This represents all the operating side. Mr. Fournier mentioned that this will be in the E&O side where most of the capital labor is found. Mr. Fournier explained Business Division page nine MIS less capitalized is shown in the operating budget.

Chairman Carakatsane polled both Boards to see if there were further questions on the Accounting.

Chairman Carakatsane then asked if there were any customer service questions. Chairman Carakatsane asked Mr. Fournier what is his projection for the uncollected accounts. Mr. Fournier responded that last year the RMLD wrote off less than \$50,000, however, the prior two years were high \$180,000 to low \$200,000. Mr. Fournier reported that credit and collections are doing a great job. Mr. Fournier added that the downside is that ratepayers do not like it, because we are making them pay bills. It would not surprise him if people are calling them and asking what happened to RMLD's friendly ways.

Business Division

Mr. Fournier explained that the RMLD strives to be fair and consistent with all its ratepayers and will work with them as long as they stay in contact with us. If there is no payment in six months and we call as well as send letters and get no response, then we need to collect.

Chairman Carakatsane said that he noticed customer service labor is down, and asked if that is due to a retirement. Mr. Fournier replied, yes.

Chairman Carakatsane polled both Boards to see if there were further questions on the Customer Service section, there were none.

2. FY13 Operating Budget – V. Cameron

Chairman Carakatsane commented that MT General Plant is in the MIS section. Mr. Fournier explained that maintenance contracts for hardware, regardless of the Department falls under the MIS budget just as the phone expense falls under the Materials Manager budget.

Chairman Carakatsane polled both Boards to see if there were questions on the MIS section.

Chairman Pacino asked how much was budgeted for the current year for salaries before being allocated to the capital budget. Mr. Fournier responded that page nine, total salaries are \$496,000. Chairman Pacino questioned what was budgeted 2012. Mr. Fournier responded that \$461,000 was the total salaries in the 2012 budget. Chairman Pacino said that is up \$30,000 this year and more is being put into capital, Mr. Fournier added that the new GIS Coordinator \$67,000 was not in last year's budget.

On another matter, Chairman Pacino stated that he did not like Operating Budget format with the monthly break out; he prefers to look at a total. Ms. West added that the detail and summary page should be the same for a matter of continuity. Chairman Carakatsane added that the current summary page only reflects 2013. Ms. West said that she does not want to look at months, because that is up to the Department to manage, and she would like to see last year's actual and estimate on the summary page with everything tying back together. Mr. Fournier clarified what both Boards wanted in next year's budget format. Mr. Cameron said that what he is hearing is that back pages need to look like front pages next year. Chairman Carakatsane said that he thought Chairman Pacino was heading up a committee to address the format of the budget.

Ms. O'Neill asked why Mr. Fournier's position is listed under Accounting as a miscellaneous allocation and understands why certain positions' salaries are part of certain accounts; however, she wondered why Mr. Fournier is not in the Accounting Department solely. Ms. O'Neill added that the meter and station position allocations were a little tricky, but she found them. Ms. O'Neill asked why such positions have to be allocated in this way. Mr. Fournier replied that he has three departments that report to him and allocates his time on how much he spends supervising each department. Ms. O'Neill said that she does understand this.

Chairman Carakatsane then addressed miscellaneous deductions. Chairman Carakatsane said that in recent years the figure for the insurance reserve, \$100,000, has remained the same, but is unsure where it is located within the budget. Mr. Fournier said that the insurance reserve for \$50,000 is found in the Facilities General Benefits section of the budget.

Mr. Capobianco said that the MIS software is in the operating budget; however, the hardware is capitalized, and asked why this is not bundled with the licenses. Mr. Fournier replied that it is maintenance, which has a one year life, and the RMLD is paying them to be on call if needed. Mr. Capobianco said that this is not Microsoft Office licensing, but is representative of support contracts.

Chairman Carakatsane polled both Boards to see if there were any questions on Miscellaneous Deductions or the three other areas in Accounting or the Business Division.

Mr. Pacino had a question on the loss on disposal assets, and what it represents. Mr. Fournier replied that this is for the meter project.

Energy Services Division

Ms. Parenteau reported that the overall operating budget from FY12 to FY13 reflects an increase of 10% from FY12 budget, and 13% from eight months actual to budget. The main driver is the addition of the Key Accounts Manager for commercial accounts, which falls under the Energy Services Division. One of the two Key Account Managers retired and the decision was not to replace that position. The second Key Account Manager and the Energy Efficiency Engineer are currently is handling all three thousand accounts. The current Key Account Manager is eligible to retire as of February, but has not elected to do so. Ms. Parenteau said that she has been authorized to put in another Key Account position. Ms. O'Neill asked what the end goal is. Ms. O'Neill stated that she felt that the Key Account position should have been filled because that is a large part of RMLD's business.

