

**READING MUNICIPAL
LIGHT DEPARTMENT**

BOARD OF COMMISSIONERS

REGULAR SESSION

THURSDAY, SEPTEMBER 14, 2017

**APPROVAL OF BOARD MINUTES
ATTACHMENT 1**

**READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS REGULAR SESSION
230 Ash Street
Reading, MA 01867
May 10, 2017**

Start Time of Regular Session: 6:07 p.m.
End Time of Regular Session: 7:09 p.m.

Commissioners:

Philip B. Pacino, Chairman	David Talbot, Commissioner
David Hennessy, Vice Chairman, Secretary Pro Tem	Thomas J. O'Rourke, Commissioner
John Stempeck, Commissioner	

Staff:

Coleen O'Brien, General Manager	Wendy Markiewicz, Director of Business Finance
Hamid Jaffari, Director of E & O	Tracy Schultz, Executive Assistant
Jane Parenteau, Director of Integrated Resources	

Citizens Advisory Board:

George Hooper, Chairman

RMLD Liaison:

Selectman Dan Ensminger, Town of Reading

Call Meeting to Order

Chairman Pacino called the meeting to order and announced that the meeting is being videotaped for distribution at community television stations in Reading, North Reading, Wilmington and Lynnfield.

Opening Remarks and Introductions

Chairman Pacino read the RMLD Board of Commissioners' Code of Conduct and welcomed CAB Chairman Hooper to the meeting. Chairman Pacino also welcomed liaison Mr. Ensminger from the Board of Selectmen and asked if he had any comments. Mr. Ensminger replied that he would wait to see what Chairman Pacino had to say on the Instructional Motion. There was no public comment.

Chair's Report

Update on Instructional Motion-Town Meeting, May 4, 2017

Chairman Pacino began with the Update of the Instructional Motion that was made on Thursday, May 4, 2017 at the Reading Town Meeting, and explained that the gist of the Motion was to look at RMLD's return to the Town. Chairman Pacino then addressed several misstatements that have been made. Chairman Pacino stated that someone said that the RMLD is an ATM on Ash Street-that's not true. There was a statement made that a Commissioner had appeared in front of the School Committee and said that RMLD was flush with cash. Chairman Pacino stated that it did not happen during his 31-year tenure on the Board and that he doesn't know what Commissioner that allegedly was. There was also a statement made, attributed to a Town Official, that the Department is worth \$250 million. Chairman Pacino stated that he has no idea where that number came from. The Town Manager stated that he brought up an issue with a former General Manager. Unfortunately, that never came before the Commission, and Chairman Pacino wishes that it had.

Chairman Pacino explained that at the May 4, 2017 meeting he proposed and promised to call a meeting of a Sub-Committee that has been in existence since June 9, 1998. The Sub-Committee consists of two members from the Board of Commissioners, two CAB members, and one member of the Reading Board of Selectmen (Chairman Pacino stated he does not care if they opt to have two representatives instead). The Sub-Committee will meet, discuss the return to the Town, and come back with a recommendation from all parties involved. The Commission represents the interests of the Department; the CAB represents the ratepayers, who are the main stakeholders; and the Selectmen represent the Town of Reading.

Being the Chair, Chairman Pacino stated he assumed he would be one member of the Sub-Committee and asked Mr. Stempeck, if he's willing, to be the other. Mr. Stempeck replied that he would be happy to. Chairman

Update on Instructional Motion-Town Meeting, May 4, 2017

Pacino asked Mr. Hooper to decide with the CAB members who they will place on the Committee.

Mr. Hooper asked when Chairman Pacino was looking to have this meeting.

Chairman Pacino replied that they need to report back to the Town by the November Town Meeting.

Mr. Ensminger asked if it would be possible to get a copy of the original Sub-Committee charter.

Chairman Pacino replied that he would have Ms. Foti distribute a copy to all involved parties.

Mr. Ensminger stated the Selectmen will determine their number of Sub-Committee representatives at their next meeting.

Mr. Hooper asked for a copy of the charter as well. Chairman Pacino asked Ms. Schultz to send a copy to all the members of the CAB and all the members of the Commission.

Chairman Pacino stated he had one last comment. The final vote was taken when there was less than a quorum; for those people who left, they should be aware that was a very far-reaching discussion that could severely impact this Department. For those people who left the meeting, Chairman Pacino doesn't know how they feel they can represent their constituents, and added that this is his own personal comment.

Mr. O'Rourke said you could also say it's probably not productive to be discussing things at 11:30 at night.

Chairman Pacino mentioned that he happened to discuss the formation of the Committee with previous Boards of Selectmen but they never chose to call this Sub-Committee meeting.

Chairman Pacino made a motion, seconded by Commissioner O'Rourke, to officially appoint himself and Mr. Stempeck to the Sub-Committee on Reviewing the Return to the Town.

Motion Carried 5:0:0.

Chairman Pacino asked Mr. Hooper to carry back the message. Mr. Hooper stated that he has spoken to the Wilmington Town Manager and Town Selectman as this is a concern for all of them. Mr. Hooper is hoping to get a little more detail on what occurred at the Reading Town Meeting. Mr. Hooper stated that he will wait and see how this works out.

Mr. Ensminger announced that he has the wording of the motion on his phone and read 'Move to instruct the Board of Selectmen, in light of the Town's difficult financial situation, to study the Reading Municipal Light Department with an objective of increasing annual revenues to the Town of Reading,' Mr. Ensminger added that the final phrase, 'including the possibility of a sale' was struck by amendment and taken out.

Reorganization of the RMLD Board-Committee Assignments

Chairman Pacino announced there are three basic sub-committees: the Audit Committee, the Policy Committee, and the General Manager's Committee. Chairman Pacino stated that he sees no reason to discontinue any of these. Chairman Pacino is on the Audit Committee and wants to stay there. Mr. Stempeck is also on the Audit Committee-does he want to stay there? Mr. Stempeck stated he would switch it up a little bit and remove himself from that committee. Mr. O'Rourke volunteered to take Mr. Stempeck's place.

Vice Chairman Hennessy will remain Chairman of the Policy Committee. Chairman Pacino opted to rotate off

Reorganization of the RMLD Board-Committee Assignments

that committee and was replaced with Mr. Stempeck. Mr. Talbot remains.

The General Manager's Committee will consist of Chairman Pacino, Vice Chairman Hennessy, and Mr. Talbot.

Chairman Pacino asked who was responsible for Accounts Payable this month? Ms. Schultz answered Vice Chairman Hennessy and stated she would be sending out a schedule.

Mr. O'Rourke remarked there are some who can't do Accounts Payable or Payroll. Ms. Schultz affirmed, stating no Board Member can do either for three years in a row. Mr. Talbot has signed both Payroll and Accounts Payable the last three years; therefore, he is not assigned either this year.

Chairman Pacino stated he is first back up for Payroll since he lives closest and asked if the Audit Committee met with Mr. Fournier on a regular basis. Ms. Markiewicz replied that it wasn't a regular meeting; it was mostly at year end.

Potential Telecom Revenue – Dave Talbot

Mr. Talbot began by thanking Mr. Ensminger for attending the meeting. The Town Meeting Instructional Motion was about how RMLD can generate more revenue. One of the areas we need better awareness of is what we can do with our fiber optic telecommunications network. It goes through all four towns and was built about 15 to 20 years ago, and over time leasing activity has increased, so without even trying we've seen revenue increase. It's the one area where revenue is growing. Mr. Talbot disclosed that in his day job he studies municipal light plants and what they can do. There are 41 electric municipals in Massachusetts and 15 are in the telecom business. High speed connections are things that businesses, institutions, schools, and towns need. For RMLD to provide this service would require engagement of the governing bodies of all four towns and the schools, to see what's being done elsewhere and see what the Department can do. There's leasing and municipal (although Mr. Talbot added that he understands Reading is already doing well with that), school agencies, or public safety applications. Mr. Talbot stated that he doesn't know what the answer is. But if you build it, they will come. This is a discussion we should be having. What can we do to offer businesses service that is cheap and fast? We're already seeing revenue growth in this; it's time to set up a formal division.

Vice Chairman Hennessy referenced a seminar that some of the Commissioners had attended at Harvard. Fiber was billed as the future. Vice Chairman Hennessy asked Mr. Talbot to elaborate on that point, since many people view it as a passing fad.

Mr. Talbot explained that it is misleading to say that wireless is going to replace fiber when we move to 5g. The reality is that when we move to 5g we'll have smaller transmitters with higher capacity and shorter ranges; they will need fiber backhaul. The equipment has a 30 to 40-year lifespan and that is as future proof as you can get. Fiber does replace copper but there isn't something else beyond fiber. Mr. Talbot asked Mr. Ensminger if he had any thoughts.

Mr. Ensminger responded that when he hears revenues lighting up, he lights up. Chairman Pacino added that Mr. Ensminger is a former Board Member 2002-2005.

Mr. Talbot added that there are lots of critical upgrades going on behind the scenes at RMLD and Ms. O'Brien is leading the way.

General Manager's Report - Ms. O'Brien

Ms. O'Brien explained that the Northeast Public Power Association (NEPPA) Annual Conference will be held from

General Manager's Report - Ms. O'Brien

August 20-23, in Newport, RI. Ms. O'Brien stated she may not be able to attend, but wanted to get authorization from the Board in the event she chooses to go. Chairman Pacino stated he had already booked his room and Vice Chairman Hennessy stated that he was going as well. Ms. Schultz will circulate the reservation information to the remainder of the Board.

Mr. O'Rourke made a motion, seconded by Mr. Stempeck, to grant General Manager Coleen O'Brien Board Approval to attend the NEPPA conference August 20 through 23.

Motion Carried 5:0:0.

Ms. O'Brien then introduced Ms. Markiewicz, Chief Financial Accountant, to present the Operating Budget.

Review of RMLD's Fiscal Year 2018 Operating Budget

Ms. Markiewicz started with the Six-Year Plan, and explained that it is a high-level profit and loss statement. It shows sales revenue. We are trying to estimate a decrease of a half a percent every year, which is consistent with the prior year's Six-Year Plan. Operating expenses are staying consistent with a 3 percent increase in operating and maintenance expenses and general administrative expenses. We're trying to get as close as we can to an 8 percent rate of return. Ms. Markiewicz then moved on to the detailed profit and loss for the Budget FY18, and asked Ms. Parenteau to present the revenue portion.

Ms. Parenteau stated that the Operating Revenue for FY 18 is estimated to be \$26.3 million. That can be funded in one of two ways: if there is an increase in sales or by a rate increase. Over the last ten years, sales have been flat and decreasing, so this budget has assumed flat growth. To increase revenue, a rate increase is necessary across all classes of customers. A Cost of Service Study was done, and there was a presentation to the Board on April 20. There was a presentation to the CAB on April 2 and there will be a follow up for a final recommendation to the CAB on May 24. Once the CAB's recommendation is received, the rates will be brought to the Board for approval. Increases will range anywhere from 3 and a half to 7 percent, and that will depend on customer class and usage. RMLD is also looking to implement changes with how capacity and energy are charged within the industrial class. One of the increases you'll see further in the budget is the increase in capacity from this fiscal year to last fiscal year. It's currently estimated to be an increase of \$4 million dollars to the Department in capacity alone. Those costs are a pass through to customers; the Department does not make any return on that. However, it's a 4 to 5 percent increase for every customer in just power supply.

Ms. Markiewicz then began with the Operations and Maintenance Expenses, stating that the percentage of change reflects the 2017 budget to the 2018 budget. Any fluctuation may be due to working more on the operating or capital expenses this year. Ms. Markiewicz then said that she would go through each line item.

FERC 580 Supervision and Engineering are going up 26 percent. This includes engineering labor with overtime, and department expenses including vehicles and training. This is also anticipating two new engineering positions.

FERC 581 Station Supervisor is labor with overtime, as well as vehicles and training. There's an increase due to the shift from capital to operating.

FERC 581 Line General include Line Department training, employee time off, and weather related time working in-house instead of in the field. That went down 29 percent because they're going to be doing more capital work this year.

FERC 582 Control Room is Station Operator labor with overtime and department expenses.

Review of RMLD's Fiscal Year 2018 Operating Budget

FERC 585 Street Lighting is routine patrolling and repairs and maintenance by T-Men; it is going up 16 percent because there were more repairs and maintenance than we had anticipated.

FERC 586 Meter General is comprised of Meter Department labor with overtime and expenses, vehicles, and training. This is down 11 percent due to capital projects.

FERC 588 Materials Management is Purchasing expenditures. This includes labor, stockmen, some educational expenses, some telephone and copier expenses, and department expenses. This is shifting down 3 percent due to a temporary hire.

FERC 590 Maintenance of Structures and Equipment are station tech labor with overtime, training, vehicles, and supplies. RMLD is looking to add one station tech operator this year.

FERC 593 Maintenance of Lines-Overhead is staying stable. This includes line labor in the field, overtime, police details, and tree trimming. This is \$1 million net capital.

FERC 594 Maintenance of Lines-Underground is comprised of underground labor with overtime, vehicles, and supplies. This is going up 59 percent due to more operating expenses versus capital.

FERC 595 Maintenance of Line-Transformers is an estimate in case of transformer leaks, battery disposal, or hazardous waste.

FERC 596 Maintenance of Streetlights is T-Men changing out bulbs and fixing lamps in the field. That's going up because the amount of need it was underestimated in the past.

Ms. Markiewicz then moved on to General & Administrative Expenses.

FERC 902 Meter Reading is meter reading labor and meter department expenses. This is going up due to contractual increases and retro pay.

FERC 903 Customer Collections is comprised of labor, education, and supplies for Accounting, Customer Service, and the IT department. RMLD is looking to add one IT billing person, which is why there is an increase of 11 percent.

FERC 904 Uncollectible Accounts usually holds steady at \$150,000.

FERC 916 Energy Audit and Conservation is decreasing less than one percent. It is comprised of Integrated Resources labor, education, supplies and conservation programs.

FERC 920 Administrative and General Salaries will decrease by 10 percent due to the departure of some longtime employees. This is General Manager's labor, Human Resources, Community Relations, CAB, E&O Director, Facilities Manager and some of the Business Director's time as well.

FERC 921 Office Supplies is going up a quarter of a percent due to increases in product costs.

FERC 923 Outside Services is made up of legal fees, consulting fees, audit fees, and fees for software consulting. This is increasing 13 percent mostly due to increases in vendor fees.

Mr. O'Rourke asked giving net changes, looking at 2018 budget relative to the 2017 Budget?

Review of RMLD's Fiscal Year 2018 Operating Budget

Ms. Markiewicz answered the 2017 budget. This is not what was actually spent, but what was budgeted in 2017. As opposed to where we are now, which is 8 months actual and 4 months remaining in the budget.

Mr. O'Rourke stated he would have thought the actual full budget would have given a better depiction.

Mr. Stempeck clarified with Mr. O'Rourke that he was saying it's better to have more actual than estimated.

Mr. O'Rourke replied that we're looking to measure our actual spending in 2017 and how much that's going up in 2018.

Ms. Markiewicz explained the reason that wouldn't be as accurate is that you really don't know how much you're going to spend in the last 4 months. Sometimes you're trying to rush to get projects done to meet budget, or there are timing issues.

Mr. O'Rourke stated that makes sense. In some businesses the budget tends to be an artificial number where it doesn't matter if it's met or not met.

Ms. Markiewicz said as it stands right now we're on target, and then continued on to the next line item, FERC 925 Injuries and Damages, which is comprised of some property damage claims, workers comp, and disability insurance. This is going down 8 percent due to a subrogate assisting with RMLD claims.

FERC 926 Employee Pension and Benefits could change. The issue is that, at the end of the year, there could be a last-minute pension calculation that could change this number drastically. The prior year, the auditor changed it by \$402,000. We can only stay on target with what we know. This is due to unfunded liability.

FERC 930 Miscellaneous General Expenses is a catch all that includes dues, education, supplies, drug testing, background checks, community giveaways, promotional items, and the historical calendars. This is going down 5 percent.

FERC 931 Rent Expense is going to stay the same based on RMLD's contract with JCM Realty. Rent does not include snow removal.

FERC 935 Maintenance of General Plant includes software, ITRON, the RMLD website, GIS, SCADA, and engineering software. This is going up about 56.6 percent. RMLD hasn't had a lot of automation and is moving in that direction to improve efficiency.

FERC 935 Maintenance of Building & Garage is comprised of heating oil, gas, paint, carpeting, water, plumbing, snow removal and ground services. That's going up about 14 percent.

Chairman Pacino asked if 931 is the rent for the garage out back. Ms. Markiewicz answered yes.

Chairman Pacino asked for a breakdown of the amounts of health insurance and retirement in 926. Ms. Markiewicz stated she can get that, and added that the health insurance is increasing.

Ms. O'Brien said that she knows this is a new format, but everyone will get used to it. FERC coding is a set of standardized utility accounting principles. It puts employees on the same page.

Mr. Ensminger asked if the financial software program Ms. Markiewicz is using is Munis.

Review of RMLD's Fiscal Year 2018 Operating Budget

Ms. Markiewicz answered that it is Great Plains.

Mr. Ensminger asked, if money needs to be moved from one line item to another, who has the authority to approve the transfer?

Chairman Pacino answered that it would be the General Manager.

