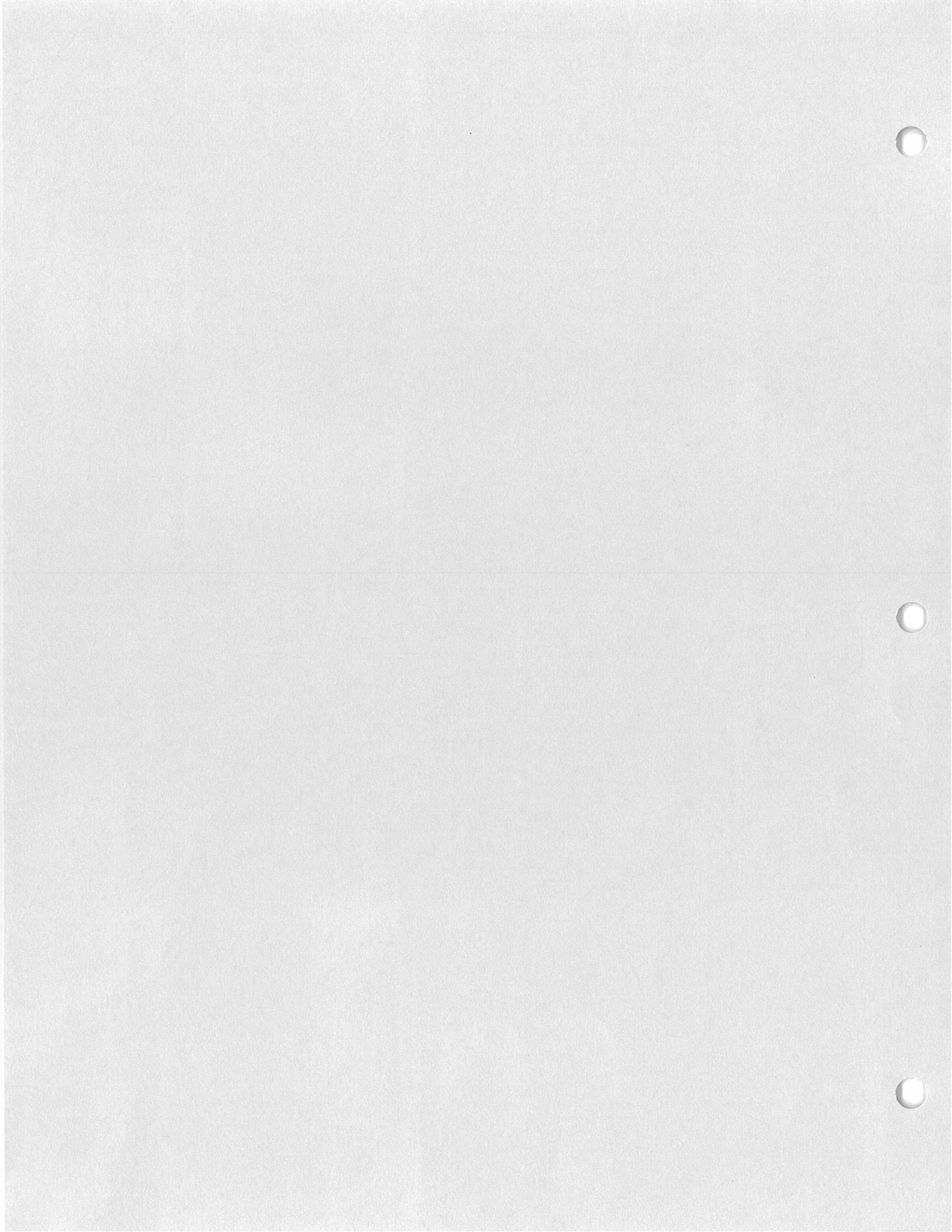


**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD
OF
COMMISSIONERS**

REGULAR SESSION

SEPTEMBER 17, 2014



**READING MUNICIPAL LIGHT DEPARTMENT
BOARD OF COMMISSIONERS MEETING**

230 Ash Street
Reading, MA 01867
September 17, 2014
7:30 p.m.

1. Call Meeting to Order

2. Opening Remarks

3. Introductions

4. Report of the Chairman (Attachment A)

ACTION ITEM

a. Town of Reading – Town Warrant Article 14

Note: The Town of Reading Board of Selectmen have been invited to attend this meeting.