2. FY13 Operating Budget (continued) – V. Cameron

Energy Services Division

Ms. O'Neill added if that person were to retire will the staffing remain at one. Mr. Cameron stated that he will evaluate this, if and when that employee retires; however, he feels that person needs to be replaced. Ms. O'Neill clarified that Mr. Cameron's goal is to return to full staffing. Mr. Cameron said that the RMLD has a Key Accounts Manager and an Energy Efficiency Engineer. Ms. O'Neill added that she knows that the Energy Efficiency Engineer works in that field, but does not see him in the same role as Key Accounts Manager; it is a position that is going to grow. Ms. O'Neill said that the Energy Efficiency Engineer covers both residential and commercial customers with business continuing to grow, and said there should be two full time Key Account positions. Ms. Parenteau clarified that Ms. O'Neill's question is if the current Key Accounts Manager retires, is it Mr. Cameron's intent to fill two Key Account Manager positions. Mr. Cameron replied that his intent is to evaluate to see if there should be two. Mr. Cameron stated that whenever someone leaves in most cases he looks to see if the position should be changed and should the responsibilities be changed. Ms. West added that it is good business practice to hire someone while you have someone in there to parallel in the event the other person retires. Ms. West said that it is good to reevaluate. Ms. West added that just because you have two positions does not mean the way it was done is the best way in the future; it provides you that opportunity to take a look at it and reassess. Ms. O'Neill said that she understands how these positions (Key Account Managers) worked in the past where one worked with commercials/businesses and the other worked with industrial/premiere customers. Ms. O'Neill said that they are two different positions, it is a huge caseload for one person and she is advocating for that. Mr. Cameron responded that he hears Ms. O'Neill's concerns. Ms. Parenteau had the same thoughts on the Key Accounts position, but it was voted down. Ms. Parenteau wanted to advocate for two Key Accounts Managers, but the decision was made not to. Ms. Parenteau commented that the only other major impact on the ESD budget is there is a reduction in the educational expenses, because the Energy Efficiency Engineer just received his Masters of Science in Energy Systems.

Chairman Carakatsane commented on the outside services with the transmission costs at the FERC and how this will impact the Department. Ms. Parenteau added the capacity market is changing as well. Chairman Carakatsane asked if what has been budgeted is reasonable. Ms. Parenteau replied that she and Mr. Cameron think it is reasonable. Ms. Parenteau mentioned that Mr. Cameron does a good job of handling the professional expenses. Ms. West clarified outside services is the same as legal fees. Chairman Carakatsane replied, yes, part of it is. Chairman Carakatsane commented that it could also be auditors. Chairman Pacino added that it could be consultants and engineers.

Chairman Pacino asked about the thirty percent and seventy percent split and what pilot programs are. Mr. Fournier explained that the percentages represent the break out for labor costs for the energy conservation programs. Mr. Fournier said that the Energy Conservation charge that is put in the bills thirty percent is allocated to the residential side and seventy percent is allocated to the commercial side. Mr. Fournier added Mr. Carpenter's expenses are charged to that account.

Chairman Pacino asked about the pilot programs. Ms. Parenteau responded that on the residential side it could entail any demand response controls, thermostats, pool pumps; however, not the water heater program because that is being capitalized. Ms. Parenteau said that she would have to double check with Mr. Carpenter. Chairman Pacino asked if this money is being spent in the current year. Mr. Cameron replied, no. Ms. Parenteau added this is not in the current year's budget. Chairman Pacino clarified that this is a new budget item for FY13. Ms. Parenteau replied that is correct. Ms. Parenteau said that one such program, which occurred this year, is North Reading students were working on a solar bike. Ms. Parenteau commented that it could be any type of pilot program to research and promote within the residential sector.

Chairman Carakatsane polled if there were any questions on the Energy Services Division.