Ms. Markiewicz stated that RMLD doesn't do a line item budget.

Chairman Pacino added that the budget is reported on monthly, so that the Board can question it.

Ms. O'Brien answered that there is a little bit of room in the FERC accounting for where activities/assets are placed, but once Ms. Markiewicz and Ms. O'Brien agree on what goes where, it will not change. Typically you wouldn't move these around. FERC allows some expenses to go into multiple categories, but once it's decided it stays there.

Mr. Stempeck stated that makes sense, otherwise it wouldn't be consistent year to year.

At this time, Mr. Ensminger left due to another meeting.

Ms. Markiewicz continued with her presentation, stating FERC 403 Depreciation is increasing because plant is increasing. Depreciating plant is at 3 percent and is staying consistent. FERC 408 Voluntary Payments to Towns are increasing by 3.8 percent. That's based on two percent of RMLD's net plant. Plant goes up-payments go up.

FERC 419 Interest Income is going up 20 percent, which may appear odd. It's simply because it has been underestimated in the past. This is cash reserve money that's getting interest income. This includes depreciation fund, rate stabilization, sick buyback, and the customer deposit fund.

FERC 419 Other Income is scrap metal and other small areas of money that come in.

FERC 426 Return on investment to the Town of Reading includes loss on disposable plant at the end of the year. Return on Investment is based on the CPI index. It is going up 1.4 percent.

FERC 431 Interest Income is interest to customers when they close out their accounts and request their customer deposits back.

The bottom line net income targeting \$4.1 million, or \$4.5 million for a 6 percent increase. Then, if you go down to the rate of return calculation, you add back your return on investment to the Town and your loss on disposal, and then you subtract your Interest Income and in that Other Income number is construction of about \$400,000 so your net \$6.1 million as compared to 8 percent of your net plant, \$6.3 million, giving you a 7.75 rate of return.

Mr. Stempeck stated that's pretty close to the maximum 8 percent rate of return.

Ms. Markiewicz moved on to Projected Fixed and Semi-Variable Costs. This is fixed costs and what we have available to move things around in. 82.68 percent is fixed in the FY18 total budget. About 74 percent are our Power costs-Fuel, Capacity and Transmission. The Depreciation Expense is 4.6 percent, Return on Investment to the Town of Reading is 2.5 percent, above the line Town Payments are 1.5 percent. Disposable losses are less

Review of RMLD's Fiscal Year 2018 Operating Budget

than a quarter percent. The 17.3 percent of the budget that remains is what RMLD has to move across the various categories. Labor and Employee Benefits/Pension take up about 11 percent of that.

Mr. O'Rourke remarked that there's not a lot of room for discretionary expenditures.

Ms. Markiewicz answered that it really puts it into perspective.

Vice Chairman Hennessy noted that the two biggest semi-variable costs are relatively fixed as well. Ms. Markiewicz concurred, citing the labor contracts.

Mr. Talbot asked how many new staff positions are being contemplated.

Ms. Markiewicz stated that RMLD is hoping to hire 2 new employees in FY18. The talent is not out there. There are an additional 7 previously approved positions that are still vacant.

Ms. O'Brien stated that some of the delay in hiring is because of the talent and skill level needed due to a lack of succession planning. RMLD is not in a position where it can hire completely green people for certain descriptions. We're also developing career development programs and rewriting job descriptions; each one must go through their respective union. That and trying to find the talent is creating the lag.

Mr. Talbot asked if additional staffing was being considered.

Ms. Markiewicz explained that there are currently 74 employees; if we were to staff what has already been approved that number would go up to 83.

Ms. O'Brien added that, in the past, the Department has typically had 80 to 83 employees. There have been a number of retirements. Those positions have been kept on the books. The intent is to fill them as part of the organizational restructuring. Ms. O'Brien explained the 2 positions Ms. Markiewicz was referring to are replacing one station tech operator and hiring an additional billing individual in IT.

Mr. Talbot revealed that the reason he was asking was because he thinks there should be some telecom expertise in house.

Ms. O'Brien explained you have to be very careful spending electric funds on fiber. We need to stay within the parameters of what is allowed.

Mr. Talbot explained that the spirit of what he's saying is that it would be good to have some in-house expertise who can answer questions and identify telecom opportunities. In the next year or two we should be thinking of developing one person in the Department.

Mr. Stempeck said that would be part of the output of the Committee that was formed tonight; finding new revenue and enhancement.

Chairman Pacino reminded the Board that we're in the wires business.

Mister Talbot reiterated that there are fifteen other light plants are in the fiber business; by accident we are too.

Ms. O'Brien clarified that the fiber was built for the use of the electric company, and any revenue that the electric

Review of RMLD's Fiscal Year 2018 Operating Budget

company makes from surplus goes to the electric operating funds. If you change that you would have to develop another set of books. Ms. Markiewicz added that you need to set up another entity.

Mr. Hooper clarified that RMLD is currently short nine employees, which Ms. Markiewicz affirmed. Must have noticed deficiencies; tough to operate. Is RMLD still carrying pay for those nine employees? It has been over a year; where does that money go to?

Ms. Markiewicz answered that it just sits in the Operating Fund.

Mr. Hooper clarified that money from those nine salaries from last year carries forward?

Ms. Markiewicz answered yes, and when we fill the positions we disperse the cash accordingly.

Chairman Pacino asked if there were any comments or questions on the Operating Budget, which will be voted on tomorrow night.

Mr. O'Rourke added that if you approve the Operating Budget and then have issues on the Capital, they're related; you don't want to approve something and then undo it.

Because the RMLD Procurement Request Requiring Board Approval is Capital Budget related, the Board opted to vote on IFB 2017-40 the following evening.

RMLD Board Meetings

Chairman Pacino and the Board conferred that the third Thursday of every month will be the meeting date. The next meeting will be on June 15. Mr. Stempeck will be unable to attend.

Ms. O'Brien asked, in regards to the Strategic Meeting, is it a committee or a meeting?

Chairman Pacino answered: meeting.

Mr. O'Rourke stated that the last time committees were redone the Board updated their contact numbers. Ms. Schultz stated she would circulate an e-mail tomorrow.

Adjournment

Mr. O'Rourke made a motion, seconded by Vice Chairman Hennessy, to adjourn at 7:09 pm.

Motion Carried 5:0:0.

Executive Session:

Executive Session was posted in the event discussion relative to competitively sensitive issues relative to labor issues or real estate acquisitions arose. There was no such discussion, therefore no Executive Session was held.

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

David Hennessy, Secretary Pro Tem
RMLD Board of Commissioners

**READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS REGULAR MEETING
230 Ash Street
Reading, MA 01867
May 11, 2017**

Start Time of Regular Session: 6:10 p.m.
End Time of Regular Session: 7:09 p.m.

Commissioners:

Philip B. Pacino, Chairman	David Talbot, Commissioner
David Hennessy, Vice Chairman, Secretary Pro Tem	Thomas J. O'Rourke, Commissioner
John Stempeck, Commissioner	

Staff:

Coleen O'Brien, General Manager	Tracy Schultz, Executive Assistant
Hamid Jaffari, Director of E & O	

Citizens' Advisory Board (CAB):

Jason Small, Member

Call Meeting to Order

Vice Chairman Hennessy called the meeting to order and explained that the meeting is being taped for distribution in Reading, North Reading, Lynnfield, and Wilmington. read the RMLD Board of Commissioners Code of Conduct. Vice Chairman Hennessey explained that Mr. Pacino was currently absent, but was believed to be on his way to the meeting.

Opening Remarks and Introductions

Vice Chairman Hennessy explained that the Operating Budget was presented the previous evening, and the Board would be reviewing the Capital Budget tonight.

Chairman Pacino entered the meeting and stated that he had been caught in traffic for two hours.

Chairman Pacino welcomed CAB member Jason Volk, who had no comment. There were no liaisons present and no public comment.

Ms. O'Brien explained that herself and Mr. Jaffari, Director of Engineering and Operations, would be presenting the Capital Budget. After, a vote will be taken on both the Operating and Capital Budgets.

Review of RMLD's Fiscal Year 2018 Capital Budget

Mr. Jaffari explained that the presentation this year is different, and that he would start with an update on the status of projects that the Board has already authorized funding for. The review of FY17 projects commenced with projects that have been completed or are scheduled to be completed by June 30, 2017. The first is distributed generation, which was budgeted for \$2.7 million. Due to competitive bidding, the project is under budget. The generator is scheduled for delivery on June 1 and will be fired up the first week of July. Once that is running it will help RMLD get credit on capacity and transmission. The HVAC upgrade project is completed. Various upgrades at Station 4 have been completed, including a 35kV potential transformer replacement, relay upgrades, and SCADA integration for bus. The only thing left to do is the getaway replacement. This is a cable replacement to increase capacity of the feeders and contractors are currently replacing those 2,800 feet of cable. The Station 5 LTC control replacement project and the Substation Equipment Grounding are completed. The RTU Replacement is the communications device between Station 3 and SCADA in the Control Room. That's installed and is being wired and programmed. The Analog Devices Cap Bank was finished a few months ago. The Control Center modification project in progress.

Mr. Jaffari then moved onto the projects continuing in FY18. The LED Streetlight Upgrades are approximately two-

Review of RMLD's Fiscal Year 2018 Capital Budget

thirds completed and are on schedule. The Towns should start seeing the benefits and the savings. RMLD committed to changing out 2,450 each year, so the project will be completed by July 1, FY19. The GIS data collection is completed, and now the data is being checked and reviewed. It will be over 98 percent accurate, and that should be done by September or October 2017. There will be some data integration to other systems in 2018. The Grid Modernization, Phase One project will be continued. Four switches were installed as part of a pilot program last year. RMLD is already started to see the benefit of these installs, with an increase in reliability.

The search for land for a new Wilmington substation continues. There is one promising location. Ms. O'Brien is negotiating as to whether the land will be purchased or leased for 99 years. Both options are a possibility. Planning and Zoning may require purchase because RMLD is a not-for-profit. However, there are other issues.

Ms. O'Brien explained that it is a frontage issue. If you buy the land, you take away frontage from the owner, which creates a problem. However, if you lease the property the owner gets to keep the frontage.

Mr. Jaffari added that the land is close to a wetland and may require a permit from the Conservation Commission.

Chairman Pacino asked if leasing the land would become Capital and increase investment in the plant. Ms. O'Brien stated that she would have to check with Ms. Markiewicz.

Vice Chairman Hennessy stated that if you purchased it, that would definitely be the case, but that a 99-year lease is almost like purchasing.

Ms. O'Brien stated that FERC Accounting has a code for Land Assets. However, when you lease it, it doesn't fall under that category.

Mr. Jaffari continued his presentation, moving on to the Padmount Switchgear Upgrade. There are 25 of them and it is a 6-year replacement program. The first five targeted to be upgraded are in River Park, Wilmington. This is the only project that is behind schedule due to the late arrival of the switchgear. It was supposed to be delivered in mid-March. However, it will not be delivered until late June. 95 percent of the projects that were budgeted for last year are completed.

Mr. Talbot asked if the gas generator that is supposed to be ready on July 1 was initially scheduled to be in operation by June 1, and stated his hope that the peak would occur after July 1.

Mr. Jaffari answered in the affirmative to both. The delay was due to a contract issue, with the performance bond taking longer than expected to be acquired, and permitting.

Mr. Talbot then asked if failure sensors for transformers exist, and clarified that RMLD does not have them.

Ms. O'Brien asked Mr. Talbot if he was referring to a fault detector on a feeder. Mr. Talbot explained that it is a piece of equipment that indicates something has changed and that there is an imminent decline of transformer performance.

Mr. Talbot said the reason he was asking was because one blew up.

Ms. O'Brien stated that was a lightening arrestor. It's an arc shoot and is supposed to prevent damage. Some of the polymer on this particular one melted. Ms. O'Brien asked Mr. Small if he has ever encountered the polymer melting. Mr. Volk answered in the negative, but stated he has lost a few due to animal contact right at the top

Review of RMLD's Fiscal Year 2018 Capital Budget

of the arrestor.

Mr. Jaffari stated that earlier he was referring to substation transformers. Some types of pole transformers might have internal fault detectors.

Mr. Jaffari then continued his presentation, stating that the Padmount Switch Gear won't arrive until late June, therefore it may not be completed this year.

Good progress is being made on the Station 3 relay upgrades and SCADA integration. The substation has intrinsic design flaws. The fault current is too high for the transformers that were originally installed. The relays need to be upgraded as well.

LED lighting at 230 Ash Street, carpeting, and Electric Vehicle Supply Equipment are all also projects in progress. RMLD will be installing an Electric Vehicle Supply charging station in each town.

Mr. Stempeck asked how much a charging station costs.

Mr. Jaffari explained that it depends on the construction and RMLD has received grant money. Without the grant money \$20,000, but it could go up to \$50,000.

Mr. Talbot asked if members of the general public would be able to park and charge their vehicles.

Ms. O'Brien explained that it would not be a free service.

Mr. Jaffari then began explaining the new projects for FY18. In order to compensate for the Station 3 Design flaws, and to lower incident or arc energy, RMLD will be installing one set of reactors for each of the two transformers. That is estimated to cost \$561,000 and the Board will be voting on the bid tonight.

The next project is 35kv underground cable upgrade. These are the underground lines that feed Station 5 from Station 4. They are 30 years old. This is a 3-year project. One failed this last year and had to be replaced.

Mr. Stempeck asked if that failure is catastrophic. Mr. Jaffari answered that the cables are in water and small pin holes continue to their failure. However, when one fails the load is transferred to the other transformers, so customers only experience a 10 or 15 second outage.

The design for the Pole Line Upgrade on Woburn Street in Wilmington is underway. The construction starts in the fall.

The 115kv Transmission Line Upgrade is necessary due to aging equipment. Two poles failed this year and emergency measures needed to be taken. Mr. Jaffari stated that he didn't expect the equipment to fail so soon. 6 more poles need to be replaced. These are the lines from Eversource that are feeding the substation. It is a 2 year project.

The pole replacement program is ongoing. Every year we test 640 poles. The poles that fail are immediately replaced. Some poles marginally pass and we're planning on upgrading those. Mr. Jaffari asked residents to be patient and stated that RMLD is doing the best it can to address double pole issues. RMLD is quick to respond to transfers but doesn't have control over Comcast or Verizon. We are trying to expedite the process.

Review of RMLD's Fiscal Year 2018 Capital Budget

Another surprise that was encountered last year has necessitated the Secondary and Main Replacement project. Due to aging equipment neutral connectors have started failing. Over the next 10 to 15 years, so many are going to be replaced that contractors will need to be brought in to assist. This was voted on at the April Board Meeting. This is continuous. The contractors will augment RMLD staff. RMLD has dedicated crews that have lists of the oldest to newest neighborhoods.

Miscellaneous projects include a power washer, remote SCADA room, partial roof repairs, lobby insulation, new chairs, and battery storage. These are all one year projects and are estimated to total \$230,000.

Mr. Jaffari then began his presentation on Annually Budgeted and Recurring Projects. For FY17, estimated Miscellaneous Computer Hardware and Software Upgrades were \$152,000 and \$340,000 is being estimated for FY18.

The Rolling Stock Replacement of trucks and vehicles is estimated at \$230,000 for FY18.

AMI mesh expansion for Club 500 that Itron had no solution for is continuing. It is a very smart system that can be used for distribution automation as well as metering. This system will be integrated with Cogsdale.

Smart-Grid Fiber Nodes Expansion will be an asset that will communicate with substations and bring information back to the Control Room. We're going to create more fiber nodes.

13,8kV upgrade many of the step-down areas from 13,800 to 4,160 voltage.

Mr. Jaffari stated that Underground Facilities is an area of major concern for him. Last year there were a few areas where we did not expect such catastrophic failure. This was due to aging equipment. In one case, we wanted to replace one transformer and ended up having to replace the entire neighborhood (about 10 or 15 transformers). It wasn't planned but it was necessary.

Spending on Routine Construction was forecast for \$1 million last year. Unfortunately, \$1.6 million had to be spent due to unpredicted failures in multiple old neighborhoods that needed attention.

New Customer Services cost \$140,000 in FY18 and are projected to cost \$156,000 in FY18.

Miscellaneous Purchases transformers substation equipment going up due to transformer load management and upgrades. Every year we replace at least 150 to 200 aging transformers to avoid oil leak. We're trying to catch up.

Mr. O'Rourke asked what the New Customer Services entailed. Ms. O'Brien explained that was hooking up new customers.

Mr. Jaffari continued, stating in summary, in FY17 \$9,406,000 was budgeted and spending is estimated to be \$9,695,000. The spillover is due to the unexpected equipment failures. The planned spending for FY18 is \$7,696,000.

Mr. O'Rourke asked if there is a formula that the RMLD uses to arrive at a range of depreciation.