ARTICLE 14 To see if the Town will vote to authorize and request the Finance Committee, pursuant to section 3.3.2.3 of the General Bylaws, to investigate at once the books, accounts, records and management of the Reading Municipal Light Department; to employ such expert and other assistance as it may deem advisable for that purpose; to make a report on its investigation setting forth its findings and recommendations, and to transmit such report to the Town Meeting prior to November 10, 2014;
Or take any other action with respect thereto. Board of Selectmen

5. Report of RMLD Board Committee (Attachment B)

ACTION ITEMS

a. Policy Committee - RMLD Policy 2, Revision 4 Surplus Material – Vice Chair Pacino

Suggested Motion:

Move that the RMLD Board of Commissioners approve the RMLD Surplus Policy as presented.

b. Town of Reading – Charter Review – Vice Chair Pacino

An update will be provided on the status of where the Charter Review Committee is in the process.

6. General Manager’s Report – Ms. O’Brien – General Manager

a. Update on RMLD’s Organizational/Reliability Studies

7. Public Comment

8. General Discussion

RMLD Board Meetings

Thursday, October 2, 2014

Thursday, November 15, 2014

9. Executive Session

ACTION ITEM

Suggested Motion:

Move that the Board go into Executive Session to discuss mediation and union negotiations update, to discuss the deployment of security devices or strategies with respect thereto; and return to Regular Session for the sole purpose of adjournment.