E&O Division

Mr. Sullivan reported on the E&O Manager which comprises of the E&O Manager and the Operational Assistant. The increase is 2%. Last year it was \$211,000, and this year it is \$215,272. Engineering is up 18% in which the labor regular is up \$30,000 and a \$50,000 increase in outside services. The \$30,000 represents the capital and operating split. Outside services was \$15,000 last year, but was increased for a storm hardening study, which

2. FY13 Operating Budget (continued) – V. Cameron E&O Division

was requested by Commissioner Soli. Mr. Norton inquired as to what a storm hardening study means. Mr. Cameron replied that this study was added to his performance plan, and explained that Mr. Soli wanted a twenty-five year performance plan study that would include ice storms, hurricanes, and earthquakes to see how RMLD's system could be protected from all three factors. Mr. Cameron said that he spoke to some people, but thinks the RMLD does this on a regular basis anyway. Mr. Cameron mentioned that he had to put some funds in there because some of the study can be performed inside whereas some of it will be done outside. Mr. Norton commented that is a lot of money for a study, and he can think of other ways to spend the money. Chairman Pacino asked how solid the \$50,000 number is. Mr. Cameron responded that he could not find anyone who could perform a storm hardening study so he worked on a man hour basis including what the cost would be for outside services and inside staff for a cost of \$50,000. Mr. Cameron added that you do not want to hire outside engineers when you have engineers that know the system inside and out. Mr. Cameron commented that it is prudent to do some of the work inside and some of it outside. Ms. O'Neill stated that she thought it was a reasonable idea because people ask why all the wires can't be put underground to avoid problems and the fact that we face more erratic weather and events it is worth considering. Chairman Pacino asked if this is going to have to be bid. Mr. Cameron replied, yes.

Ms. O'Neill said that at the meeting the other evening it was asked what percentage of this year's budget is capitalized. Mr. Sullivan responded that the capital budget is seventy-seven percent and twenty-three percent is for operating. Chairman Carakatsane asked is this for the engineering section alone. Mr. Sullivan said that he would get back to Chairman Carakatsane on this. Ms. West asked if this is for the E&O budget or for the entire budget. Mr. Sullivan replied that it is for the Capital and Operating budgets. Mr. Cameron stated that the number Mr. Sullivan provided is for the line crews only. Mr. Cameron said that is not out of the ordinary.

Mr. Sullivan reported on the Line Department, which is down 11%. Mr. Sullivan explained this is the capital and operating split within the cost center. The maintenance of lines is down \$70,000 from FY12 and the next line down labor regular maintenance of lines represents the same numerical value. The maintenance of underground lines is down \$70,000. Chairman Carakatsane assumes that is due to the shift to the capital budget. Mr. Sullivan agreed. Chairman Carakatsane clarified that the capital budget for two years was dominated by the Gaw Project. Chairman Carakatsane commented that shift is to line projects. Mr. Sullivan agreed.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Line Department,

Mr. Sullivan then addressed the Technical Services Department which encompasses the Meter and Station departments. Mr. Sullivan said that the Meter Department which includes both the Meter Reading and Meter Technicians is up 17% in the FY13 operating budget because capital labor is down \$35,000 with the delta \$39,000.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Meter Department,

Mr. Sullivan said that the Station is down 1%, \$10,000. Mr. Sullivan said that the labor regular is down \$38,000.

Ms. O'Neill asked in terms of clarity this is another area in terms of staffing. In the Station budget there are six staff position then you add in the supervisor, then on the next page are listed two more for this Department. Ms. O'Neill said that she does not understand why staff of one department in one division cannot be listed in a row with all the information below that. Mr. Fournier said that he puts the station operators and senior technicians together. Mr. Fournier stated that he is open to any suggestions for the format of the budget. Mr. Cameron stated that there should be a meeting of the Budget Committee for suggested changes to the budget format. Mr. Cameron said that he and Chairman Pacino did meet on the format of the budgets last year and brought the changes to the RMLD Board. Ms. O'Neill said that there needs to be more understanding of the capital and operating breakout because there is no report in the capital budget on the labor costs. Ms. O'Neill added that you do not get an opportunity to see the costs change or evolve year to year.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Station Department.

2. FY13 Operating Budget (continued) – V. Cameron General Manager Division

Mr. Cameron reported on the General Manager Division budget stating that the only increase is the outside services is \$100,000. Mr. Cameron explained that there is arbitration held up by MMWEC's pending its new accounting system and the rest of the funding will cover other outside services. Chairman Carakatsane commented this is down from FY11.

Ms. Antonio reported on the Human Resources budget with an increase in Outside Services of \$38,900 which results in a budget increase of 21.75 %. Ms. Antonio pointed out that all other accounts had decreases. Ms. Antonio reported that there will be three union contracts as well as three arbitrations scheduled in this fiscal year.

Chairman Carakatsane commented that office supplies are down. Ms. Antonio explained that she has a credit because she had left over inventory, and the company took it back resulting in a credit.

Chairman Carakatsane mentioned that the calendars and annual report are found under the Community Relations budget.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Human Resources budget.

Ms. Antonio reported on the Community Relations budget, which has increased .8277% for the year and the labor was off from last year of \$1,067,000 which represents the increase for the correction.