Ms. O'Brien referred to page 19, which is the Six Year Plan-Capital that the Board saw last year. There's a chart on the bottom that lines up with the columns above. It starts with capital plant service, additions, adjustments for retirements, accumulated reserve, net plant and service, maximum allowed return 8 percent, depreciation

Review of RMLD's Fiscal Year 2018 Capital Budget

fund, beginning balance, and interest earned. We have all this maintenance and all these projects to do, and we could tell the DPU we're going to go to a 4 percent depreciation rate. But, our strategy is to keep it at 3 percent and instead of putting a typical \$1.5 million in the operating fund, we transfer \$2.5 million in and use that money at the end to prevent from having to go to bond. The ending balance is low, but we're doing a lot of work. FY21 is targeted to be back up \$4 million, when we'll be done with the lack of maintenance and will only be spending what we put in. This has been quite a process to completely rebuild parts of the system. The amount of equipment and long and short term planning is a huge amount of work.

Mr. O'Rourke replied that he thought we would be spending more in FY18. Are we funding the Capital Expense Budget sufficiently?

Ms. O'Brien replied that it is starting to go down. The \$5.7 million bonding for the substation is almost even with what we're putting in.

Mr. Jaffari added that he is hoping that there are no surprises and we don't have to keep spending.

Mr. O'Rourke stated that the last Capital Expense Budget was tied to the study. Is there anything recommended in the study that we didn't get to or didn't do?

Mr. Jaffari answered yes, doubling up the underground getaways out of Substation 3 and Substation 4. Booth & Associates recommended doubling up feeder cables. However, the heat index in the conduits is not going to buy us much. We've decided to go an alternate route and build a new substation. That will transfer the load so that the feeders go into normal range.

Ms. O'Brien added the answer is yes, but we're meeting the intent of the recommendations but using a more holistic approach.

Mr. O'Rourke asked when the next summary of progress on both studies would be. Ms. O'Brien reminded Mr. O'Rourke that RMLD has been providing quarterly updates.

Mr. Talbot asked for further information on Project 98 Office Renovations. Ms. O'Brien read: carpet, remodel Accounting area, replace broken office conference chairs: \$92,000.

Mr. Talbot explained he has a question specifically about the remodeling of the Accounting area and whether it is necessary. Ms. O'Brien replied that it's a privacy issue; keeping people out of Accounting is becoming a problem. There's confidential information. The design is still pending.

Mr. Talbot asked how much would a wall be? Ms. O'Brien replied maybe \$30,000; sprinklers, electrical, and HVAC will need to be moved. It's not clear yet how to meet the objective. It could cost less.

Mr. Talbot stated that he is questioning the need to build a wall in an underutilized building with empty space.

Mr. Stempeck stated that he is not sure that he agrees. You need to provide good working conditions. If employees leave due to things getting shabby, recruiting costs would far outweigh the cost of wall.

Ms. O'Brien asked Mr. Talbot to show her an area that is under-utilized. IT needs to be designed so that it's only Accounting. You need an area where people can discuss Payroll. You can't have people walking around; it must be a semi-confidential area. Ms. O'Brien asked Mr. Talbot where else in the building he would suggest.

Review of RMLD's Fiscal Year 2018 Capital Budget

Mr. Talbot answered that he was just questioning the need to build more partitions.

Chairman Pacino stated that you need to keep people out of Accounting. We have to spend money to make money. If we don't spend money in Capital then we don't make the 8 percent. If you want to devastate the 8 percent, cut back on the Capital.

Mr. Talbot stated that we're here to look at these things and ask questions.

Ms. O'Brien explained that a significant amount of issues have occurred in the last one-and-a-half to two years. There are three collective bargaining units. Open space makes discussions very difficult. You need to enclose people and sensitive dialogue. Chairman Pacino added that this is a management decision, why we hired a General Manager. This is not an area a Board should decide.

Ms. O'Brien stressed the fact that she has been trying not to spend money. If employees are tripping on carpet it must be replaced. People hurting their backs on chairs that are 25 years old means that those need to be replaced. The repairs to the leaking roof are a partial bandage. We're only doing what is absolutely necessary.

Mr. O'Rourke added it's appropriate as Commissioners to question line items; that's what we're here for. The RMLD has some unique circumstances on how profitability is calculated. From his perspective, the process has served its purpose. Mr. Talbot raised a valid question and Ms. O'Brien gave a good answer.

Mr. O'Rourke then asked Mr. Jaffari and Ms. O'Brien if they are comfortable with the budgets; are there enough monies being approved to run the utility?

Ms. O'Brien answered yes, and added that she is typically not comfortable with the depreciation going under one million. Saving that for substation purchase best we can be out of woods in another year and a half where at a level we can maintain. Mr. Jaffari is doing a great job; he is getting the work done for a lot less money than it would have cost. He is prudent, efficient, conscientious, and safe.

CAB member Mr. Cohen entered the room. After some confusion, he realized he had come to the RMLD in error and left.

Vice Chairman Hennessy made a motion, seconded by Mr. Stempeck, that the RMLD Board of Commissioners approve the Fiscal Year 2018 Capital Budget dated March 31, 2017, in the amount of \$7,695,715 as presented, on the recommendation of the General Manager.

Motion Carried: 5:0:0.

Mr. O'Rourke mentioned that there is a letter from the CAB. Chairman Pacino answered yes, the CAB did recommend approving the budgets, which Mr. Volk also confirmed.

Review of RMLD's Fiscal Year 2018 Operating Budget

Mr. Talbot stated he wanted it on the record that bringing on an employee with telecom expertise could help us down the road.

Mr. O'Rourke asked, if Ms. O'Brien (with support of the Board) determined that an unbudgeted position was critical to the success of RMLD's operations, would she have the discretion and wiggle room to hire an additional employee.

Ms. O'Brien stated that the engineering jobs that are currently open have descriptions that talk about fiber.

Review of RMLD's Fiscal Year 2018 Operating Budget

Having a job description that talks more about marketing fiber as a separate business would require the creation of a new job description, which would need to be run through the union. A different set of books would need to be created, and possibly an LLC if RMLD was to split and go into a different direction.

Chairman Pacino announced that he wants to have another Strategic Meeting sometime in June. Ms. Schultz will coordinate a date and time with the Board.

Vice Chairman Hennessy stated that he is supportive of fiber; it is the one area where RMLD has growth.

Mr. Pacino reminded the Board that the CAB recommend Board approval of both budgets.

Vice Chairman Hennessy made a motion, seconded by Mr. Stempeck, that the RMLD Board of Commissioners approve the Fiscal Year 2018 Operating Budget dated March 31, 2017, with a Net Income of \$4,114,622 as presented, on the recommendation of the General Manager.

Motion Carried: 5:0:0.

RMLD Procurement Requests Requiring Board Approval IFB 2017-40 Current Limiting Reactors at Substation 3

Chairman Pacino then announced that the Board has a bid from the previous evening to approve.

Mr. Jaffari presented IFB 2017-40 Current Limiting Reactors at Substation 3, explaining there is a Design flaw at Station 3. This will lower the incident energy. A request for bids was sent to 9 companies. Wesco was the lowest responsive and responsible bidder.

Mr. Talbot asked how many responsive bids were received. Mr. Jaffari answered that RMLD received two responsive bids.

Mr. Stempeck made a motion, seconded by Vice Chairman Hennessy that proposal 2017-40 for Current Limiting Reactors at Substation 3 be awarded to WESCO for \$145,440 pursuant to M.G.L. c. 164 § 56D, on the recommendation of the General Manager.

Motion Carried: 5:0:0.

Chairman Pacino stated that he would review the minutes for tonight and the previous evening. Whoever signs the Accounts Payable will serve as Board Secretary for that month.

Motion to Adjourn

At 7:09 p.m., Mr. Stempeck made a motion, seconded by Vice Chairman Hennessy, to adjourn.

Motion Carried: 5:0:0.

Executive Session:

Executive Session was posted in the event discussion relative to competitively sensitive issues relative to labor issues or real estate acquisitions arose. There was no such discussion, therefore no Executive Session was held.

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

David Hennessy, Secretary Pro Tem
RMLD Board of Commissioners

**READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS MEETING
230 Ash Street
Reading, MA 01867
July 20, 2017
7:30 p.m.**

Start Time of Regular Session: 7:31 p.m.
End Time of Regular Session: 8:46 p.m.

Commissioners:

Philip B. Pacino, Chairman	Dave Talbot, Commissioner
Dave Hennessy, Vice Chairman, Secretary Pro Tem	John Stempeck, Commissioner
Thomas O'Rourke, Commissioner	

Staff:

Hamid Jaffari, Director of Engineering & Operations	Tracy Schultz, Executive Assistant
Jane Parenteau, Director of Integrated Resources	

Citizens Advisory Board (CAB):

Neil Cohen, Member

Call Meeting to Order

Chairman Pacino called the meeting to order and announced that the meeting is being videotaped at the RMLD office at 230 Ash Street, for distribution to the community television stations in Reading, North Reading, Lynnfield, and Wilmington.

Opening Remarks

Chairman Pacino read the RMLD Board of Commissioners' Code of Conduct and welcomed Mr. Cohen from the Citizens' Advisory Board.

Public Comment

There were no Board Liaisons present.

Mr. Talbot commented that April, 2018 presents a deadline for certain solar renewable energy credits. The Board would like to encourage the submission of development proposals for solar generation, both public and private. The deadline is real and these credits might be drying up. Chairman Pacino verified that the Board agrees.

Vice Chairman Hennessy asked what must be completed by April? Ms. Parenteau answered that her group is in the process of looking that up.

Mr. O'Rourke asked if there is anything RMLD needs from the Board. Ms. Parenteau replied that the Board has been very receptive in terms of giving direction, meeting with the Towns, and the amount of solar they are interested in achieving.

Mr. Talbot clarified that there's been discussions regarding solar between RMLD and the Towns. Ms. Parenteau answered that she had met with representatives from Lynnfield and Wilmington, and would be meeting with Reading representatives tomorrow.

Chairman Pacino announced that Ms. O'Brien and Ms. Markiewicz would not be in attendance this evening.

Approval of Board Minutes (Attachment 1)

Mr. Hennessy made a motion, seconded by Mr. O'Rourke, that the Board approve the minutes of September 29, 2016, October 20, 2016, December 15, 2016, January 31, 2017, February 23, 2017, March 23, 2017, and April 20, 2017.

Motion Carried: 5:0:0.

Report of the Chair

Discussion of Reporting on Fiscal Year end versus Calendar Year end as required by State Regulators

Chairman Pacino stated that he is looking for information from the Department. Currently, RMLD's financial statement is based on the fiscal year, ending of June. The Department of Public Utilities (DPU) uses the calendar year. The report that goes to the DPU is therefore due at the end of the calendar year. It's a burden on the Department to produce reports for two deadlines. Chairman Pacino stated that he is looking for an idea of how much extra it costs having two different year ends. RMLD has had a calendar year end; it makes more sense to have one cut off rather than two.

Mr. O'Rourke suggested getting the Town Manager's perspective and considering the impact on the other Towns. Chair Pacino replied that, currently, he just wants data gathered-when RMLD had a calendar year, audit costs were less. The information that goes to the DPU should be final.

Mr. O'Rourke then made a request that the Board receive a more up-to-date set of financials every month. It is hard to be nimble when given older information-couldn't implement anything. scorecard with an idea of what the financials look like.

Power Supply Report – May 2017- Ms. Parenteau (Attachment 2)

Ms. Parenteau reported on upcoming community events. On August 7, at 10 a.m. RMLD will be participating at Touch a Truck Day at 15 Central Street in North Reading. There will be another Touch a Truck Day on August 15 at 7:30 am at the Reading Library. RMLD will have a booth at the Reading Town Fair on September 10. RMLD is about to kick off an art contest for high school students. There will be an information session on August 1. So far, 19 students in grades nine through twelve have registered. RMLD's Public Power Week Open House will be on Thursday, October 5th.

Ms. Parenteau then presented the Power Supply Report. In May 2016 RMLD's portfolio was comprised of 15 percent renewables, which include hydro, wind and solar. Nuclear accounted for 14 percent and the spot market was 15 percent.

Mr. O'Rourke then stated that he has been receiving automated calls about electric rates effective on July 1. Mr. O'Rourke asked what the purpose of the telemarketing calls are. Ms. Parenteau explained that the robocalls are not from RMLD. The calls are intended for customers who are subject to deregulation and who can choose their power supplier. RMLD's rates are much lower than customers who can choose. Chairman Pacino encouraged customers to please call the Department with any questions.

Ms. Parenteau added, as a message to customers, RMLD only charges for what is used. Ms. Parenteau encouraged customers who are feeling the pinch to reach out to RMLD for ideas on how to conserve energy.

Mr. Talbot stated that if we can generate power in the district then we're not subject to increases in capacity and transmission charges.

Ms. Parenteau returned to the Power Supply Report and a comparison between May 2016 and May 2017. In the month of May 2016, the average cost of energy for RMLD's portfolio was 3 and a half cents. We paid a little under 10 cents for wind, solar was around 7 cents, and nuclear was less than a penny. The spot market was 22 cents and the system cost was 46 cents.

Vice Chairman Hennessy asked, why wouldn't we buy more nuclear if it's so cheap? Is the amount we can buy restricted? Ms. Parenteau answered that there's no more being built and Pilgrim is being decommissioned. Vice Chair Hennessy asked you're buying as much as you can?

Power Supply Report – May 2017- Ms. Parenteau (Attachment 2)

Ms. Parenteau stated that is correct, and added that the energy component is cheap, but the capital costs to construct plants are significant. The projects that RMLD is involved in-Millstone and Seabrook-next year that debt service will be paid off. All the capital investments that we've made for nuclear over the past thirty years have finally come to fruition-the mortgage has been paid off, in a sense. That will help our customers by reducing costs.

In May 2017, renewables increased to 22 percent. Nuclear increased to 17.56 percent. System power was 42.8 and spot market was around 15 percent. In May 2016, the average cost of energy was 3.5 cents. In May 2017, the average cost was 3 cents. These costs are a pass through to customers, and are passed through by the fuel charge adjustment. Overall, year to year, there has been a reduction in the cost that we charge our customers.

40-50 Fordham Road, Wilmington

Ms. Parenteau explained that RMLD has been working with a solar developer on a project at 40-50 Fordham Road in Wilmington. The size of the array is approximately 1.8 megawatts AC. It is a 20-year contract with Kearsarge Solar, LLC, a developer out of Watertown, MA. The project will be for 5,000 panels and generate 1,500 megawatt hours a year. This will be Phase 2 in RMLD's Solar Choice Program. RMLD has yet to begin a marketing campaign, but there are already 87 customers on the waiting list for community solar.

Chairman Pacino verified that this was approved by the CAB. Ms. Parenteau affirmed. Chairman Pacino then explained that the Board approved the project in Executive Session on June 15, 2017, but now needs to take a vote in open session.

Mr. Stempeck made a motion, seconded by Vice Chairman Hennessy, that the RMLD Board of Commissioners authorize the General Manager of Reading Municipal Light Department to finalize negotiations and execute a contract with Kearsarge Solar, LLC, for the output of a facility at 40-50 Fordham Road, Wilmington, Massachusetts.
Motion Carried: 5:0:0.

Engineering and Operations Report – May 2017 - Mr. Jaffari (Attachment 3)

Mr. Jaffari stated that total spending year-to-date for Capital Improvement Projects is \$588,355. in the budget that were approved by the Board. The FY 17 budget is \$9.4 million. As of May, year-to-date spending is \$6.4 million. In June, another \$2 million was paid for the generator. In the month of May, \$118,263 was spent on routine construction, bringing the fiscal year-to-date to \$1.724 million. We're making great progress routine maintenance. The substations are in good shape. The pole inspection program is going great. In North Reading we're removing 10 or 15 pole butts a week. There were no substation hot spots. The maintenance we've done is paying off; we're seeing vast improvements.

The delay in transferring double poles is due to Verizon and Comcast. Mr. Jaffari thanked all four communities for their patience. There is a lot of maintenance going on and we get to the double poles in order of priority and safety.

Reliability is strong and getting better. Our numbers are well below the national and regional averages. Outages in May were caused by trees coming down during storms. RMLD is making progress on reducing outages caused by equipment and wildlife.

Mr. Talbot stated that Comcast is renegotiating its franchise with the Town and asked if it would be worth mentioning the double poles to the Towns. Ms. Parenteau replied that RMLD can remind the Town Manager.

There is still some final testing that needs to be done on the Distributed Gas Generator, but we anticipate going online next Thursday. Mr. Jaffari thanked the Town of North Reading and Town Administrator Gilleberto and his team for their help in overcoming challenges and moving the project along. This is a pilot; it is expected to meet

Engineering and Operations Report – May 2017 - Mr. Jaffari (Attachment 3)

challenges during the pilot. Vice Chairman Hennessy asked, how will it work? Will it coincide with peak demand?

Mr. Jaffari answered that a procedure has been set up with Integrated Resources. We know the forecast a day ahead of time. The generator is turned on 3 or 4 hours before the expected peak. Our peak is different than ISO's peak; we want to ensure the window before and after ISO's peak is covered. Final testing needs to be done to ensure the generator is in phase with our system. It is a great engine. It has been running perfectly with no load and the equipment has a seven-year warranty.

RMLD Procurement Request Requiring Board Approval – Mr. Jaffari (Attachment 4)

RFP 2018-02 Category 2 Flame Resistant (FR) Clothing and Allowance Based Managed Clothing Program.

Mr. Jaffari explained that RMLD is responsible for providing FR Category 2 clothing. The request for bid was advertised and sent out to 16 companies. Nonsubmittal responses were received from four companies: they aren't set up to provide management services or are out of stock.