10. Adjournment

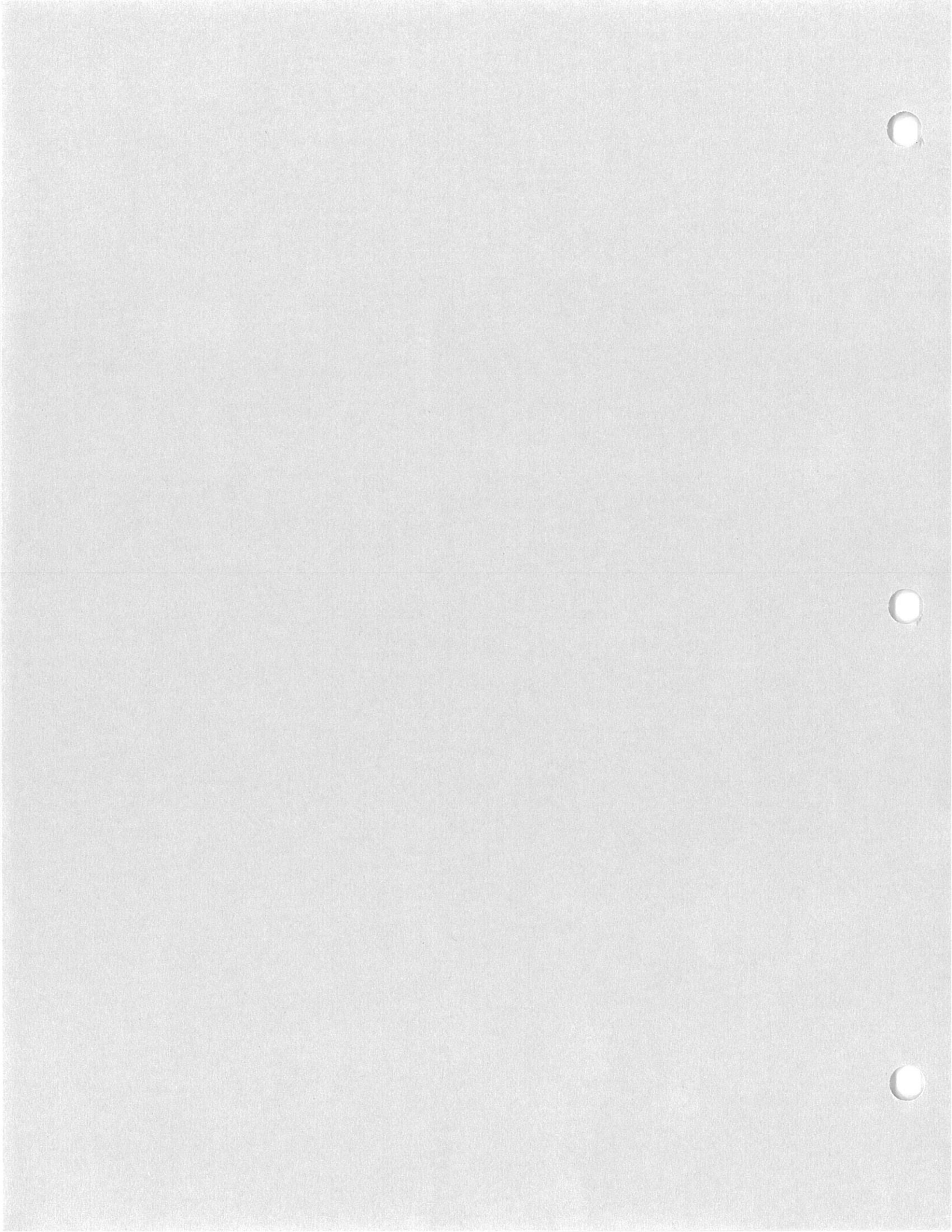
ACTION ITEM

Suggested Motion:

Move to adjourn the Regular Session.



REPORT OF THE CHAIRMAN
BOARD REFERENCE ATTACHMENT A
TOWN OF READING
TOWN WARRANT ARTICLE 14



4.13.7.1 Notwithstanding the provisions of the Zoning Bylaw generally applicable to Special Permits, a Special Permit for a Registered Medical Marijuana Dispensary shall lapse if not exercised within one year of its issuance.

4.13.7.2 The owner of a Registered Medical Marijuana Dispensary shall be required to remove all material, plants equipment and other paraphernalia:

- a) prior to surrendering its state issued licenses or permits; or
- b) within six months of ceasing operations; whichever comes first.

Or take any other action with respect thereto.

Community Planning & Development Commission

ARTICLE 14 To see if the Town will vote to authorize and request the Finance Committee, pursuant to section 3.3.2.3 of the General Bylaws, to investigate at once the books, accounts, records and management of the Reading Municipal Light Department; to employ such expert and other assistance as it may deem advisable for that purpose; to make a report on its investigation setting forth its findings and recommendations, and to transmit such report to the Town Meeting prior to November 10, 2014;

Or take any other action with respect thereto.

Board of Selectmen

ARTICLE 15 To see if the Town will vote to amend Section 3.3.2 (Finance Committee) of the Town of Reading Bylaws as follows: (note – cross-through represents language to be eliminated and **bold** represents new language):

3.3.2 Finance Committee

3.3.2.3 Investigation

The Finance Committee, or its duly authorized agents, ~~shall have authority~~ at any time **may**, and **promptly** upon the petition of one hundred (100) inhabitants of the Town or a vote of Town Meeting, ~~to~~ **shall** investigate ~~at once~~ the books, accounts, records ~~and~~ **or** management of any **Town Board, Committee, Commission or Department.** ~~official body,~~ **The Finance Committee may call upon the assistance of any Town official, or employee** and ~~may~~ **may** ~~to~~ employ such expert ~~and~~ **or** other assistance as it may deem advisable for that purpose. ~~;~~ ~~and~~ The books, records and accounts of any **Town Board, Committee, Commission or Department** ~~department and office of the Town~~ shall be open to the inspection of the **Finance Committee, its agents, assistants or employees upon request** ~~and any person employed by it for that purpose.~~ The Committee shall have no power to incur any expenses payable by the Town without authority for such expenses having first been obtained from the **Finance Committee Appointment Committee** ~~Moderator~~, and such expenses shall be paid from the Finance Committee Reserve Fund.

The Finance Committee shall make a report on every **such** investigation, setting forth its findings and recommendations, and shall transmit **each** such report~~(s)~~ to Town Meeting **and to the Board of Selectmen.**

or to take any other action with respect thereto.



REPORT OF RMLD BOARD COMMITTEE
BOARD REFERENCE ATTACHMENT B
REPORT OF THE POLICY COMMITTEE
RMLD POLICY 2, REVISION 4
SURPLUS MATERIALS



**RMLD Policy No. 2
SURPLUS MATERIAL**

Revision No. 4

Commission Vote Date _____

General Manager/Date:

Next Review Date

I. PURPOSE

The purpose of this Policy No. 2 SURPLUS MATERIAL is to provide administrative controls and procedures for use by the RMLD in disposing of surplus property to maximize the value of the disposal of such surplus property to RMLD and its ratepayers. This policy does not apply to the disposal of real estate.

II. DETERMINATION OF SURPLUS PROPERTY

Surplus property is personal property in the custody and control of RMLD which is either:

- (a) In excess of RMLD's needs due to changes in operations or personnel or other changes in circumstances;
- (b) Replaced by new or substitute property;
- (c) Damaged and non-repairable or uneconomic due to costs of repairs;
- (d) In poor or hazardous condition; or
- (e) Obsolete and no longer suits RMLD's needs.