Ms. West inquired what is covered in the Miscellaneous General. Ms. Antonio replied that media, website, newspaper subscriptions, the RMLD's annual report – newsletter - calendars, T-Shirt contest for public power week, envelopes for the Good Neighbor Energy Fund, pencils, for tours and senior citizens, magnets, snacks for the Boy and Girl Scouts.

Chairman Carakatsane said that he is looking at the number for the Reading and Lynnfield Chamber of Commerce and asked if they have gone up on their dues. Ms. Antonio replied that there have been two increases in Rotary--in North Reading and Reading memberships both went up to \$900. Chairman Carakatsane clarified the dues also include attending the meeting. Ms. Antonio replied, yes.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Community Relations budget.

Chairman Pacino commented that the Citizens' Advisory Board budget is set in accordance with the Twenty Year Agreement.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the General Manager's, Citizens' Advisory Board and RMLD Board budget.

Ms. O'Neill asked about the training for the Board and attending the Annual NEPPA Conference, because it states includes \$1,000 per commissioner for training. Ms. O'Neill said that she would like to order more books from APPA or participate if there are any webinars. Chairman Carakatsane commented that he has seen things on webinars he thought Mr. Soli may have taken part of. Mr. Soli said that he went to Saint Louis for two courses.

Facilities Manager

Mr. Sullivan reported on the General Benefits which is up 20%; \$461,000 the bulk of this is contained in employee pensions and benefits, which increased from \$1,441,000 to \$1,889,000. Chairman Carakatsane asked is this is where the contribution to the Pension Trust is found. Mr. Sullivan replied, yes. Chairman Carakatsane said that in 2012 there is no actual year to date for the Pension Trust, and asked when the determination is made. Mr. Fournier explained that Stone Consulting will be presenting their results from the actuarial at the June Board meeting for the FY12 contribution. Mr. Fournier commented that there will be a Committee meeting beforehand. Mr. Fournier added that the way investments are going the \$1 million contribution will be light. Chairman

2. FY13 Operating Budget (continued) – V. Cameron Facilities Division

Carakatsane stated that last year \$1.441 million was budgeted, Mr. Fournier stated that in the last fiscal year \$250,000 was allotted to the Pension Trust. Chairman Carakatsane said that this must be part of employee benefits. Mr. Fournier said that the pension trust is \$1 million and the OPEB is \$150,000. Mr. Fournier pointed out the Pension Trust suggested contribution may change once Stone Consulting does their report.

Ms. West clarified didn't the RMLD put a significant amount into the OPEB last year. Mr. Cameron replied the amount was around \$400,000, and currently there is \$1.1 million in the OPEB fund.

Mr. Fournier noted the insurance reserve is \$50,000.

Mr. Sullivan said that the next item is the health insurance for \$924,000. Ms. Antonio reported that there is no health insurance increase this year. Ms. Antonio explained that the town went out to bid and received a really aggressive price from MIIA.

Ms. West said that the town hires a consultant to perform the RFP bidding and have paid for themselves many times over. Chairman Carakatsane said that he has heard of other towns doing this. Mr. Capobianco asked if it is a deductible plan. Ms. Antonio replied that it is a tiered plan.

Mr. Sullivan reported on the Transportation and there is a 2.9% increase for an approximate \$11,000 most is a fuel increase, last year it was \$102,000, and this year it is \$114,000.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the Transportation section, of the budget.

Mr. Sullivan reported on Materials Manager is up 3.9% for two reasons on page thirteen--up \$4,000 first line labor and up \$10,000 labor regular for a total of \$14,000.

Chairman Pacino commented on the upgrade of the phone system being a \$15,000 expense. Chairman Pacino added it is the response to the storm and the problems we had with that and asked is there a capital project for that. Mr. Cameron responded that it is going to be an expense item to expand the current phone system. Mr. Cameron added to have a whole new phone system is a massive capital item. Mr. Cameron will come back to the Board with something in June to expand the current phone system and a study needs to be performed. Chairman Pacino asked that if there is anything currently built into the budget. Mr. Cameron replied, no.

Ms. O'Neill said that she had a question on the Transportation Miscellaneous General Capital Credit, what does that mean. Mr. Fournier said that we are capitalizing the vehicles associated with capital projects.

Chairman Carakatsane had an overall question, and said that an addendum sheet was received for the operating budget and it appears to have a \$121,000 decrease. Mr. Fournier explained that these changes came out of the capital budget meeting prior to the knowledge of required excavation, which represents a labor reclass on the capital side. Mr. Fournier said that he is reducing the income and adding additional expense thereby reducing the income from \$3.4 million to \$3.2 million.