RMLD received sealed proposals from four companies. Two were non-responsive. Of the other two proposals, Tyndale and Action Apparel, Inc., Action Apparel Inc. lacked a management program. Tyndale does the accounting and RMLD doesn't have to use its resources to manage the program.

Vice Chairman Hennessy made a motion, seconded by Mr. Stempeck, that proposal 2018-02 for Category 2 Flame Resistant (FR) Clothing and Allowance Based Managed Clothing Program be awarded to Tyndale Company, Inc. as the most responsible and eligible bidder, in the estimated amount of \$72,978.50, pursuant to M.G.L. c. 30B on the recommendation of the General Manager.

Motion Carried: 5:0:0

General Discussion

The next RMLD Board Meeting is tentatively set for Thursday, September 14, 2017. The date of the next CAB meeting has yet to be determined. The Board decided to hold the next Strategy Session in September. Ms. Schultz will circulate some dates.

Mr. O'Rourke asked Chairman Pacino to say a few words about the upcoming NEPPA conference. Chairman Pacino explained that it is the municipal utility trade association's annual conference. It is being held from August 20-23. There are industry themed speakers and it is a great opportunity to network and to see what other municipals are doing.

Executive Session

At 8:17 p.m. Mr. Stempeck made a motion, seconded by Vice Chairman Hennessy, that the Board go into Executive Session to approve Executive Session minutes from October 20, 2016, December 15, 2016, January 31, 2017, February 23, 2017, March 23, 2017, and April 20, 2017, to discuss trade secrets or confidential, competitively-sensitive or other proprietary information in the course of activities conducted by a governmental body as an energy supplier under a license granted by the Department of Public Utilities, and to consider the purchase of real property and return to Regular Session for the sole purpose of adjournment.

Chairman Pacino called for a Poll of the Vote:

Mr. Talbot: Aye; Mr. O'Rourke: Aye; Vice Chairman Hennessy: Aye; Mr. Stempeck: Aye; Chairman Pacino: Aye.

Motion Carried: 5:0:0

At 8:46 p.m., Mr. Stempeck made a motion, seconded by Vice Chairman Hennessy, that the Board move to return to Regular Session for the sole purpose of adjournment.

Motion Carried: 5:0:0.

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

David Hennessy, Secretary Pro Tem
RMLD Board of Commissioners

**POWER SUPPLY REPORT
JULY 2017
ATTACHMENT 2**



Integrated Resources

September 14, 2017

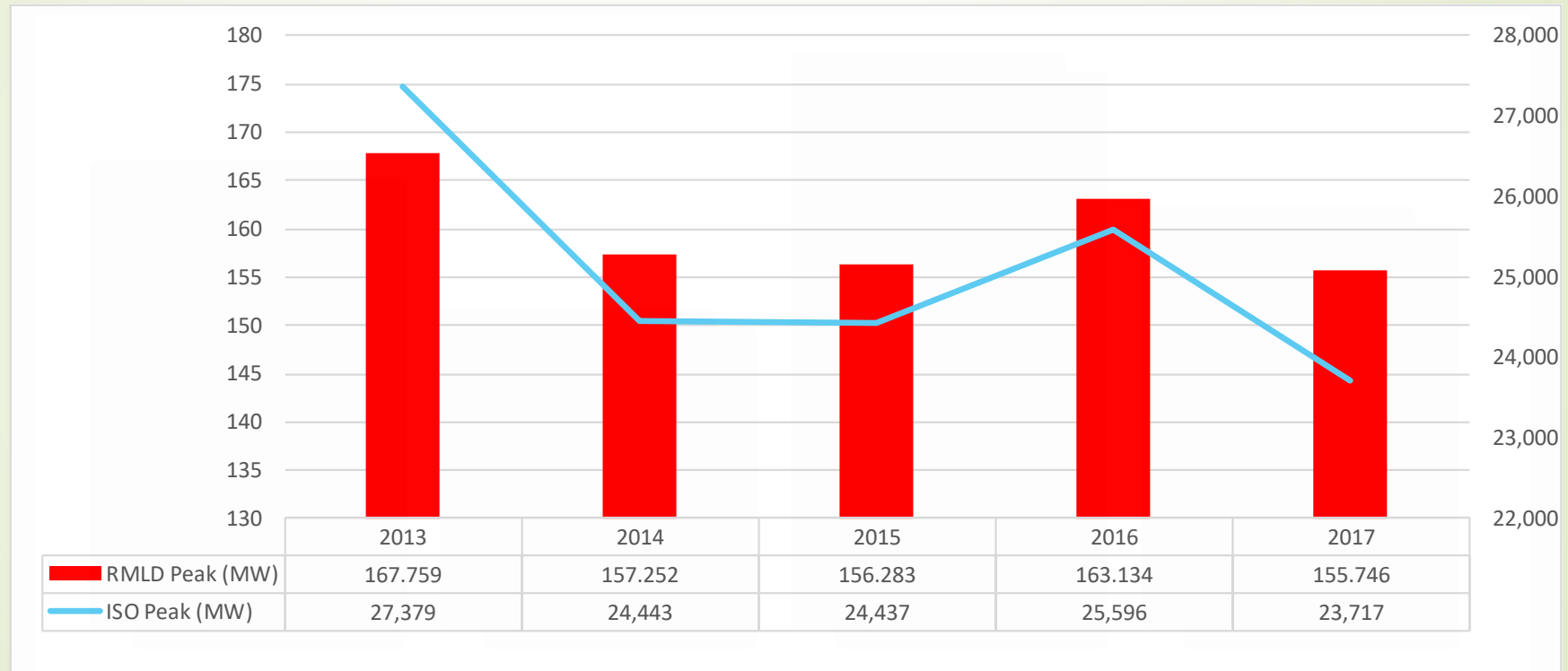
RMLD Board of Commissioners Meeting

Reporting for June and July

Jane Parenteau
Director of Integrated Resources

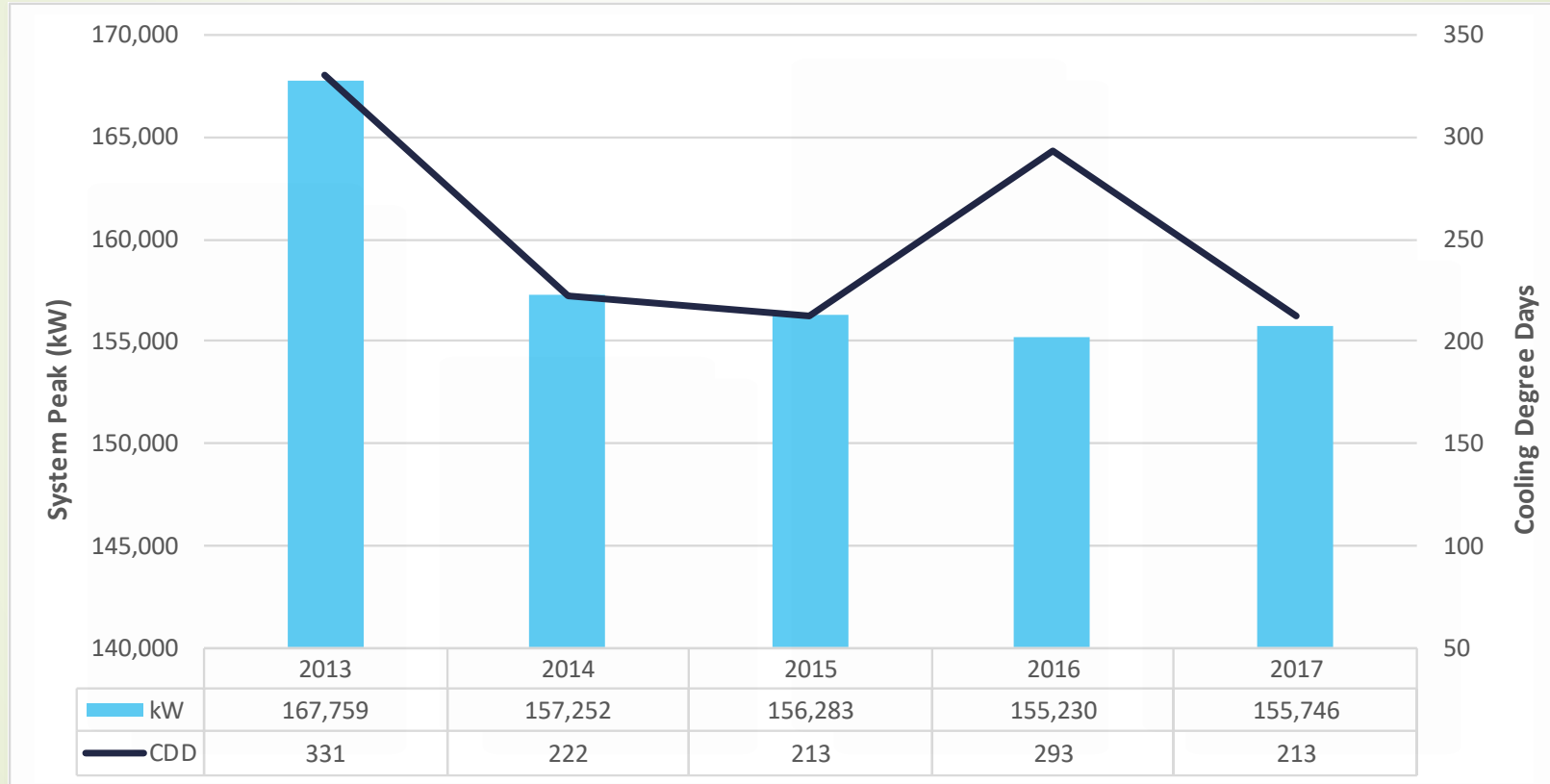
RMLD vs. ISO Historical Peak

2013-2017



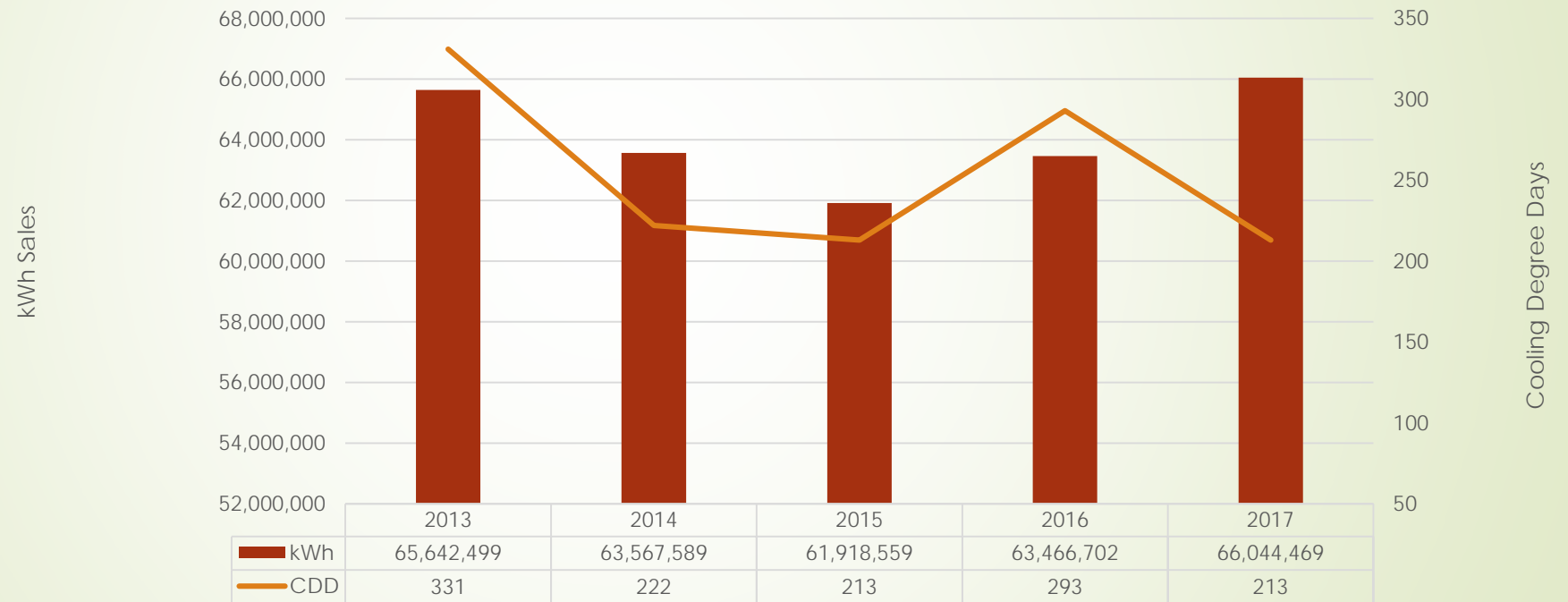
System Peak (kW) vs. Cooling Degree Days (CDD)

June, 2013-2017



kWh Sales vs. Cooling Degree Days (CDD)

June, 2013-2017



To: Coleen O'Brien

From:  Maureen McHugh, Jane Parenteau 

Date: September 1, 2017

Subject: Purchase Power Summary – July, 2017

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of July, 2017.

ENERGY

The RMLD's total metered load for the month was 65,906,542 kWh, which is a 10.46% decrease from the July, 2016 figures.

Table 1 is a breakdown by source of the energy purchases.

Table 1

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy	Total \$ Costs	\$ as a %
Millstone #3	3,656,054	\$6.72	5.51%	\$24,575	0.91%
Seabrook	5,906,202	\$5.93	8.90%	\$35,014	1.29%
Stonybrook Intermediate	2,685,649	\$29.61	4.05%	\$79,515	2.94%
Shell Energy	13,311,200	\$59.13	20.06%	\$787,132	29.06%
NYP&A	2,368,862	\$4.92	3.57%	\$11,655	0.43%
EDF	6,417,600	\$35.55	9.67%	\$228,161	8.42%
ISO Interchange	2,580,335	\$41.58	3.89%	\$107,298	3.96%
NEMA Congestion	0	\$0.00	0.00%	-\$31,760	-1.17%
Coop Resales	17,579	\$145.07	0.03%	\$2,550	0.09%
BP Energy	12,329,200	\$46.78	18.58%	\$576,760	21.29%
Hydro Projects*	2,729,196	\$68.69	4.11%	\$187,465	6.92%
Braintree Watson Unit	232,950	\$79.63	0.35%	\$18,551	0.68%
Saddleback/Jericho Wind	1,091,188	\$84.60	1.64%	\$92,310	3.41%
One Burlington Solar	388,023	\$71.05	0.58%	\$27,569	1.02%
Exelon	12,640,000	\$44.48	19.05%	\$562,264	20.75%
Stonybrook Peaking	0	\$0.00	0.00%	\$0	0.00%
Monthly Total	66,354,038	\$40.83	100.00%	\$2,709,058	100.00%

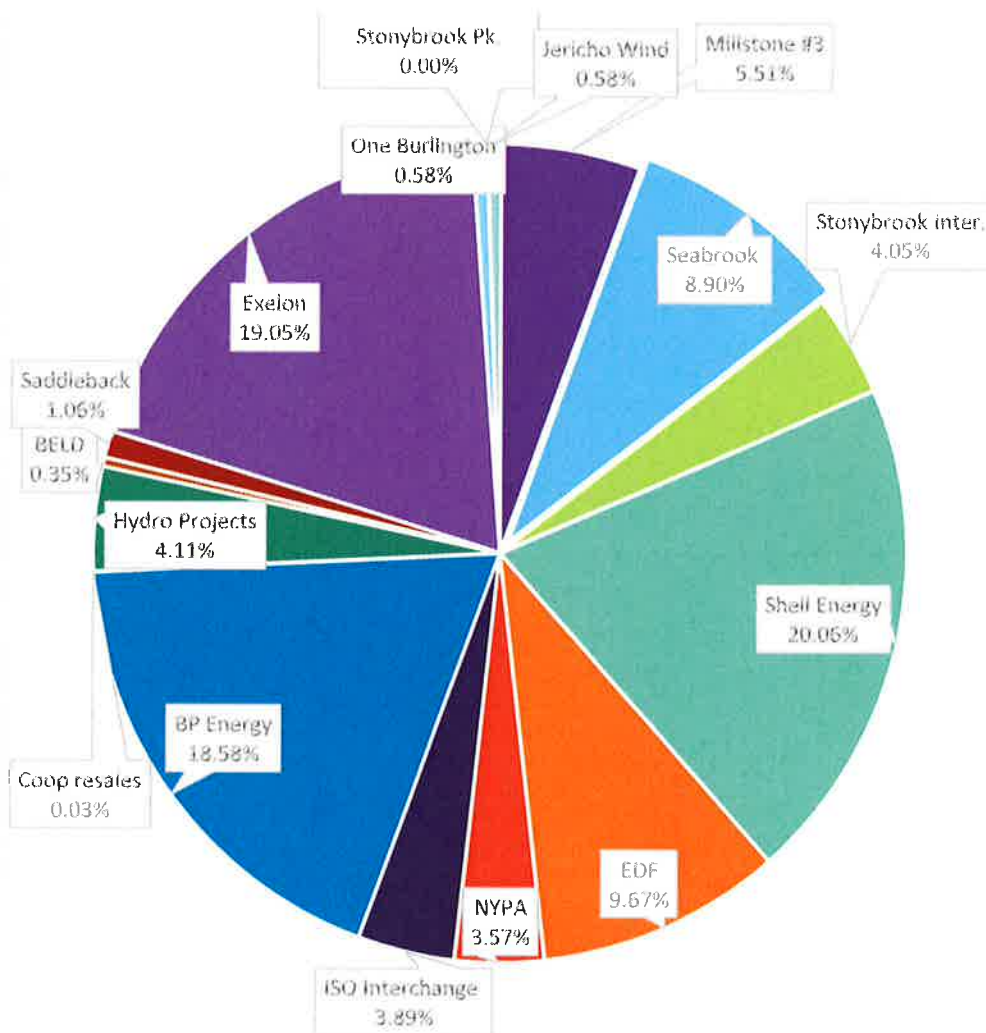
**Pepperell, Woronoco, Indian River, Turner Falls, Collins, Pioneer, Hosiery Mills, Summit Hydro*

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of July, 2017.