Each RMLD Department shall identify property that it deems to be surplus. The General Manager or his/her designee shall make the determination whether any such property constitutes surplus to RMLD's needs and shall be designated for disposal. Such determination shall be made in writing identifying the reasons for declaring the property surplus.

III. ASSIGNING VALUE

Upon declaring property as surplus, the estimated value of the property shall be determined. RMLD will determine the fair market value ("FMV") of such property based on a minimum of two (2) relevant and comparable industry sources. To the extent two suitable sources are not available due to the unique nature of the item(s), RMLD will utilize the best available sources. For consumer motor vehicles, FMV shall be estimated based on Kelley Blue Book, Edmunds, NADA Guides or any other nationally recognized service that values vehicles similar to those being disposed. For other property, including commercial or service vehicles not listed in Kelley Blue Book, Edmunds, NADA Guides or a similar source, FMV shall be estimated based on quotes, trade-in offers, available sales data, appraisal or industry sources for similar property or vehicles, as may be adjusted for specific make and model, year, condition, and special equipment and features, and other factors deemed relevant. If FMV cannot reasonably be estimated for a particular property then RMLD will estimate the value of such property based on its salvage value. Salvage value is the estimated residual value of an asset at the end of its useful life or the proceeds from the disposal of the asset when it can no longer be used in a productive manner. Net salvage value takes into account the costs of disposal to more accurately reflect the residual value of a depreciable asset.

For property having no tangible resale or salvage value, the property shall be

designated as scrap.

The estimated value of the property, including the designation as scrap, and the sources consulted shall be documented and kept on file. The final determination of the property's estimated value shall be subject to review and approval by the General Manager or his/her designee.

IV. CATEGORIZATION OF SURPLUS PROPERTY

Once values are determined pursuant to Article III, property shall be categorized as follows:

- (1) Scrap – property having no tangible resale or salvage value;
- (2) Substantial Value – property having a FMV of \$10,000 or greater;
- (3) Moderate Value – property having a FMV in excess of \$500 but less than \$10,000;
and
- (4) Nominal Value – property having a FMV of \$500 or less.

Scrap having a tangible or resale value shall be placed in the appropriate category based on the value of the property. If the surplus property will be sold separately as individual units, the property shall be categorized based on the value of each individual unit. For property to be sold as a set or collection, the property shall be categorized based on the estimated value of the set or collection. Items customarily sold as a set shall not be treated as individual units to evade or bypass applicable disposal procedures. However, RMLD, in its discretion may determine whether to dispose of property on an individual unit basis or as part of a set or collection in order to maximize revenue. In such instances, the reasons shall be documented and kept on file. The final decision whether to utilize a single solicitation or separate solicitations for multiple items shall be subject to the review and approval of the General Manager or his/her designee.

V. ELECTRIC UTILITY-SPECIFIC AND ELECTRIC UTILITY RATED COMMERCIAL VEHICLE PROPERTY

RMLD will identify any property that it considers to be electric utility-specific. Electric utility-specific property is property that typically only an electric utility or a company or person in the electric utility trade is likely to have an interest in acquiring. For electric utility-specific and electric utility rated commercial vehicle property of Substantial Value, RMLD will determine whether an established market exists for purposes of disposal. An "established market" is one in which commodities are regularly sold in wholesale lots and prices are set by open competition as interpreted or as otherwise defined by the Massachusetts Inspector General or agency of the Commonwealth or a court having jurisdiction over the disposal of property by federal, state, and local governmental entities. A list of trade journals and other trade publications, online advertising sources and other industry or market resources for the advertisement and sale of electric utility-specific, including electric utility rated commercial vehicles, regardless of value shall be identified and documented. This list shall be reviewed every six (6) months and updated as necessary.

VI. DISPOSAL PROCEDURES.

- A. Scrap. Scrap having no tangible resale or salvage value may be destroyed, recycled, or disposed of via an approved scrap bid or other method as determined by RMLD in its discretion based on the particular circumstances and costs of disposal. RMLD will endeavor to minimize the cost of disposal of scrap to the extent

reasonably possible.