Chairman Carakatsane polled both Boards to see if there was any further discussion on the addendum for the operating budget.

Chairman Pacino asked on page twelve if there is a change in the E&O area. Mr. Fournier said that in draft two we are adding those items. Chairman Pacino clarified what is being changed on page twelve was an item that we were not aware of as of March 31. Mr. Cameron explained that these are changes from draft one and explained that once the changes are understood there will be new books with these changes. Chairman Pacino commented on them not being made available this evening. Mr. Cameron said that we did not have them, because we were not sure if you would approve them. Chairman Pacino said that is the same complaint he had last week.

FY13 Operating Budget Motion and Vote - Citizens' Advisory Board

Mr. Norton made a motion seconded by Mr. Hooper that the CAB recommend to the RMLD Board of Commissioners the acceptance of the second draft of the FY13 Operating Budget as presented based on a Net Income Amount of \$3,280,709. Any significant changes are to be submitted to the CAB for review and recommendation.

Motion carried unanimously 4:0:0. Mr. Ollila was absent.

FY13 Operating Budget Motion and Vote – RMLD Budget Committee

Ms. West made a motion seconded by Ms. O'Neill that the RMLD Board of Commissioners Budget Committee approve the second draft of the FY13 Operating Budget as presented based on a Net Income Amount of \$3,280,709.

Motion carried 3:0:0.

3. FY13 Capital Budget Motion and Vote – Citizens' Advisory Board

Mr. Norton made a motion seconded by Mr. Hooper that the CAB recommend to the RMLD Board of Commissioners the second draft of the FY13 Capital Budget as presented in the amount of \$6,423,414 dated May 9, 2012. Any significant changes are to be submitted to the CAB for review and recommendation.

Motion carried 4:0:0. Mr. Ollila was absent.

FY13 Capital Budget Motion and Vote – RMLD Budget Committee

Ms. West made a motion seconded by Ms. O'Neill that the RMLD Board of Commissioners Budget Committee approve the second draft of the FY13 Capital Budget as presented in the amount of \$6,423,414.

Motion carried 3:0:0.

At 8:50 p.m. Ms. West made a motion seconded by Ms. O'Neill to adjourn the Regular Session for the Power & Rate Committee.

Motion carried 3:0:0.

4. Other Items for Discussion

Chairman Carakatsane stated that he would like to take a point of personal privilege. Chairman Carakatsane explained that he is moving and will be submitting a resignation letter to the Lynnfield Board of Selectmen effective the end of June. Chairman Carakatsane said that he informed Ms. O'Leary to set up a meeting in June which will contain the financials; there will be a presentation on the grant that came in; and the reorganization of the CAB.

Chairman Carakatsane reported on his visit to Washington, DC, that he made because he has not had the opportunity to do so prior to this meeting. Chairman Carakatsane stated that this year, the visit was one of the most worthwhile since he has been going to the APPA Legislative Rally. Chairman Carakatsane said that he caught a period where the House was not in session, which provided them to get undivided attention of the staff members as well as a few House members that met with them. One important meeting was with Ed Markey, Chief of Staff on energy issues in New England. Chairman Carakatsane commented that they had quality time with Jeff Duncan as well. Chairman Carakatsane mentioned that Mr. Cameron visited the FERC three times with Mark Kelly, Mike Cloutier, himself, and occasionally Larry Brownell, Executive Director of NEPPA. Chairman Carakatsane stated that the professional lobbyists Lori Pickford, Scott Strauss, Deborah Sliz also worked with them. He stated that the direct result is a letter that Markey sent to the FERC. The big issue that they were pushing was on transmission costs, which have gone up expeditiously over the last five to ten years. Chairman Carakatsane reported that Jeff Duncan was not as up on that; however, he was provided a handout that Mr. Cameron prepared that addressed this issue. Chairman Carakatsane said that the letter was extremely strong relative to the return on investment. He explained that in Middleton there is a major line that runs through there, and National Grid is reconductoring. Chairman Carakatsane explained that National Grid is receiving a thirteen percent or more of return guaranteed. Chairman Carakatsane said that this is causing the ratepayers to get ripped off. The FERC Chairman is less than on the fence to have the study open whereas two members want it open. It has been brought up to have it formally open, and it has been submitted. Chairman Carakatsane said that there is a new member coming on board and confirmation hearings are to be held which would give an opportunity to zero in on the new appointee. This would be Spitzer's replacement. Chairman Carakatsane added

that this was also worthwhile because Larry Brownwell is new at NEPPA and his first time going beyond the Board. Chairman Carakatsane commented that Mr. Brownwell has a lot of respect for Mr. Cameron's knowledge of the electric utility industry.