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP *	8,599,072	\$28.21	12.92%
Settlement			
RT Net Energy **	(6,018,737)	\$23.27	-9.04%
Settlement			
ISO Interchange (subtotal)	2,580,335	\$41.52	3.88%

* Independent System Operator Day-Ahead Locational Marginal Price

JULY 2017 ENERGY BY RESOURCE



CAPACITY

The RMLD hit a demand of 145,294 kW, which occurred on July 19, at 5 pm. The RMLD's monthly UCAP requirement for July, 2017 was 220,648 kW.

Table 3 shows the sources of capacity that the RMLD utilized to meet its requirements.

Table 3

Source	Amount (kW)	Cost (\$/kW-month)	Total Cost \$	% of Total Cost
Millstone #3	4,950	26.97	\$133,516	6.41%
Seabrook	7,909	22.87	\$180,897	8.69%
Stonybrook Peaking	24,980	2.52	\$62,841	3.02%
Stonybrook CC	42,925	3.38	\$145,276	6.98%
NYPA	0	0.00	\$16,899	0.81%
Hydro Quebec	0	0	-\$91,251	-4.38%
Braintree Watson Unit	0	0.00	\$38,979	1.87%
ISO-NE Supply Auction	139,884	11.40	\$1,594,559	76.60%
Total	220,648	\$9.43	\$2,081,717	100.00%

Table 4 shows the dollar amounts for energy and capacity per source.

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost	Amt of Energy (kWh)	Cost of Power (\$/kWh)
Millstone #3	\$24,575	\$133,516	\$158,091	3.30%	3,656,054	0.0432
Seabrook	\$35,014	\$180,897	\$215,911	4.51%	5,906,202	0.0366
Stonybrook Intermediate	\$79,515	\$145,276	\$224,791	4.69%	2,685,649	0.0837
Hydro Quebec	\$0	-\$91,251	-\$91,251	-1.90%	-	0.0000
Shell Energy	\$787,132	\$0	\$787,132	16.43%	13,311,200	0.0591
NextEra/EDF	\$228,161	\$0	\$228,161	4.76%	6,417,600	0.0356
* NYPA	\$11,655	\$16,899	\$28,554	0.60%	2,368,862	0.0121
ISO Interchange	\$107,298	\$1,594,559	\$1,701,857	35.52%	2,580,335	0.6595
Nema Congestion	-\$31,760	\$0	-\$31,760	-0.66%	199,191	-0.1594
BP Energy	\$576,760	\$0	\$576,760	12.04%	12,329,200	0.0468
* Hydro Projects	\$187,465	\$0	\$187,465	3.91%	7,036,636	0.0266
Braintree Watson Unit	\$18,551	\$38,979	\$57,530	1.20%	232,950	0.2470
* Saddleback/Jericho	\$92,310	\$0	\$92,310	1.93%	1,091,188	0.0846
* One Burlington Solar	\$27,569	\$0	\$27,569	0.58%	388,023	0.0710
Coop Resales	\$2,550	\$0	\$2,550	0.05%	17,579	0.1451
Exelon Energy	\$562,264	\$0	\$562,264	11.74%	12,640,000	0.0445
Stonybrook Peaking	\$0	\$62,841	\$62,841	1.31%	-	0.0000
Monthly Total	\$2,709,058	\$2,081,717	\$4,790,776	100.00%	70,860,669	0.0676
* Renewable Resources					15.36%	

RENEWABLE ENERGY CERTIFICATES (RECs)

Table 5 shows the amount of banked and projected RECs for the Swift River Hydro Projects through July 2017, as well as their estimated market value.

Table 5
RECs Summary
Period - January 2017 - July 2017

	Banked RECs	Projected RECs	Total RECs	Est. Dollars
Woronoco/Crescent	0	5,669	5,669	\$90,704
Pepperell	0	2,836	2,836	\$45,376
Indian River/Glendale	0	1,688	1,688	\$27,008
Turners Falls	0	1,349	1,349	\$21,584
Saddleback	0	7,835	7,835	\$125,360
Jericho	0	3,639	3,639	\$58,224
Sub total	0	23,016	23,016	368,256
RECs Sold	\$0		0	\$0
Grand Total	0	23,016	23,016	\$368,256

TRANSMISSION

The RMLD's total transmission costs for the month of July, 2017 were \$1,546,151. This is an increase of 18.40% from the June transmission cost of \$1,305,840. In July, 2016 the transmission costs were \$1,215,292.

Table 6

	Current Month	Last Month	Last Year
Peak Demand (kW)	145,294	155,746	155,230
Energy (kWh)	66,553,229	60,903,283	73,246,501
Energy (\$)	\$2,709,058	\$2,520,199	\$3,217,314
Capacity (\$)	\$2,081,717	\$2,379,893	\$1,506,547
Transmission(\$)	\$1,546,151	\$1,305,840	\$1,215,292
Total	\$6,336,927	\$6,205,931	\$5,939,153

**PROPOSED RATE APPROVAL
ATTACHMENT 3**

RECOMMENDATION: Electric Vehicle Rate

- Replace the existing Pilot rate created in 2014 with a tariff filed with the DPU.
- Rate structure:

Distribution Charge	\$0.1111
Fuel Charge	as billed
Purchased Power Charge	as billed
- Rate calculation makes assumptions regarding the level of usage and should be re-evaluated after actual usage data is gathered
- Price is equivalent to about \$1.80/gallon of gasoline

Electric Vehicle Supply Equipment Schedule EVSE Rate

Designation:

Electric Vehicle Charger (EVSE) Rate

Available in:

Reading, Lynnfield Center, North Reading, and Wilmington

Applicable to:

This rate is available to Customers who utilize Electric Vehicle Supply Equipment; installed and owned by RMLD.

Character of service:

AC 60 cycles: single phase or three phase.

Distribution Energy Charge:

\$.1111 per Kilowatt-hour for all Kilowatt-hours usage

Fuel Adjustment:

The rate for service hereunder may be increased or decreased as provided by the Standard Fuel Adjustment Clause.

Purchase Power Capacity and Transmission Charge:

The rate for service hereunder may be increased or decreased as provided by the Purchase Power Capacity and Transmission Charge.

Meter Reading and Billing:

Service under this schedule will be rendered immediately.

General Terms and Conditions:

Service hereunder is subject to the General Terms and Conditions which are incorporated herein and are a part of this rate schedule.

Rate Filed: TBD

Effective: On Billings on or After November 1, 2017

Filed By: Coleen M. O'Brien, General Manager

**ENGINEERING & OPERATIONS REPORT
JUNE 2017
ATTACHMENT 4**

**READING MUNICIPAL LIGHT DEPARTMENT
CAPITAL VARIANCE REPORT
FOR PERIOD ENDING JUNE 2017
DRAFT OF UNAUDITED NUMBERS**

PROJ	DESCRIPTION	TOWN	ACTUAL COST	YTD ADDITIONS	ANNUAL BUDGET	REMAINING BALANCE
<u>CONSTRUCTION:</u>						
106	Underground Facilities Upgrades (URD's, Manholes, etc)	ALL	1,427	300,048	149,965	(150,083)
107	13.8kV Upgrade (Step-down areas, etc.)	ALL	753	11,176	105,748	94,572
SUB-TOTAL			2,180	311,224	255,713	(55,511)
<u>STATION UPGRADES:</u>						
108	Station 4 (GAW) Relay Replacement Project	R		113,209	48,904	(64,305)
109	Station 4 35kV Potential Transformer Replacement	R		57	-	(57)
110	4W9 Getaway Replacement-Station 4	R	30,596	135,552	234,747	99,195
111	Substation Equipment Upgrade (all)	ALL		-	74,590	74,590
113	Station 4 (GAW) Battery Bank Upgrade	R		24,000	17,037	(6,963)
120	Station 4 - Relay/SCADA Integration for Bus A&B	R		51,225	70,308	19,083
130	Station 3 - Remote Terminal Unit (RTU) Replacement	NR	6,219	31,069	39,330	8,261
133	Station 3 - Relay Upgrades and SCADA Integration	NR	54,476	379,616	252,225	(127,391)
139	Station 5 - LTC Control Replacement	W		6,324	41,543	35,219
140	Substation Grounding Equipment Upgrade	ALL		-	20,671	20,671
SUB-TOTAL			91,291	741,052	799,355	58,303
<u>NEW CUSTOMER SERVICES: 141-149</u>						
	New Service Installations (Commercial / Industrial)	ALL	6,382	107,657	139,570	31,913
SUB-TOTAL			6,382	107,657	139,570	31,913
<u>ROUTINE CONSTRUCTION:</u>		ALL	129,660	1,854,536	1,012,962	(841,574)
<u>SPECIAL PROJECTS / CAPITAL PURCHASES:</u>						
100	Distributed Gas Generation (Pilot FY16-17)	ALL	1,033,637	2,003,174	2,720,409	717,235
102	Padmount Switchgear Upgrade at Industrial Parks	W		2,286	194,518	192,232
103	Grid Modernization and Optimization	ALL	21,339	345,890	284,000	(61,890)
105	New Wilmington Sub-Station	W	5,063	13,516	250,000	236,484
112	AMI Mesh Network Expansion	ALL		125,394	220,021	94,627
115	Fault Indicators	ALL		1,340	25,000	23,660
116	Transformers and Capacitors	ALL		234,851	668,000	433,149
117	Meter Purchases	ALL		35,784	80,000	44,216
125	GIS	ALL	53,779	396,427	360,000	(36,427)
126	Communication Equipment (Fiber Optic)	ALL	10,014	17,488	69,173	51,685
131	LED Street Light Implementation	ALL	39,222	627,577	804,070	176,493
134	Substation Test Equipment	ALL		26,125	30,000	3,875
135	Analog Devices Cap Bank Upgrade	W		548	54,188	53,640
136	Voltage Data Recorders	ALL		-	25,000	25,000
SUB-TOTAL			1,163,053	3,830,399	5,784,379	1,953,980
<u>OTHER CAPITAL PROJECTS:</u>						
96	Control Center Modifications	ALL		-	100,000	100,000
97	HVAC Roof Units - Garage	R		44,484	-	(44,484)
98	Carpet Upgrade	R	3,255	22,570	71,653	49,083
99	Electric Vehicle Supply Equipment	ALL		-	10,000	10,000
104	RMLD Lighting (LED) Upgrade			-	25,000	25,000
118	Rolling Stock Replacement	ALL	221,715	274,798	310,000	35,202
119	Security Upgrades All Sites	ALL		34,684	5,000	(29,684)
121	HVAC System Upgrade - 230 Ash Street	R	2,000	609,804	500,000	(109,804)
127	Hardware Upgrades	ALL	4,395	94,717	112,065	17,348
128	Software and Licensing	ALL	6,692	83,908	230,519	146,611
129	Master Facilities Site Plan	R		-	50,000	50,000
SUB-TOTAL			238,058	1,164,965	1,414,237	249,272
TOTAL CAPITAL BUDGET			\$ 1,630,623.38	\$ 8,009,832	\$ 9,406,216	\$ 1,396,384



Engineering & Operations Report

RMLD Board of Commissioners Meeting

September 14, 2017

June 2017 Reporting Period

Hamid Jaffari, Director of Engineering & Operations

Capital Improvement Projects

PROJ #	DESCRIPTION	% COMPLETE	JUNE	YTD	FY17 BUDGET	REMAINING BALANCE
	<u>CONSTRUCTION:</u>					
106	Underground Facilities Upgrades (URD's, Manholes, etc.) • Deanna Circle, Lynnfield	On-going	1,427	300,048	149,965	(150,083)
107	13.8kV Upgrade (Step-down areas, etc.) • Main Street, Reading	On-going	753	11,176	105,748	94,572
	<u>STATION UPGRADES:</u>					
108	Station 4: Relay Replacement Project, R	100%	-	113,209	48,904	(64,305)
109	Station 4: 35kV Potential Transformer Replacement, R	100%	-	57	-	(57)
110	Station 4: 4W9 Getaway Replacement, R	95%	30,596	135,552	234,747	99,195
113	Station 4: Battery Bank Upgrade, R	99%	-	24,000	17,037	(6,963)
120	Station 4: Relay/SCADA Integration for Bus A&B, R	100%	-	51,225	70,308	19,083
130	Station 3: Remote Terminal Unit (RTU) Replacement, NR	99%	6,219	31,069	39,330	8,261
133	Station 3: Relay Upgrades and SCADA Integration, NR	100%	54,476	379,616	252,225	(127,391)
139	Station 5: LTC Control Replacement, W	100%	-	6,324	41,543	35,219
	<u>New Service Installations (Commercial/Industrial)</u>	On-going	6,382	107,657	139,570	31,913

Routine Capital Construction

	JUNE	YTD	FY17 BUDGET	REMAINING BALANCE
Pole Setting/Transfers	41,756	398,121		
Overhead/Underground	12,496	366,278		
Projects Assigned as Required <ul style="list-style-type: none"> Lopez Road, Wilmington 	270	363,768		
Pole Damage/Knockdowns - Some Reimbursable <ul style="list-style-type: none"> Work was done to repair or replace one pole. 	4,033	110,549		
Station Group	-	222,025		
Hazmat/Oil Spills	-	7,037		
Porcelain Cutout Replacement Program	-	-		
Lighting (Street Light Connections)	3,039	33,922		
Storm Trouble	4,570	50,381		
Underground Subdivisions (new construction) <ul style="list-style-type: none"> Garden of Eden, Wilmington 	1,548	50,705		
Animal Guard Installation	-	1,162		
Miscellaneous Capital Costs	61,948	250,590		
TOTAL:	<u>\$129,660</u>	<u>\$1,854,536</u>	<u>\$1,012,962</u>	<u>(\$841,574)</u>

System Projects/Capital Purchases

PROJ #	DESCRIPTION	% COMPLETE	JUNE	YTD	FY17 BUDGET	REMAINING BALANCE
100	Distributed Gas Generator, NR	99%	1,033,637	2,003,174	2,720,409	717,235
102	Pad Mount Switchgear Upgrade at Industrial Parks, W	5%	-	2,286	194,518	192,232
103	Grid Modernization and Optimization , All Towns	On-going	21,339	345,890	284,000	(61,890)
105	New Wilmington Sub-Station, W	5%	5,063	13,516	250,000	236,484
112	AMI Mesh Network Expansion, All Towns	On-going	-	125,394	220,021	94,627
115	Fault Indicators, All Towns	On-going	-	1,340	25,000	23,660
116	Transformers and Capacitors, All Towns	On-going	-	234,851	668,000	433,149
117	Meter Purchases, All Towns	On-going	-	35,784	80,000	44,216
125	GIS	98%	53,779	396,427	360,000	(36,427)
126	Communication Equipment (Fiber Optic), All	On-going	10,014	17,488	69,173	51,685
131	LED Street Light Implementation, All	75%	39,222	627,577	804,070	176,493
134	Substation Test Equipment, All	100%	-	26,125	30,000	3,875
135	Analog Devices Cap Bank Upgrade, W	100%	-	548	54,188	53,640

Other Capital Projects/Purchases

PROJ #	DESCRIPTION	% COMPLETE	JUNE	YTD	FY17 BUDGET	REMAINING BALANCE
097	HVAC Roof Units - Garage	100%		44,484	-	(44,484)
098	Carpet Upgrade	75%	3,255	22,570	71,653	49,083
118	Rolling Stock Replacement	On-going	221,715	274,798	310,000	35,202
119	Security Upgrades All Sites	On-going		34,684	5,000	(29,684)
121	HVAC System Upgrade - 230 Ash Street	100%	2,000	609,804	500,000	(109,804)
127	Computer Hardware Upgrades	On-going	4,395	94,717	112,065	17,348
128	Computer Software and Licensing	On-going	6,692	83,908	230,519	146,611
	Others			-	305,261	305,261

ALL CAPITAL SPENDING	JUNE	YTD	FY17 BUDGET	REMAINING BALANCE
YTD TOTAL:	\$1,630,623	\$ 8,009,832	\$ 9,406,216	\$ 1,396,384

Note: All June/Year-end Capital figures are a draft of unaudited numbers.