- B. Right of First Refusal. RMLD will offer surplus property including utility rated commercial vehicles, but with the exception of scrap having no tangible resale or salvage value and electric utility-specific property, to the Towns of Reading, North Reading, Wilmington, and Lynnfield (collectively "Towns") at FMV before offering the property to the general public.

Vehicles. Vehicles will be offered to the Towns at FMV on a rotational basis. The rotational sequence is Reading, North Reading, Wilmington, and Lynnfield. RMLD will notify the Towns in writing. The Towns will have 30 days from the date of RMLD's notice to submit a notice of intent to purchase the property before RMLD offers the property to the general public. Notice of intent to purchase shall be made in writing and signed by an officer with authority to approve the purchase. If more than one town provides RMLD with a notice of intent to purchase the property at the same time, preference will be given based on the rotational sequence. If no town has provided RMLD with a written notice of intent within the 30-day period, RMLD may proceed to offer the property to the general public pursuant to applicable procedures.

Other Property. RMLD will offer other surplus property to the Towns at FMV on a first come, first served basis. RMLD will notify the Towns in writing. The Towns will have 30 days from the date of RMLD's notice to submit a notice of intent to purchase the property before RMLD offers the property to the general public. Notice of intent to purchase shall be made in writing and signed by an officer with authority to approve the purchase. If more than one town provides RMLD with a notice of intent to purchase the property at the same time, preference will be given based on the rotational sequence. If no town has provided RMLD with a written notice of intent within the 30-day period, RMLD may proceed to offer the property to the general public pursuant to applicable procedures.

- C. Substantial Value. Property determined to have Substantial Value only shall be disposed of in compliance with G.L. c. 30B requirements and such supplemental requirements and procedures set forth in this policy and/or as determined by the General Manager in his/her discretion. The General Manager shall have authority to impose additional requirements if he/she determines that it is in the best interests of RMLD to do so.

Where an established market exists for the property, RMLD may dispose of the property through the established market or by trade-in if RMLD determines that it is advantageous to do so. The reasons shall be documented and the decision shall be subject to the approval of the General Manager or his/her designee.

For all other property, a competitive solicitation process shall be used. RMLD shall evaluate whether a written competitive bid process or auction, including an online auction (*i.e.*, EBay or similar web-based listing), presents the most advantageous approach given the property to be sold. The process, including all notices, shall conform to G.L. c. 30B requirements.

RMLD shall consider whether to impose a minimum bid reserve price or other terms and conditions of the sale. At a minimum, RMLD shall reserve the right to reject any and all bids if it is in RMLD's best interest to do so.

In addition to complying with G.L. c. 30B notice requirements, RMLD shall post a notice on its website for 30 days and advertise the solicitation in appropriate print and online sources intended to reach potentially interested buyers. Electric utility

rated commercial vehicles and electric utility-specific equipment shall be advertised in at least two sources identified on the list as set forth in Article V.

RMLD shall award the bid to the highest bidder who meets the requirements of the solicitation, unless RMLD determines that it is in its best interest to reject the bids. If RMLD rejects the bids, RMLD may solicit new bids or negotiate the sale at a higher price than the highest bid price as permitted by G.L. c. 30B.

All bidders, including participants in an auction, shall submit a non-collusion certificate as required by G.L. c. 30B.

The sources of advertising, the specific method of disposal, and the award process, shall be documented and subject to the approval of the General Manager or his/her designee.

- D. Moderate Value. Property of Moderate Value shall be sold through the best available means in order to obtain the highest price for RMLD. In determining the specific disposal and advertising methods to be used, the costs of disposal shall be weighed against the expected yield to RMLD. Among other options, as determined by RMLD under the circumstances, disposals may be made through a competitive bid or auction process to the highest bidder as provided in Article VI.C or sold for FMV or "best offer" after advertisement. When offering to sell surplus property to the general public, to the extent practical, RMLD shall advertise the sale in the local newspaper, on its website for 30 days and in appropriate print and online sources intended to reach potentially interested buyers. Commercial and electric utility-specific vehicles and equipment should be advertised in at least two sources identified on the list as set forth in Article V. RMLD also may negotiate the sale of the property or dispose of the property through less formal means after receiving three quotations or as RMLD deems appropriate under the circumstances. If RMLD solicits quotations, RMLD shall not be required to sell the property to the person providing the highest quotation, but the highest quotation shall be used as the benchmark for negotiating and approving the sale.

The purchaser of property having Moderate Value shall be required to sign and submit a non-collusion certificate.