Mr. Soli commented that there are a bunch of renewables and he is pointing this out to the CAB that the Board has not yet drafted a policy on it whether the RECs will be sold or retired. This is yet to be said whether they will be retired. This makes a difference if you are speaking about power supply. If you retire Swift River Hydro it is at 9.6 cents sold at 6 cents a kilowatt hour. Chairman Carakatsane said that it is safe to say this is not settled, however the CAB voted on something fairly definitive. Chairman Carakatsane asked Mr. Soli if he was on the Power & Rate Committee. Mr. Soli answered that he is on the Policy Committee not Power & Rate Committee.

Chairman Carakatsane said that at the last Board meeting they brought up in a committee a policy. Chairman Carakatsane reminded the Board at that meeting that rates and contracts needs to go before the CAB before it goes much further. Mr. Cameron said that you will find out on May 30.

5. Schedule Next Meeting – A. Carakatsane

Mr. Norton confirmed that the next CAB meeting date would be Tuesday, June 12 at 6:30 p.m. Chairman Carakatsane said that the agenda will have the financial update, budget, reorganization and report from the study by the Metropolitan Area Council. CAB member Tom Ollila needs to be contacted to confirm the meeting date.

6. Executive Session – A. Carakatsane

At 9:02 p.m. Mr. Norton made a motion seconded by Mr. that the CAB go into Executive Session based on Chapter 164, Section 47D exemption from public records and open meeting requirements in certain instances to discuss power supply, renewable energy, and return to regular session.

Motion carried by the polling of the Board, Mr. Norton - Aye, Mr. Hooper - Aye, Chairman Carakatsane - Aye, Mr. Capobianco - Aye.

Motion carried 3:0:0. Mr. Ollila was absent.

At 9:20 p.m. the Citizens' Advisory Board reentered the Regular Session.

7. Power Supply – V. Cameron, J. Parenteau

a. Solar Energy Hub – 16 Upton Drive, Wilmington

Mr. Norton made a motion seconded by Mr. Hooper that the Citizens' Advisory Board recommend to the Reading Municipal Light Department (RMLD) Board of Commissioners to authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Solar Energy Hub for the purchase of not more than 500 kilowatts of solar power, in a term not to exceed 15 years, on a site at 16 Upton Drive, Wilmington, Massachusetts.

Motion carried 4:0:0. Mr. Ollila was absent.

b. Solar Energy Hub – 24 Industrial Way, Wilmington

Mr. Norton made a motion seconded by Mr. Hooper that the Citizens' Advisory Board recommend to the Reading Municipal Light Department (RMLD) Board of Commissioners to authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Solar Energy Hub for the purchase of not more than 1.5 megawatts of solar power, in a term not to exceed 15 years, on a site at 24 Industrial Way, Wilmington, Massachusetts.

Motion carried 4:0:0. Mr. Ollila was absent.

c. Summit Hydro

Mr. Norton made a motion seconded by Mr. Hooper that the Citizens' Advisory Board recommend to the Reading Municipal Light Department (RMLD) Board of Commissioners to authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Summit Hydropower, Inc. for the purchase of not more than 3 megawatts of hydroelectric power, in a term not to exceed 2 years and not to include Renewable Energy Certificates, located at Wyre Wynd Hydroelectric facility in Jewett City, Connecticut.

Motion carried 4:0:0. Mr. Ollila was absent.

d. Pioneer and Collins Hydro (Swift River)

Ms. Parenteau reported on this project, there was not motion required. Swift River has to buy out some partner within Pioneer and/or Collins projects and they are looking for a non binding letter of intent. It does not commit the RMLD; however, it rolls the two projects into the portfolio.

8. Memo on Solar Energy Projects Approval for On-System Projects – (See attached) V. Cameron

Mr. Cameron briefly explained that the RMLD is attempting to streamline its approval process for solar energy projects. Mr. Cameron stated that Ms. Parenteau, as well as Messrs. Carpenter and Seldon receive numerous requests for solar projects. The RMLD is seeking to streamline the process so there can be some criteria in order that the RMLD can sign these projects in a more expeditious manner and obtain pre approval from the CAB in order to circumvent meetings. What the RMLD is recommending which does not break the Twenty Year Agreement, is that the projects are on the service territory, they have a cumulative amount up to ten megawatts not to exceed a fifteen year period, similar contract terms as is being conducted presently and not to exceed a levelized cost of 8.5 cents a kilowatt hour.