Routine Maintenance

► Transformer Replacement (through June 2017)

Pad mount 26.42% Overhead 17.43%

► Pole Inspection (as of 8/24/17)

243 poles have been replaced 141 of 243 transfers have been completed

► Quarterly Inspection of Feeders (as of 8/22/17)

Inspected Circuits (Jan-Mar): 3W5, 3W6, 3W7, 3W8, 3W13, 3W14, 3W15, 3W18, 4W4, 4W5, 4W6, 4W7, 4W9, 4W23, 4W24, 5W4, 5W5, 5W8, 5W9, 4P9, 4P2

Inspected Circuits (Apr-Jun): 4W10, 4W12, 4W13

Inspected Circuits (Jul-Sep): 3W5, 3W7, 3W8, 3W13, 3W14, 3W18

► Manhole Inspection (through June 2017)

961 of 1,237 manholes have been inspected.

► Porcelain Cutout Replacements (through June 2017)

91% complete 249 remaining to be replaced

► Tree Trimming

June: No spans trimmed YTD: 1,122 spans trimmed

► Substation Maintenance

Infrared Scanning – June complete - no hot spots found

Double Poles

➤ Ownership: 16,000 (approximately)

50% RMLD

50% Verizon

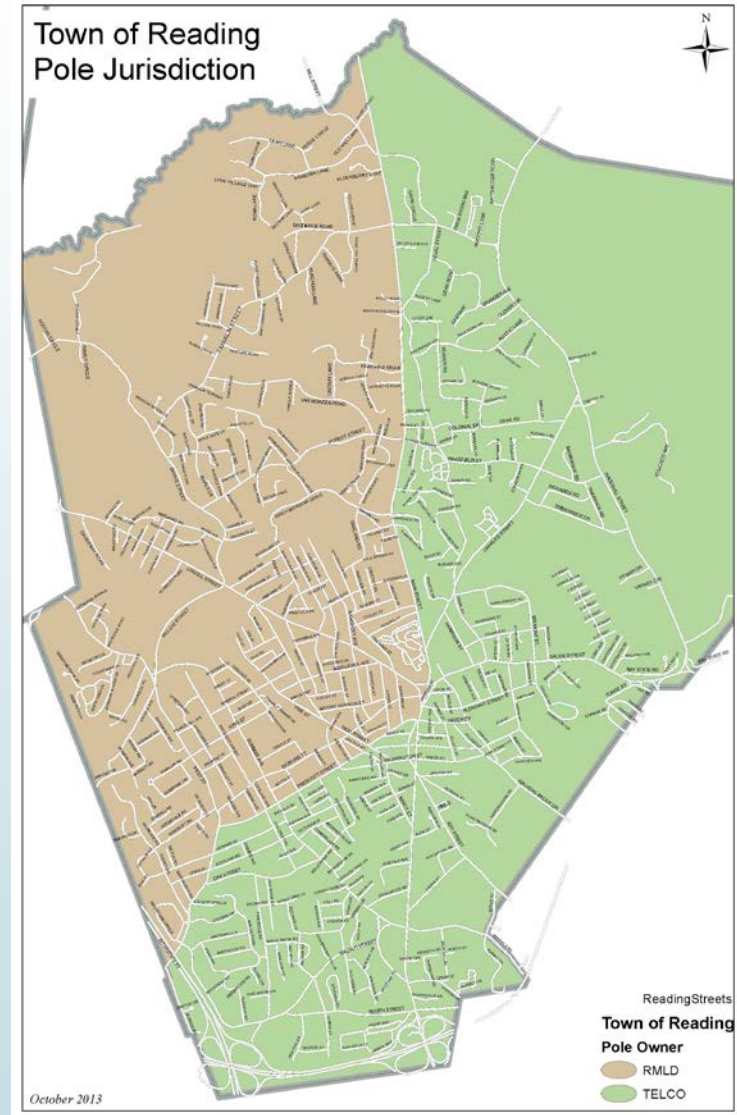
➤ Custodial:

Reading – split (see map) →

North Reading – RMLD

Lynnfield – Verizon

Wilmington - Verizon



NJUNS

"Next to Go" as of September 1, 2017

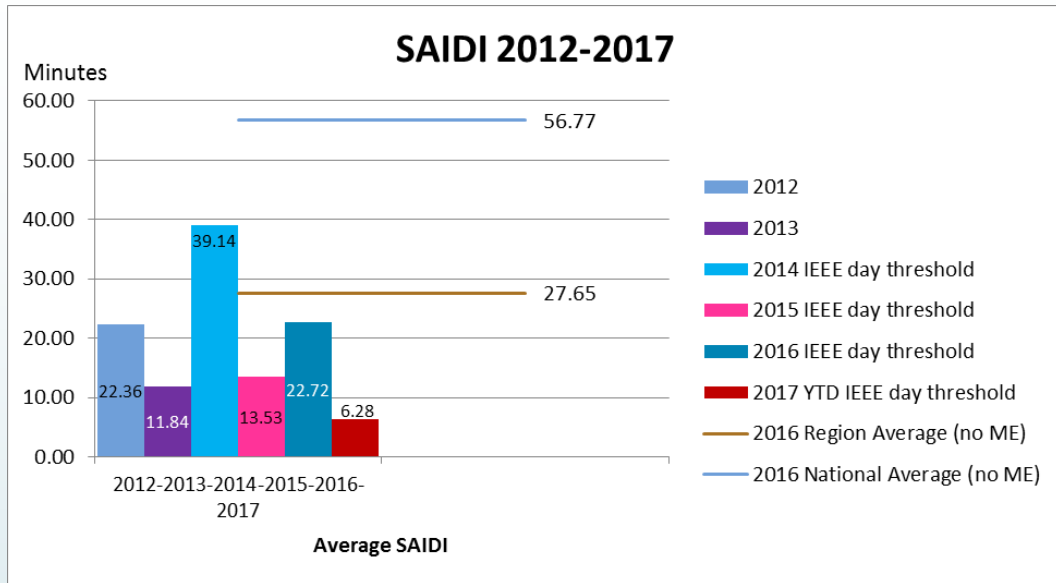
LYNNFIELD	
NTG Member and Job Type	Count of Ticket Number
▣ LFLDFD	3
▣ Lynnfield Fire Department	
TRANSFER	3
▣ RMLD	5
▣ Reading Municipal Light Department	
TRANSFER	5
▣ VZNESEA	5
▣ Verizon	
TRANSFER	5
⊕ (blank)	
Grand Total	13

READING	
NTG Member and JobType	Count of Ticket Number
▣ CMCTNR	1
▣ Comcast	
TRANSFER	1
▣ NP3PMA	8
Non-participating 3rd Party	
▣ Attacher - Massachusetts	
TRANSFER	8
▣ RDNGFD	6
▣ Reading Fire Department	
TRANSFER	6
▣ RMLD	93
▣ Reading Municipal Light Department	
TRANSFER	34
PULL POLE	59
▣ VZNESEA	48
▣ Verizon	
TRANSFER	46
PULL POLE	2
⊕ (blank)	
Grand Total	156

NORTH READING	
NTG Member and Job Type	Count of Ticket Number
▣ CMCTNR	1
▣ Comcast	
TRANSFER	1
▣ NGMA	1
▣ National Grid	
TRANSFER	1
▣ NP3PMA	1
Non-participating 3rd Party	
▣ Attacher - Massachusetts	
TRANSFER	1
▣ NRDFD	36
▣ North Reading Fire Department	
TRANSFER	36
▣ RMLD	45
▣ Reading Municipal Light Department	
TRANSFER	13
PULL POLE	32
▣ VZNEEDR	24
▣ Verizon	
TRANSFER	17
PULL POLE	7
⊕ (blank)	
Grand Total	108

WILMINGTON	
NTG Member and JobType	Count of Ticket Number
▣ NPFAMA	4
▣ Non-participating Fire Alarms - Massachusetts	
TRANSFER	4
▣ RMLD	34
▣ Reading Municipal Light Department	
TRANSFER	30
PULL POLE	4
▣ VZBMA	1
▣ Verizon Business	
TRANSFER	1
▣ VZNEEDR	84
▣ Verizon	
TRANSFER	70
PULL POLE	14
▣ WLMFIB	10
▣ Town of Wilmington	
TRANSFER	10
▣ WMGNFD	72
▣ Wilmington Fire Department	
TRANSFER	72
⊕ (blank)	
Grand Total	205

RMLD Reliability Indices

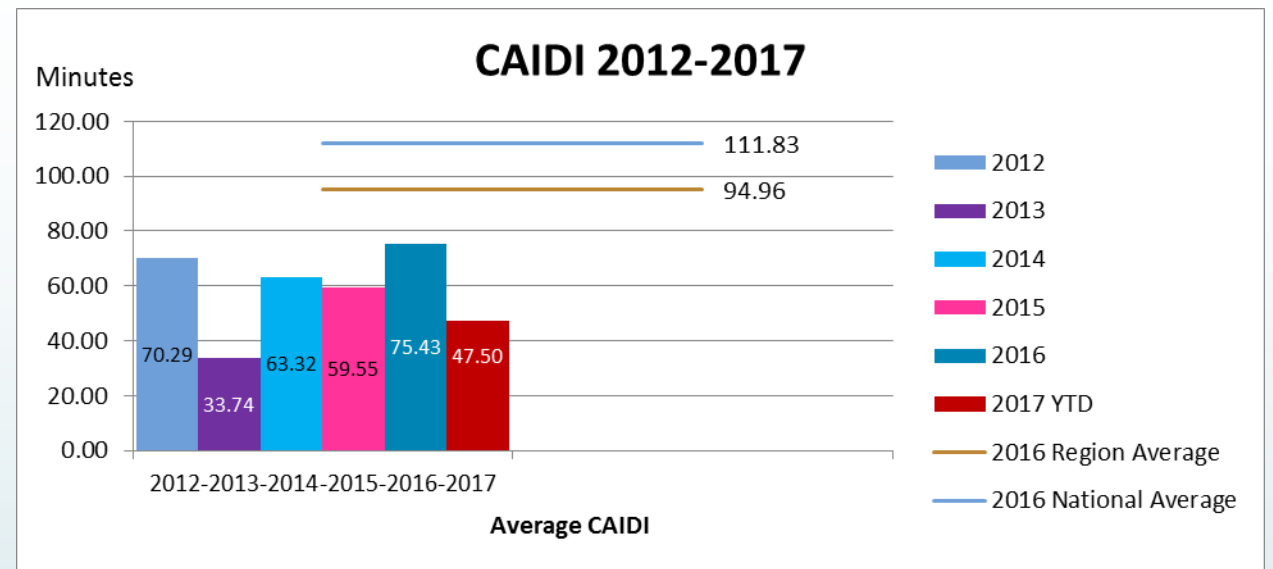


$$SAIDI \text{ (Minutes)} = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

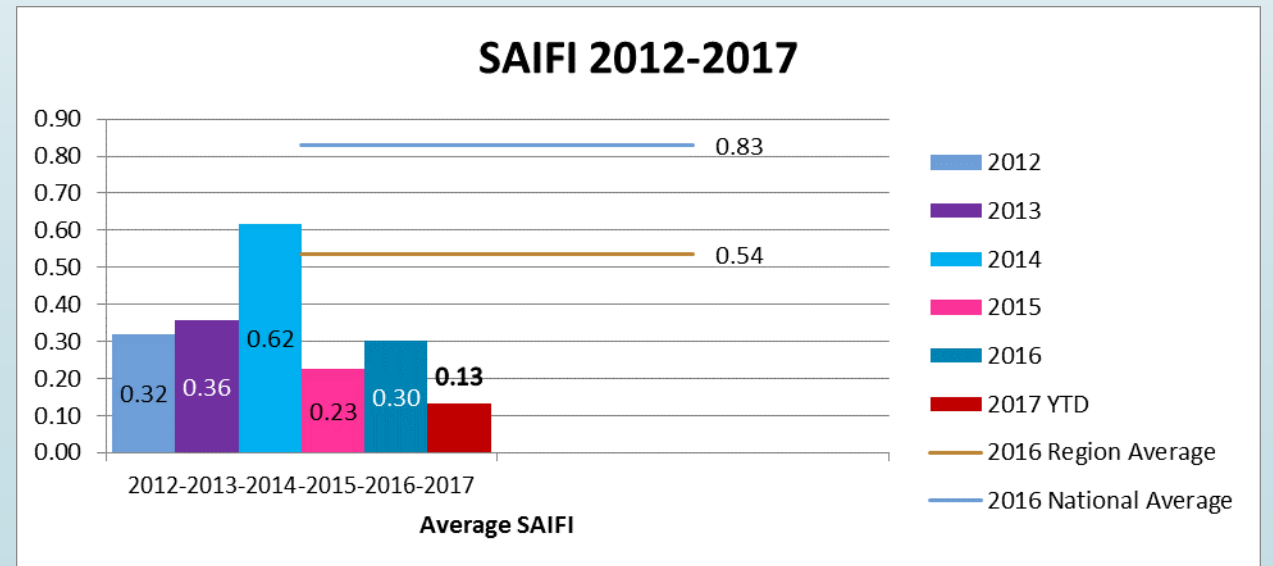
Note: The major event (ME) threshold allows a utility to remove outages that exceed the IEEE 2.5 beta threshold for events. These events could be severe weather, which can lead to unusually long outages in comparison to your distribution system's typical outage.

$$SAIFI = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

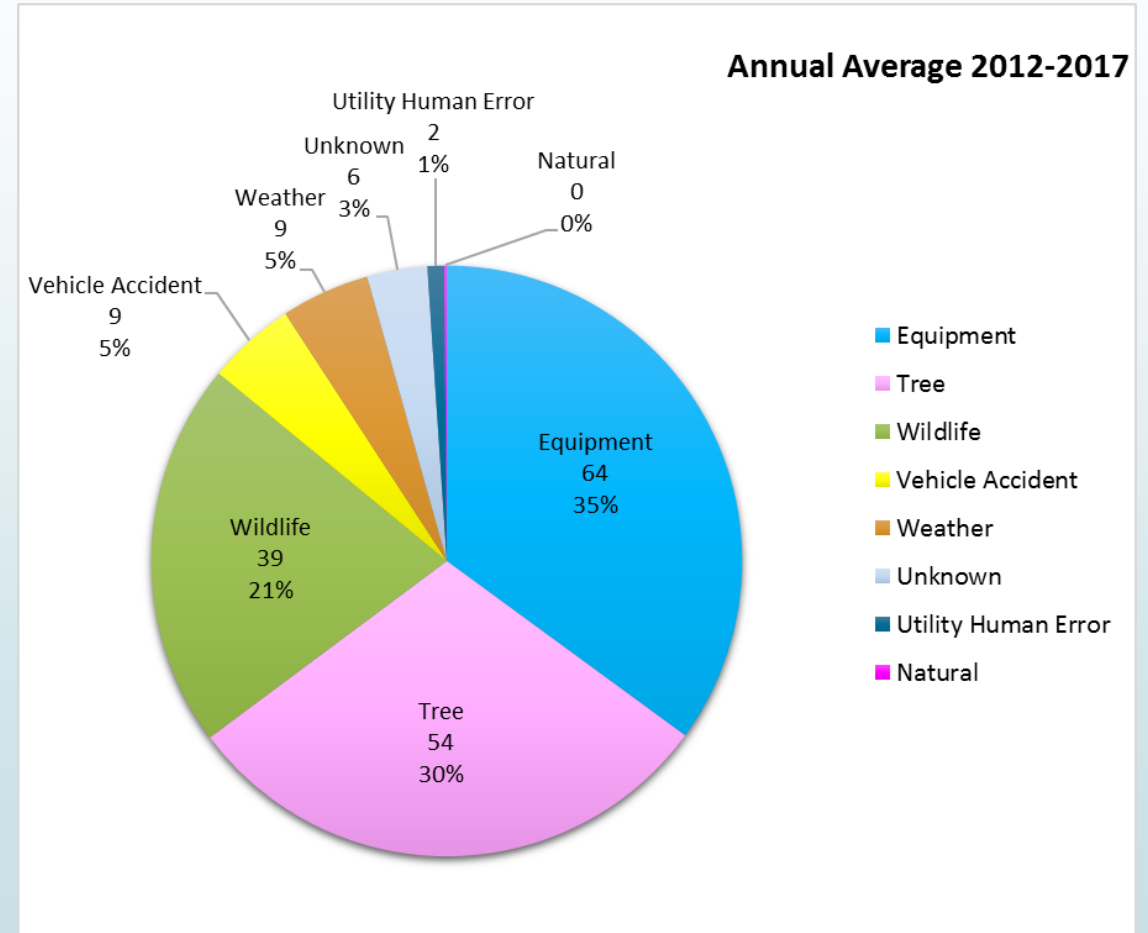
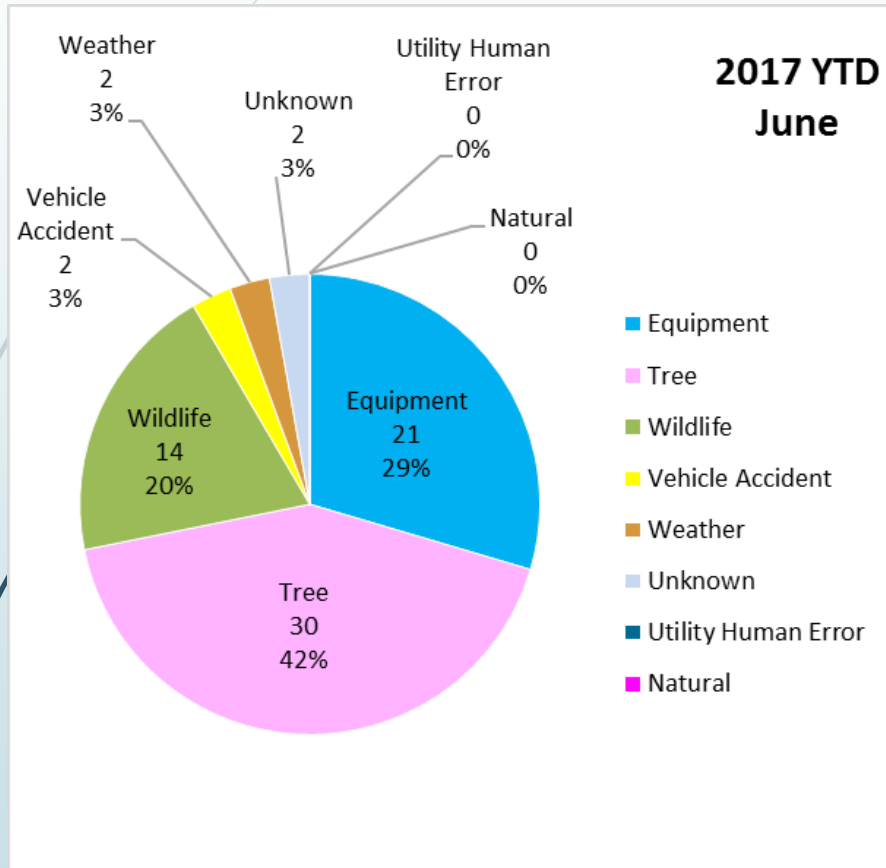
Note: Regional and national averages have been updated for 2016.



$$CAIDI \text{ (Minutes)} = \frac{\text{Total Duration of Customer Interruptions}}{\text{Total Number of Customers Interruptions}}$$



Outages Causes



Questions ?