The reasons and sources for the method of disposal and the award process shall be documented and subject to the approval of the General Manager or his/her designee.

- E. Nominal Value. Property of Nominal Value may be disposed of using sound business practices. The process and sale shall be documented and kept on file.

Vii. **ADDITIONAL TERMS AND REQUIREMENTS.**

- A. All property shall be sold or disposed of "as is" without any warranties of any kind.
- B. The purchaser shall release RMLD, in writing, from all liabilities concerning the property. The Purchaser must provide for removal, transportation, storage, etc. at no cost to the RMLD.
- C. The purchaser shall have the responsibility to provide for the removal, storage and transportation of the property at its sole expense. The purchaser shall remove the property at a time and location designated by RMLD.

VIII. PROHIBITION ON SALES TO EMPLOYEES, BOARD OF COMISSIONER MEMBERS AND BOTH OF THEIR IMMEDIATE FAMILIES.

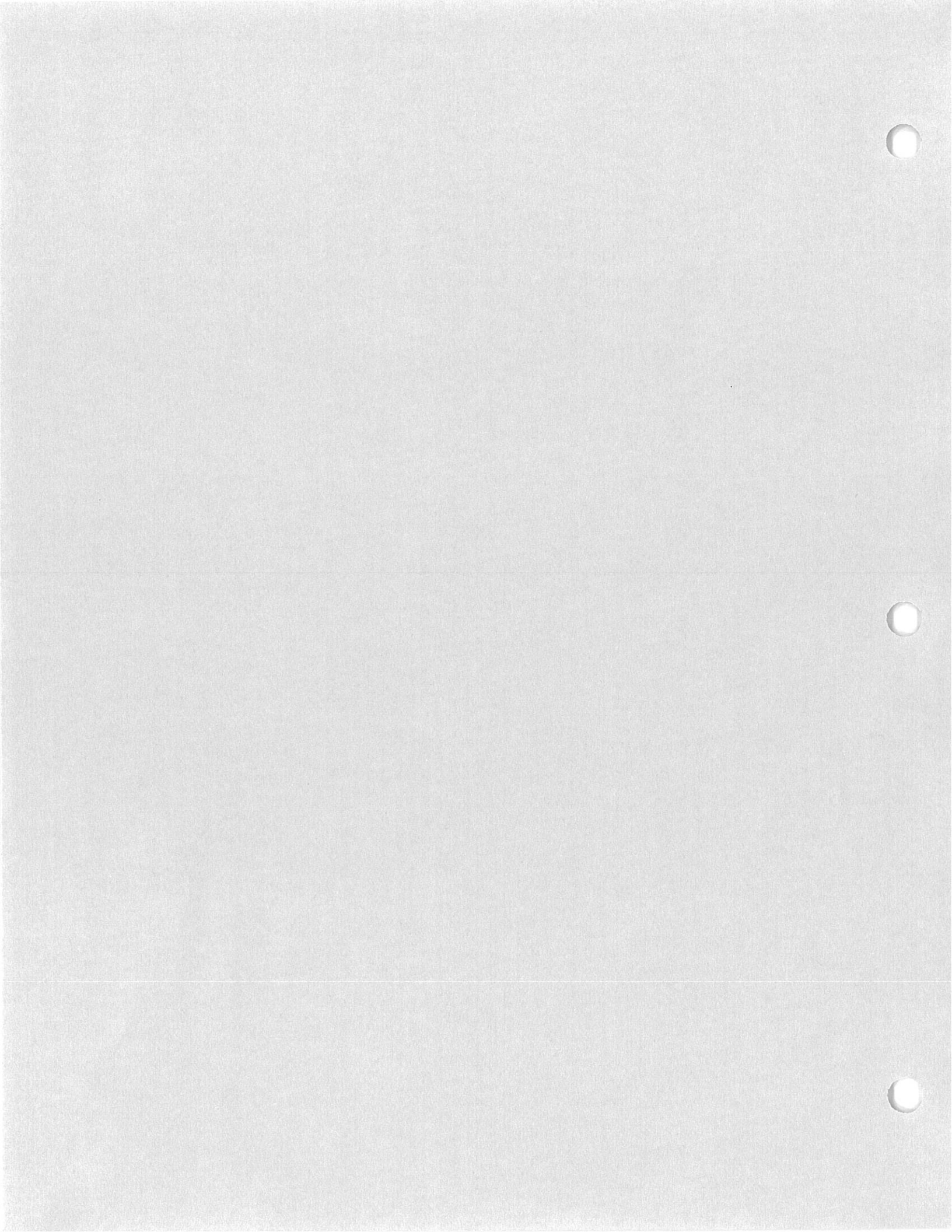
Consistent with G.L. c. 268A, § 20, RMLD employees and RMLD Board of Commissioner members and both of their immediate families shall not be eligible to purchase or otherwise receive RMLD surplus property regardless of price or method of disposal used. This prohibition also applies to competitive solicitation processes.