Mr. Cameron explained that once the ten megawatts has been reached he would come to the CAB as well as the RMLD Board Power & Rate Committee then the Board. Mr. Cameron said that the RMLD would provide a report on such projects. There is no upfront money on the RMLD side or demand charge. The projects on a hot summer day displace kilowatt hours of power at six cents. Ms. Parenteau added that this would also replace fossil fuel generation which is good for the environment. Mr. Cameron highlighted the fact these projects are within the RMLD's service territory and the energy is not going through the substations. Chairman Carakatsane said that it states cumulatively not to exceed ten megawatts, does this mean all the projects. Mr. Cameron responded that once the RMLD gets ten megawatts then they will come to the CAB. Chairman Carakatsane stated that he initially thought each project would have a cap of ten megawatts. Mr. Cameron explained that the reason the RMLD said ten megawatts is that you need a lot of space for one megawatt. Mr. Cameron pointed out that the development on 1 Burlington Avenue in Wilmington for 1.6 megawatts is two buildings that were the former Sweetheart Plastic buildings. Ms. Parenteau added they are hoping that the Boards will set a goal they should attain in terms of what they want out. Mr. Cameron said that these projects go online in an expeditious manner, like Lego's and to get the CAB, RMLD Board Power & Rate Committee and the Board together is time consuming. Mr. Capobianco asked how the 8.5 cent ceiling was derived. Ms. Parenteau responded that it is a cap. Mr. Capobianco questioned where the natural gas pricing is. Ms. Parenteau replied that Energy Services is going out for a RFP tomorrow and looked at the indicative pricing today over a four year period it comes out at 4.5 cents for natural gas. Mr. Capobianco said that he likes the solar because there is no Fuel Charge. Ms. Parenteau pointed out the RMLD is signing a PSA the RMLD is paying a fuel cost, but capacity is included in that cost.

This will be deferred until the next scheduled meeting on June 12, 2012 for further discussion and vote.

9. Adjournment

At 9:25 p.m. Mr. Norton made a motion seconded by Mr. Hooper to adjourn the Regular Session.

Motion carried 4:0:0. Mr. Ollila was absent.

Mr. Norton – Aye; Mr. Hooper – Aye; Mr. Carakatsane – Aye and Mr. Capobianco; Aye.

Respectfully submitted,

John Norton, Secretary

Minutes approved on: _____

ITEM 4.

Minutes of Meeting

June 12, 2012

**CITIZENS' ADVISORY BOARD
MEETING MINUTES
Regular Session**

TIME: 6:30 P.M.
DATE: June 12, 2012
PLACE: Reading Municipal Light Department, Spurr/A/V Room 230 Ash Street, Reading, MA 01867
PRESENT: CAB: A. Carakatsane (Lynnfield), T. Ollila (Wilmington), T. Capobianco (Reading)
RMLD Board: R. Soli, Marsie West
RMLD Staff: V. Cameron, J. Parenteau, R. Fournier, J. Carpenter, P. O'Leary
ABSENT: J. Norton (North Reading) and G. Hooper (Wilmington)
GUEST(S): Helen Aki, Jessie Wilson, Thomas B. Beale, and John Beale
(Note: Messrs. Beale arrived at 7:00 P.M.)

1. Call Meeting to Order – A. Carakatsane, Chairman

Chairman Carakatsane called the meeting to order at 6:35 P.M.

**2. Local Energy Action Program (LEAP) Presentation, Helen Aki, Leed AP, Energy Services Coordinator
Metropolitan Area Planning Council (MAPC)**

Ms. Aki explained that she works for MAPC, a regional planning agency serving Boston and 100 cities and towns by providing planning services across a variety of topics. She introduced Jessie Wilson, from the Town of Reading Planning Department. She added that more recently MAPC has expanded their work to include clean energy services, and that is the division that she works in. She will speak tonight on the Local Energy Action Program, which is a pilot program launched the beginning of this year to conduct energy planning in cities and towns

Ms. Aki gave a brief overview of what they have been doing.

3. Conservation Program Update – J. Carpenter

Mr. Carpenter would update the CAB on the Hot Water Heater project and renewable energy. He noted that Ms. Aki was a huge help in writing the \$50,000 grant with Mr. Carpenter for the Hot Water Heater project that was awarded.

Mr. Carpenter also gave an update on the solar project in the four towns.

4. Solar Energy Products – Approval for On-System Projects – V. Cameron

Mr. Cameron referred to his attached memo dated May 14, 2012. He stated that the Department will be getting many smaller solar energy projects, and every time ESD recommends a project, a meeting will have to be held. He added that this is not productive. He recommends that the CAB give the RMLD the ability to sign up to 10 MW of solar projects at similar terms as they have signed solar projects recently. His recommendation is in the memo. The RMLD will apprise the CAB of their progress as they acquire more solar projects.