**RMLD PROCUREMENT REQUESTS
REQUIRING BOARD APPROVAL
ATTACHMENT 5**



230 Ash Street
P.O. Box 150
Reading, MA 01867-0250

Tel: (781) 944-1340
Web: www.rml.com

September 7, 2017

Town of Reading Municipal Light Board

Subject: IFB 2018-01: 115kV Pole Replacement Project

Pursuant to M.G.L. c. 30 § 39M, on July 26, 2017, an invitation for bid was placed as a legal notice in the Middlesex East Section of the Daily Times Chronicle and in the Central Register requesting sealed bids for the 115kV Pole Replacement Project.

An invitation for bid was sent to the following twenty-five companies:

ABM Electrical Power Services, LLC	GEOD Consulting	Matrix NAC
Albanese Brothers, Inc.	Grattan Line Construction Corp.	Maverick Construction
Coviello Electric & General Contracting Co., Inc.	Hamilton Electric Co., Inc.	McDonough Electric Construction
Dagle Electrical Construction Corp.	Harlan Electric	MEC Power Group
ElecComm Corp.	Hawkeye - Elecnor Group	Northeast Line Construction Corp.
Evermore Light and Power	Hi Volt Line Construction & Maintenance	One Source Power
Fischbach & Moore	IB Abel Inc.	Power Line Contractors
	K.B. Aruda Construction, Inc.	Spencer Contracting
	Mass Bay Electrical Corp.	Utility Service & Assistance, Inc.


Sealed bids were received from two companies: Harlan Electric and Mass Bay Electrical Corp.

The sealed bids were publicly opened and read aloud at 11:00 a.m. on August 30, 2017, in the Town of Reading Municipal Light Department's Winfred Spurr AV Room, 230 Ash Street, Reading, Massachusetts.

The bids were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that bid 2018-01 for: 115kV Pole Replacement Project be awarded to: **Harlan Electric for \$115,069.59 (including \$9,314.34 for matting if necessary)** as the lowest responsible and eligible bidder on the recommendation of the General Manager.

The FY18 Capital Budget amount for this item is \$60,000.



Matt Brown



Hamid Jaffari



Coleen O'Brien

115kV Pole Replacement Project
IFB: 2018-01

<i>Bidder</i>	<i>Unit Price Per Pole</i>	<i>Qty</i>	<i>Total Price</i>	<i>All forms filled out</i>	<i>Certified Check or Bid Bond</i>	<i>Exceptions to stated bid requirements</i>	<i>Authorized signature</i>
Harlan Electric (1)	\$23,013.92	5	\$115,069.59	yes	yes	no	yes

(1) Matting has been included at STR 503-6 at a cost of \$9,314.34. If this matting is not required the bid may be reduced by this amount.

Mass Bay Electrical Corp.	\$17,935.00	5	\$89,675.00	yes	yes	yes	yes
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Exceptions: for any ledge encountered while excavating for the new structures. While this is an unlikely occurrence in the affected area, drilling through ledge requires specialized equipment that would be financially burdensome were it included in the bid.



September 5, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-03 Pole Mounted Transformers

Pursuant to M.G.L c. 164 § 56D, on August 2, 2017, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle requesting sealed proposals for Pole Mounted Transformers.

An invitation for proposals was sent to the following sixteen companies:

EDI	Graybar Electric	Hasgo Power
IF Gray	Stuart C. Irby Co.	Jordan Transformer
Power Sales Group	Power Tech-UPSC	Prime Vendor, Inc.
Robinson Sales	Shamrock Power Sales Inc.	Transformer Exchange
Ward Transformer Sales	Weidmann Electrical Technology	WESCO
Yale Electric Supply		

Sealed proposals were received from four companies: Graybar Electric, Stuart C. Irby Co., Howard Industries c/o Power Sales Group and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., August 30, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-03 for: Pole Mounted Transformers be awarded to: **Stuart C. Irby Co. for \$42,493.00 and WESCO for \$59,229.00, for a total of \$101,722.00** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY18 Capital Budget amount for these items is \$145,500.



Vaughan Bryan



Hamid Jaffari



Coleen O'Brien

**Pole Mounted Transformers
Bid 2018-03**

Bidder	Manufacturer	Delivery Date	Unit Price	Qty	Total Net Price	Awarding Prices	Meet Specification requirement	Specification Data Sheets	Firm Price	All forms filled out	Certified Check or Bid Bond	Exceptions to stated bid requirements	Authorized signature
Irby							yes	yes	yes	yes	yes	yes	yes
Item 1 25 kVa Single Phase 240/120	ABB	6-8 weeks	\$1,099.50	5	\$5,497.50								
Item 2 37.5 kVa Single Phase 240/120	ABB	6-8 weeks	\$1,274.00	10	\$12,740.00								
Item 3 50 kVa Single Phase 240/120	ABB	6-8 weeks	\$1,427.00	20	\$28,540.00	\$28,540.00						Exceptions: Warranty & Patents/Trademarks/Copyrights indemnification is pass-along from Manufacturer and not responsibility of seller. Note: For an \$18 adder per transformer, we are offering the EZ Lift Eyebolt on 50 kVa and below. Engineering Note: RMLD is not adding the EZ Lift Eyebolt. Purchasing Note: Stated warranty exceptions acceptable to RMLD.	
Item 4 45 kVa Three Phase 208Y/120	ABB	6-8 weeks	\$3,768.00	2	\$7,536.00								
Item 5 75 kVa Three Phase 208Y/120	ABB	6-8 weeks	\$4,134.00	5	\$20,670.00								
Item 6 225 kVa Three Phase 208Y/120	ABB	10-12 weeks	\$7,830.00	1	\$7,830.00	\$7,830.00							
Item 7 75 kVa Three Phase 480Y/277	ABB	6-8 weeks	\$4,084.00	3	\$12,252.00								
Item 8 225 kVa Three Phase 480Y277	ABB	10-12 weeks	\$6,123.00	1	\$6,123.00	\$6,123.00							
Item 9 150 kVa Three Phase 208Y/120	ABB	10-12 weeks	\$5,704.00	1	\$5,704.00								
					<u>\$106,892.50</u>	<u>\$42,493.00</u>							
Graybar Electric							yes	yes	yes	yes	yes	yes	no*
Item 1 25 kVa Single Phase 240/120	GE	8 weeks	\$961.00	5	\$4,805.00								
Item 2 37.5 kVa Single Phase 240/120	GE	8 weeks	\$1,049.00	10	\$10,490.00								
Item 3 50 kVa Single Phase 240/120	GE	9 weeks	\$1,108.00	20	\$22,160.00							Exceptions: We are quoting per ANSI C57.12.20, conventional pole mounted transformers. We are quoting HV 4160 GRDY/2400 x 13800 GRDY/7970; 1 HV bushing; single hanger tank; no taps; LV 120/240. Purchasing Note: *Proposal rejected due to unauthorized signature on the bid documents.	
Item 4 45 kVa Three Phase 208Y/120	no quote			2									
Item 5 75 kVa Three Phase 208Y/120	no quote			5									
Item 6 225 kVa Three Phase 208Y/120	no quote			1									
Item 7 75 kVa Three Phase 480Y/277	no quote			3									
Item 8 225 kVa Three Phase 480Y277	no quote			1									
Item 9 150 kVa Three Phase 208Y/120	no quote			1									
					<u>\$37,455.00</u>	<u>\$0.00</u>							
WESCO							yes	yes	yes	yes	yes	yes	yes
Item 1 25 kVa Single Phase 240/120	Ermco	8-10 weeks	\$1,049.00	5	\$5,245.00	\$5,245.00							
Item 2 37.5 kVa Single Phase 240/120	Ermco	8-10 weeks	\$1,256.00	10	\$12,560.00	\$12,560.00							
Item 3 50 kVa Single Phase 240/120	Ermco	8-10 weeks	\$1,447.00	20	\$28,940.00							Exceptions: 225 kVa pole mount transformers will be rectangular in lieu of round. 225 kVa rectangular transformers will exceed the 44" maximum pallet width. Engineers Note: RMLD will not be purchasing rectangular transformers.	
Item 4 45 kVa Three Phase 208Y/120	Ermco	8-10 weeks	\$3,422.00	2	\$6,844.00	\$6,844.00							
Item 5 75 kVa Three Phase 208Y/120	Ermco	8-10 weeks	\$3,541.00	5	\$17,705.00	\$17,705.00							
Item 6 225 kVa Three Phase 208Y/120	Ermco	8-10 weeks	\$5,906.00	1	\$5,906.00								
Item 7 75 kVa Three Phase 480Y/277	Ermco	8-10 weeks	\$3,890.00	3	\$11,670.00	\$11,670.00							
Item 8 225 kVa Three Phase 480Y277	Ermco	8-10 weeks	\$5,687.00	1	\$5,687.00								
Item 9 150 kVa Three Phase 208Y/120	Ermco	8-10 weeks	\$5,205.00	1	\$5,205.00	\$5,205.00							
					<u>\$99,762.00</u>	<u>\$59,229.00</u>							
Power Sales Group for Howard Industries							yes	yes	yes	yes	yes	no	yes
Item 1 25 kVa Single Phase 240/120	Howard	6-8 weeks	\$1,145.00	5	\$5,725.00								
Item 2 37.5 kVa Single Phase 240/120	Howard	6-8 weeks	\$1,458.00	10	\$14,580.00								
Item 3 50 kVa Single Phase 240/120	Howard	6-8 weeks	\$1,634.00	20	\$32,680.00								
Item 4 45 kVa Three Phase 208Y/120	Howard	12-14 weeks	\$4,056.00	2	\$8,112.00								
Item 5 75 kVa Three Phase 208Y/120	Howard	12-14 weeks	\$6,575.00	5	\$32,875.00								
Item 6 225 kVa Three Phase 208Y/120	Howard	12-14 weeks	\$16,463.00	1	\$16,463.00								
Item 7 75 kVa Three Phase 480Y/277	Howard	12-14 weeks	\$4,756.00	3	\$14,268.00								
Item 8 225 kVa Three Phase 480Y277	Howard	12-14 weeks	\$8,558.00	1	\$8,558.00								
Item 9 150 kVa Three Phase 208Y/120	Howard	12-14 weeks	\$16,032.00	1	\$16,032.00								
					<u>\$149,293.00</u>	<u>\$0.00</u>							

RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

230 Ash Street, P.O. Box 150
Reading, MA 01867-0250

September 5, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-04 Pad Mounted Transformers

Pursuant to M.G.L c. 164 § 56D, on August 2, 2017, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle requesting sealed proposals for Pad Mounted Transformers.

An invitation for proposals was sent to the following sixteen companies:

EDI	Graybar Electric	Hasgo Power
IF Gray	Irby	Jordan Transformer
Power Sales Group	Power Tech-UPSC	Prime Vendor, Inc.
Robinson Sales	Shamrock Power Sales Inc.	Transformer Exchange
Ward Transformer Sales	Weidmann Electrical Technology	WESCO
Yale Electric Supply		

Sealed proposals were received from four companies: Graybar Electric, Stuart C. Irby Co. Howard Industries c/o Power Sales Group, and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., August 30, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-04 for: Pad Mounted Transformers be awarded to: **WESCO for \$68,959.00** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY18 Capital Budget amount for these items is \$385,000.



Vaughan Bryan



Hamid Jaffari



Coleen O'Brien

**Pad Mounted Transformers
Bid 2018-04**

Bidder	Manufacturer	Delivery Date	Unit Cost	Qty	Total Net Cost	Meet Specification requirement	Specification Data Sheets	Firm Price	All forms filled out	Certified Check or Bid Bond	Exceptions to stated bid requirements	Authorized signature
WESCO						yes	yes	yes	yes	yes	no	yes
Item 1	ERMCO	8-10 weeks	\$2,852.00	5	\$14,260.00							
Item 2	ERMCO	8-10 weeks	\$2,204.00	10	\$22,040.00							
Item 3	ERMCO	8-10 weeks	\$2,402.00	15	\$36,030.00							
Item 4	ERMCO	8-10 weeks	\$4,427.00	4	\$17,708.00							
Item 5	ERMCO	8-10 weeks	\$4,438.00	4	\$17,752.00							
Item 6	ERMCO	8-10 weeks	\$4,673.00	2	\$9,346.00							
Item 7	ERMCO	8-10 weeks	\$4,668.00	2	\$9,336.00							
Item 8	ERMCO	8-10 weeks	\$5,175.00	2	\$10,350.00							
Item 9	ERMCO	8-10 weeks	\$5,020.00	2	\$10,040.00							
Item 10	ERMCO	8-10 weeks	\$9,665.00	3	\$28,995.00							
Item 11	ERMCO	8-10 weeks	\$7,481.00	4	\$29,924.00							
					<u>\$68,959.00</u>							
Irby						yes	yes	yes	yes	yes	yes	yes
Item 1	ABB	12-14 weeks	\$4,450.00	5	\$22,250.00							
Item 2	ABB	12-14 weeks	\$2,670.00	10	\$26,700.00							
Item 3	ABB	12-14 weeks	\$3,152.00	15	\$47,280.00							
Item 4	ABB	16-18 weeks	\$5,822.00	4	\$23,288.00							
Item 5	ABB	16-18 weeks	\$5,738.00	4	\$22,952.00							
Item 6	ABB	16-18 weeks	\$5,864.00	2	\$11,728.00							
Item 7	ABB	16-18 weeks	\$5,801.00	2	\$11,602.00							
Item 8	ABB	16-18 weeks	\$6,199.00	2	\$12,398.00							
Item 9	ABB	16-18 weeks	\$6,147.00	2	\$12,294.00							
Item 10	ABB	16-18 weeks	\$10,995.00	3	\$32,985.00							
Item 11	ABB	16-18 weeks	\$8,262.00	4	\$33,048.00							
					<u>\$78,327.00</u>							
Graybar						yes	yes	yes	yes	yes	yes	no*
Item 1	Cooper Eaton	10 weeks	\$3,001.00	5	\$15,005.00							
Item 2	Cooper Eaton	10 weeks	\$2,238.00	10	\$22,380.00							
Item 3	Cooper Eaton	10 weeks	\$2,308.00	15	\$34,620.00							
Item 4	Cooper Eaton	12 weeks	\$7,093.00	4	\$28,372.00							
Item 5	Cooper Eaton	12 weeks	\$7,190.00	4	\$28,760.00							
Item 6	Cooper Eaton	12 weeks	\$7,422.00	2	\$14,844.00							
Item 7	Cooper Eaton	12 weeks	\$7,432.00	2	\$14,864.00							
Item 8	Cooper Eaton	12 weeks	\$7,839.00	2	\$15,678.00							
Item 9	Cooper Eaton	12 weeks	\$7,829.00	2	\$15,658.00							
Item 10	Cooper Eaton	13 weeks	\$12,997.00	3	\$38,991.00							
Item 11	Cooper Eaton	13 weeks	\$9,894.00	4	\$39,576.00							
					<u>\$94,225.00</u>							

Exemptions as stated:
Warranty & Patents/Trademarks/Copyrights indemnification is pass-along from Manufacturer and not responsibility of seller.
See ABB quote 17Q3395249 for details on offerings.

Purchasing Note:
Stated warranty exceptions acceptable to RMLD.

Exemptions as stated:
Please see pages 2 & 3 of Cooper proposal which I highlighted.

Purchasing Note:
*Proposal rejected due to unauthorized signature on the bid documents.

**Pad Mounted Transformers
Bid 2018-04**

Bidder	<u>Manufacturer</u>	<u>Delivery Date</u>	<u>Unit Cost</u>	<u>Qty</u>	<u>Total Net Cost</u>	<u>Meet Specification requirement</u>	<u>Specification Data Sheets</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
Howard c/o Power Sales Group						yes	yes	yes	yes	yes	no	yes
Item 1	Howard	8-10 weeks	\$3,561.00	5	\$17,805.00							
Item 2	Howard	6-8 weeks	\$2,757.00	10	\$27,570.00							
Item 3	Howard	6-8 weeks	\$3,092.00	15	\$46,380.00							
Item 4	Howard	6-8 weeks	\$6,451.00	4	\$25,804.00							
Item 5	Howard	6-8 weeks	\$6,034.00	4	\$24,136.00							
Item 6	Howard	6-8 weeks	\$6,965.00	2	\$13,930.00							
Item 7	Howard	6-8 weeks	\$6,767.00	2	\$13,534.00							
Item 8	Howard	6-8 weeks	\$7,608.00	2	\$15,216.00							
Item 9	Howard	6-8 weeks	\$7,487.00	2	\$14,974.00							
Item 10	Howard	6-8 weeks	\$10,440.00	3	\$31,320.00							
Item 11	Howard	6-8 weeks	\$13,638.00	4	\$54,552.00							
					<u>\$100,846.00</u>							

Howard c/o Power Sales Group						yes	yes	yes	yes	yes	no	yes
Item 1	Howard	10-12 weeks	\$3,448.00	5	\$17,240.00							
Item 2	Howard	8-10 weeks	\$2,685.00	10	\$26,850.00							
Item 3	Howard	8-10 weeks	\$3,002.00	15	\$45,030.00							
Item 4	Howard	8-10 weeks	\$6,869.00	4	\$27,476.00							
Item 5	Howard	8-10 weeks	\$6,425.00	4	\$25,700.00							
Item 6	Howard	8-10 weeks	\$7,115.00	2	\$14,230.00							
Item 7	Howard	8-10 weeks	\$7,137.00	2	\$14,274.00							
Item 8	Howard	8-10 weeks	\$7,739.00	2	\$15,478.00							
Item 9	Howard	8-10 weeks	\$7,654.00	2	\$15,308.00							
Item 10	Howard	8-10 weeks	\$10,378.00	3	\$31,134.00							
Item 11	Howard	8-10 weeks	\$12,301.00	4	\$49,204.00							
					<u>\$95,646.00</u>							



September 5, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-05 Capacitor Banks

Pursuant to M.G.L c. 164 § 56D, on August 2, 2017, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle requesting sealed proposals for Capacitor Banks.

An invitation for proposals was sent to the following eleven companies:

E.L. Flowers & Associates	Graybar	Hasgo Power Sales
Stuart C. Irby Co.	Onvia	Power Sales Group
Power Tech dba UPSC	Prime Vendor, Inc.	Robinson Sales
Shamrock Power	WESCO	

Sealed proposals were received from three companies: Irby, Graybar and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., August 30, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-05 for Capacitor Bank be awarded to **Stuart C. Irby Co. for \$39,664.00** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY17 Capital Budget amount for this item is \$30,000.



Vaughan Bryan



Hamid Jaffari



Coleen O'Brien

**Capacitor Bank
IFP 2018-05**

Bidder	Manufacturer	Unit Price	Qty	Total Price	Delivery Date	Firm Price	All forms filled out	Certified Check or Bid Bond	Exceptions to stated bid requirements	Authorized signature
Irby Capacitor Bank	ABB	\$9,916.00	4	\$39,664.00	12-14 weeks	yes	yes	yes	yes	yes
		Exception:	Warranty & Patents, Trademarks, Copyrights indemnifications are pass along from manufacturers and not the responsibility of seller.							
		Purchasing Note:	Stated exceptions acceptable to RMLD.							
Graybar Capacitor Bank	GE	\$10,458.00	4	\$41,832.00	10-14 weeks	yes	yes	yes	yes	no*
		Exception:	Attached to bid.							
		Purchasing Note:	*Proposal rejected due to unauthorized signature on the bid documents.							
WESCO Capacitor Bank	Eaton Cooper	\$13,190.00	4	\$52,760.00	12-14 weeks	yes	yes	yes	yes	yes
		Exception:	Attached to bid.							
		Engineering Note:	Exceptions were reviewed by staff and found to be acceptable.							



230 Ash Street
P.O. Box 150
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Fax: (781) 942-2409
Web: www.rmld.com

September 5, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-06 Padmounted Switchgear

Pursuant to M.G.L c. 164 § 56D, on August 2, 2017, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle requesting sealed proposals for Padmounted Switchgear.

An invitation for proposals was sent to the following twenty companies:

BCS Switchgear, Inc.	Circuit Breaker Sales Co., Inc.	Circuit Breaker Sales North East
Diversified Electric Services, Inc.	E.L. Flowers & Associates	Eaton Cooper Power Systems
Electric Control Equipment	Graybar	Hasgo Power Sales
Irby	National Switchgear	Omicron Electronics Corp. USA
Onvia	Power Sales Group	Power Tech dba UPSC
Prime Vendor, Inc.	Robinson Sales	Shamrock Power
Trayer Engineering Corp.	WESCO	

Sealed proposals were received from four companies: S&C Electric c/o E.L. Flowers & Associates, G&W Electric Co. c/o Power Sales Group, Trayer Engineering Corp. and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., August 30, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-06 for Padmounted Switchgear be awarded to **Trayer Engineering Corp. for \$175,431** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY17 Capital Budget amount for this item is \$135,000.

Brian Smith

Hamid Jafari

Coleen O'Brien

**Padmounted Switchgear
IFP 2018-06**

Bidder	<u>Manufacturer</u>	<u>Unit Price</u>	<u>Qty</u>	<u>Total Price</u>	<u>Delivery Date</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
WESCO										
Padmount Switchgear	Cooper Eaton	\$54,750.00	3	\$164,250.00	18-19 weeks	yes	yes	yes	yes	yes
Padmount Switchgear - Alt.	Cooper Eaton	\$44,625.00	3	\$133,875.00	18-19 weeks					
		<u>Exception:</u>	Please see proposal BRD 8729080 for technical details and clarifications and options. Eaton is proposing SEL-751A relay and Eaton CPS TAP-265 relay as an option.							
		<u>Engineering Notes:</u>	Exceptions were reviewed by staff and found to be unacceptable. Does not meet specifications.							
<hr/>										
Trayer Engineering Padmount Switchgear	Trayer	\$58,477.00	3	\$175,431.00	22 weeks	yes	yes	yes	no	yes
<hr/>										
S&C Electric c/o EL Flowers Padmount Switchgear	S&C Electric	\$59,500.00	3	\$178,500.00	10-14 weeks	yes	yes	yes	yes	yes
		<u>Exception:</u>	List of comments/clarifications attached.							
		<u>Engineering Notes:</u>	Exceptions were reviewed by staff and found to be unacceptable. Does not meet specifications.							
<hr/>										
G&W Electric Co. c/o Power Sales Group Padmount Switchgear	G&W Electric	\$70,776.00	3	\$212,328.00	17-18 weeks	yes	yes	yes	yes	yes
		<u>Exception:</u>	Exceptions and clarifications are listed on the attached G&W quote.							
		<u>Engineering Notes:</u>	Exceptions were reviewed by staff and found to be unacceptable. Does not meet specifications.							

RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

230 Ash Street
P.O. Box 150
Reading, MA 01867-0250

Tel: (781) 944-1340
Fax: (781) 942-2409
Web: www.rml.com

September 5, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-07 SCADA-Mate CX Switches

Pursuant to M.G.L c. 164 § 56D, on August 2, 2017, a bid invitation was placed as a legal notice in the Middlesex East section of the Daily Times Chronicle requesting sealed proposals for SCADA-Mate CX Switches.

An invitation for proposals was sent to the following nineteen companies:

BCS Switchgear, Inc.	Circuit Breaker Sales Co., Inc.	Diversified Electric Services, Inc.
E.L. Flowers & Associates	Eaton Cooper Power Systems	Electric Control Equipment
Graybar	Hasgo Power Sales	Irby
National Switchgear	Omicron Electronics Corp. USA	Onvia
Power Sales Group	Power Tech dba UPSC	Prime Vendor, Inc.
Robinson Sales	Shamrock Power	Trayer Engineering Corp.
WESCO		

Sealed proposals were received from three companies: Graybar, Irby and WESCO.

The sealed proposals were publicly opened and read aloud at 11:00 a.m., August 30, 2017, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-07 for SCADA-Mate CX Switches be awarded to **WESCO for \$134,084** pursuant to Chapter 164 § 56D on the recommendation of the General Manager.

The FY17 Capital Budget amount for this item is \$140,000.

Brian Smith

Hamid Jaffari

Coleen O'Brien

SCADA-Mate CX Switches
IFP 2018-07

Bidder	<u>Unit Price</u>	<u>Qty</u>	<u>Total Price</u>	<u>Delivery Date</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
Graybar SCADA-Mate switch	\$33,388.00	4	\$133,552.00	16 weeks	yes	yes	yes	no	no*
	<u>Exception:</u>	Graybar submitted Manufacturer Terms & Conitions.							
	<u>Purchasing Note:</u>	Submitted Terms & Conditions from manufacturer not acceptable to RMLD. *Proposal rejected due to unauthorized signature on the bid documents.							
WESCO SCADA-Mate switch	\$33,521.00	4	\$134,084.00	14-16 weeks	yes	yes	yes	no	yes
Irby SCADA-Mate switch	\$35,563.00	4	\$142,252.00	16 weeks	yes	yes	yes	no	no*
	<u>Exception:</u>	Warranty and Patents, Trademarks, Copyrights indemnigations are passed along from Manufacturer and not responsibility of sellet. See S&C quote 595603-17E1589 for details on offering.							
	<u>Purchasing Note:</u>	*Proposal rejected due to unauthorized signature on the Non-Collusion Certification form (statutory).							

September 1, 2017

Town of Reading Municipal Light Board

Subject: IFP 2018-10 Trouble Truck with Trade-In

Pursuant to M.G.L. c. 164 § 56D, on July 26, 2017 an invitation for proposal was placed as a legal notice in the Middlesex East Section of the Daily Chronicle requesting sealed proposals for one Trouble Truck with Trade-In (2010 - 40' Bucket Truck).

An invitation for proposal was sent to the following nineteen companies:

Altec Industries Inc.	Boston Freightliner, Inc.	Coastal International Truck, LLC
CUES	Dejana Truck Equipment	Fredrickson Bros., Inc.
G & S Industrial, Inc.	James A. Kiley Company	Liberty Chevrolet
Mid-State International Trucks, Inc.	Minuteman Trucks	Moore GMC Truck Inc.
NESCO	North American Equipment Upfitters	Nutmeg International Trucks, Inc.
Place Motor, Inc.	Stoneham Ford	Sunrise Equipment Company
Taylor & Lloyd, Inc.		

Sealed proposals were received from five companies: Altec, Inc.; Minuteman Trucks; Boston Freightliner, Inc.; James A. Kiley Company; Taylor & Lloyd, Inc.

The sealed proposals were publicly opened and read aloud at 11:00 a.m. on August 30, 2017 in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.


The proposals were reviewed, analyzed and evaluated by staff and recommended to the General Manager.

Move that proposal 2018-10 for one: Trouble Truck with Trade-In be awarded to: **Minuteman Trucks for \$174,125.16** pursuant to M.G.L. c. 164 § 56D on the recommendation of the General Manager.

The FY2018 Capital Budget amount for this item is \$200,000.00.

 9/6/17
Paul McGonagle

 9/7/17
Hamid Jaffari

 For CO'Brien
Coleen O'Brien

**Trouble Truck with Trade-In
M.G.L. Chapter 164 § 56D
Proposal 2018-10**

<u>Bidder</u>	<u>Trouble Truck Cost Before Trade</u>	<u>Trade-In Value</u>	<u>Trouble Truck Purchase Price Less Trade</u>	<u>*Warranty 22.1</u>	<u>*Warranty 22.2</u>	<u>*Warranty 22.3</u>	<u>Trouble Truck Price Less Trade - including Warranties</u>	<u>Delivery Date ARO</u>	<u>Responsive Bidder</u>	<u>Exceptions</u>
Altec, Inc.	\$168,705.00	\$10,000.00	\$158,705.00	\$0.00	\$0.00	\$0.00	\$158,705.00	40 weeks	Yes	Yes ¹
Minuteman Trucks	\$186,465.16	\$15,000.00	\$171,465.16	\$485.00	\$1,150.00	\$1,025.00	\$174,125.16	42 weeks	Yes	No
Boston Freightliner, Inc	\$186,499.00	\$11,850.00	\$174,649.00	\$1,995.00	\$388.00	\$2,095.00	\$179,127.00	36 weeks	Yes	Yes ²
Taylor & Lloyd, Inc.	\$188,757.00	\$9,000.00	\$179,757.00	\$0.00	\$0.00	\$0.00	\$179,757.00	40 weeks	Yes	No
James A. Kiley Company	\$186,557.00	\$6,500.00	\$180,057.00	\$1,068.00	\$150.00	\$1,000.00	\$182,275.00	39 weeks	Yes	No

¹ **Exceptions (25):** Too many modifications to the vehicle RMLD was requesting.

² **Exceptions (2):** 1) Different model. 2) Different Air Dryer.

***Warranties** - Warranty 22.1: 5 Year extended warranty for engine and electronics 100,000.

5 Year extended warranty for transmission (indicate mileage).

Warranty 22.2: 5 Year extended warranty for front and rear axles.

Warranty 22.3: 5 Year manufacturer extended warranty excluding engine and transmission.

Trade-In consists of one 2010 - 40' Bucket Truck

**BOARD MATERIAL AVAILABLE
BUT NOT DISCUSSED**

TOWN OF READING MUNICIPAL LIGHT DEPARTMENT
RATE COMPARISONS READING & SURROUNDING TOWNS

September-17

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 75/25 Split	RES. HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25.000 kW Demand	SMALL COMMERCIAL 1,080 kWh's 10.000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250.000 kW Demand 80/20 Split
READING MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$116.23	\$201.32	\$141.14	\$995.61	\$194.59	\$4,639.60	\$736,290.35
PER KWH CHARGE	\$0.15498	\$0.13422	\$0.14114	\$0.13638	\$0.18018	\$0.13256	\$0.10703
NATIONAL GRID							
TOTAL BILL	\$151.90	\$358.79	\$188.23	\$1,454.38	\$223.69	\$5,650.22	\$1,021,449.72
PER KWH CHARGE	\$0.20253	\$0.23919	\$0.18823	\$0.19923	\$0.20712	\$0.16143	\$0.14848
% DIFFERENCE	30.68%	78.21%	33.36%	46.08%	14.95%	21.78%	38.73%
EVERSOURCE(NSTAR)							
TOTAL BILL	\$146.81	\$260.13	\$193.60	\$1,433.47	\$238.48	\$6,948.02	\$1,185,688.95
PER KWH CHARGE	\$0.19574	\$0.17342	\$0.19360	\$0.19637	\$0.22081	\$0.19851	\$0.17235
% DIFFERENCE	26.30%	29.21%	37.17%	43.98%	22.55%	49.75%	61.04%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$85.03	\$166.25	\$112.95	\$928.52	\$147.55	\$4,595.13	\$615,858.97
PER KWH CHARGE	\$0.11338	\$0.11083	\$0.11295	\$0.12719	\$0.13662	\$0.13129	\$0.08952
% DIFFERENCE	-26.84%	-17.42%	-19.97%	-6.74%	-24.18%	-0.96%	-16.36%
MIDDLETON MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$98.74	\$201.66	\$132.75	\$959.51	\$168.44	\$4,762.93	\$807,171.40
PER KWH CHARGE	\$0.13165	\$0.13444	\$0.13275	\$0.13144	\$0.15596	\$0.13608	\$0.11733
% DIFFERENCE	-15.05%	0.17%	-5.95%	-3.63%	-13.44%	2.66%	9.63%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$115.49	\$213.42	\$144.38	\$1,093.29	\$175.48	\$5,123.08	\$852,765.30
PER KWH CHARGE	\$0.15398	\$0.14228	\$0.14438	\$0.14977	\$0.16249	\$0.14637	\$0.12396
% DIFFERENCE	-0.65%	6.01%	2.30%	9.81%	-9.82%	10.42%	15.82%

From: [Tracy Schultz](#)
To: [RMLD Board Members Group](#)
Cc: [Jeanne Foti](#)
Subject: AP and Payroll for September Board Book
Date: Wednesday, September 06, 2017 10:43:00 AM

There were no Commissioner questions on the AP on 7.21.17, 7.28.17, 8.4.17, 8.11.17, 8.18.17, 8.25.17, and 9.1.17

There were no Payroll questions on 8.4.17 and 9.5.17. There were two Commissioner questions on 8.21.17: one regarding no pay for a departing employee, and one regarding vehicle allowance. The Commissioner was satisfied with RMLD's explanation.

This e-mail will be included in the 9-14-17 Board Book.

Tracy Schultz
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