Discussion followed.

Mr. Ollila made the following motion seconded by Mr. Capobianco:

MOVE that the Citizens' Advisory Board recommends to the RMLD Board of Commissioners to authorize the General Manager to execute power contracts for on-system solar energy projects up to a cumulative total of 10 megawatts, not to exceed a fifteen year period, and under similar contractual terms and conditions as being agreed to recently with solar energy developers; such authority is effective as of June 12, 2012.

Motion carried 3:0:0. (Mr. Norton and Mr. Hooper were absent.)

5. Financials Update – R. Fournier

Mr. Fournier presented the April 30, 2012 Financials, which represents the first 10 months of FY12. He stated there are no surprises or unexpected events that occurred. He highlighted the following:

- Positive change in net assets was \$596,000, which brought the year-to-date net income up to a little over \$3 million.
- Year-to-date budgeted income was a little over \$5 million, resulting in net income being under budget by about \$2 million or 40%.
- Year-to-date fuel expenses exceeded the fuel revenues by \$622,000.
- Year-to-date base revenues are under budget by \$2.3 million or about 6%. (Page 11b)
- Year-to-date purchase power base expenses are under budget by \$1.5 million or 7%. (Page 12a)
- Operating and maintenance side were under budget by a little under \$300,000 or 3%. The actual O and M expenses are at \$9.5 million compared to the budgeted amount of \$9.8 million.
- Depreciate Expense and the voluntary payments to the towns are on budget.
- Cash (Page 9) – operating funds are at \$10, 1 million; capital fund balance is \$3.8 million; rate stabilization is \$6 million; FERC fuel fund balance is \$2.4 million; and the Energy Conservation Fund balance is \$238,000.
- Year-to-date KWH sales are at \$577 million, which is about 23.1 million total kilowatt hours. This is about 4% behind last year's actual figures.
- Revenues collected year-to-date is \$577,000.
- All five divisions are under budget by \$348,000 or 2.2%.

Discussion followed.

Mr. Fournier also said that the RMLD will be getting back approximately \$300,000 relative to the October snowstorm expenses. He added that the Department submitted over \$400,000 worth of expenses, and under the FEMA guidelines the Department will receive about 75% of the total. Mr. Fournier noted that the engineering and accounting departments worked together gathering all the information and back up detail required. He noted the year end is up coming, and the audit will be done in August.

6. Other Items for Discussion

NEPPA Annual Conference – September 16-19, 2012

Mr. Capobianco made the following motion seconded by Mr. Ollila.

MOVE to approve up to five CAB members to attend the 2012 NEPPA Annual Conference.

Motion carried: 3:0:0. (Mr. Norton and Mr. Hooper were absent.)

Mr. Carakatsane reported that he had received a phone call from a reporter from one of the Lynnfield papers after the last RMLD Board Meeting asking him to explain RECs. He added that the reporter had referenced a press release, but he had not seen it until later that day.

7. Schedule Next Meeting

Mr. Norton contacted Ms. O'Leary to possibly hold a meeting in early August. She will be in touch with members to set up the meeting.

8. Executive Minutes – May 16, 2012 (CAB Members Only)

Mr. Capobianco made the following motion seconded by Mr. Ollila.

MOVE that the Citizens' Advisory Board approve Executive Session meeting minutes of May 16, 2012 as presented.

Motion carried: 3:0:0. (Mr. Norton and Mr. Hooper were absent.)

9. Reorganization of the CAB – A. Carakatsane

Deferred to next meeting

10. Executive Session (only if required) NOT REQUIRED

Mr. Carakatsane thanked everyone for his experiences as a member and Chairman of the Citizens' Advisory Board, and Mr. Cameron thanked him for his legal expertise and years of service.

11. Adjournment

Mr. Capobianco made a motion to adjourn seconded by Mr. Ollila.

Motion carried 3:0:0. (Mr. Norton and Mr. Hooper were absent.)

Respectfully submitted,

John Norton, Secretary

Minutes approved on: _____

ITEM 7.

***CAB Rotation Schedule
at
RMLD Board Meetings***

August 1, 2012

2012 CAB MEMBER ROTATION SCHEDULE
for
attendance at the RMLD Board Meetings (usually 4th Wednesday of the month)

January 25, 2012

John Norton

July

John Norton

February

Arthur Carakatsane

August

Tom Ollila

March

Tony Capobianco

September

April

John Norton

October

George Hooper

May

George Hooper

November

Tony Capobianco

June

John Norton

December