IX. ADMINISTRATIVE REVIEW AND REPORTING.

All disposals other than scrap material shall require the administrative review of the General Manager. The General Manager may require any additional reviews and approvals as the General Manager deems necessary, in his or her discretion. The General Manager shall make such reports as required by the RMLD Board of Commissioners.



REPORT OF RMLD BOARD COMMITTEE
BOARD REFERENCE ATTACHMENT B
TOWN OF READING CHARTER REVIEW



3-5 Municipal Light Board of Commissioners

There shall be a Municipal Light Board of Commissioners consisting of five (5) members elected for three (3) years terms so arranged that as near equal number of terms as possible shall expire each year .

The Board of Commissioners and the General Manager shall all the powers and duties given to cities and towns in respect to municipal lighting plants under Massachusetts General Law Chapter 164 and any other special acts pertaining thereto.

Phil

Run this by your group I feel that it covers everything that is needed

Bill Brown

9/10/14

Rewrite Rewrite 7/29/14

Despite our own opinions it is clear to me that the State Legislature in establishing Chapter 164 (Municipal Light Departments) and the various court rulings they did so for the benefit of the rate payers and to prevent any influence from any city council or town meeting or Charters to have any control of the operation of said departments including the Town of Reading Accountant .(the employment of attorneys and agents and servants see page 2) .

3-5 Municipal Light Board of Commissioners

There shall be a Municipal Light Board of Commissioners consisting of five (5) members elected for three (3) year terms so arranged that as near an equal number of terms as possible shall expire each year .

The Municipal Light Board of Commissioners shall have all the powers and duties given to cities and towns in respect to municipal lighting plants under MGL Chapter 164 and any other MGL ,or special acts pertaining thereto .

The Municipal Light Board of Commissioners shall hire the General Manager and approve warrants for payments of all bills , including payroll and approve all power contracts of the Municipal Light Department .

In accordance with Chapter 164 section 56 the General Manager shall provide that the financial condition (see page 10 February 28, 2003) of the RMLD to the Municipal Light Board of Commissioners the Town of Reading Board of Selectmen and Department of Telecommunications and Energy The General Manager shall provide a copy of the report to the Town of Reading Finance and the Town of Reading Town Meeting for informational purpose only (see page 4) Upon request the General Manager may provide the report to any other elected or appointed committee of the other Towns serviced by the RMLD .. .

Bill Brown Rewrite 7/ 29 / 14

The School Committee shall have all of the powers and duties School Committees are given under the Constitution and General Laws of the Commonwealth of Massachusetts and such additional powers and duties as may be authorized by the Charter, by Bylaw, or by other Town Meeting vote. The powers of the School Committee shall include, but need not be limited to, the following:

- (a) The School Committee shall appoint a Superintendent of Schools and shall ~~fix his compensation, define his duties and terms of employment. make rules concerning his tenure of office and may and may discharge him.~~

[Amended November 15, 2004 - Article 16 and approved by vote of the Town on April 5, 2005]

- (b) The School Committee shall make all reasonable rules and regulations, consistent with law, for the administration and management of the public schools of the Town.

3-4 Board of Library Trustees

There shall be a Board of Library Trustees consisting of six (6) members elected for three (3) year terms so arranged that two (2) terms shall expire each year.

The Board of Library Trustees shall have control over the selection of Library materials, and shall have custody and management of the Library and of all property of the Town related thereto, except that the Town Manager or his designee shall have responsibility for the maintenance of the Library building and grounds.

All money or property that the Town may receive on behalf of the Library by gift or bequest shall be administered by the Board of Library Trustees in accordance with the provisions of such gift or bequest.

[Amended November 15, 2004 - Article 16 and approved by vote of the Town on April 5, 2005]

The Board of Library Trustees shall have all of the powers and duties given to Board of Library Trustees under the ~~Constitution and Massachusetts General Laws of the Commonwealth~~, and such additional powers and duties as may be authorized by the Charter, by Bylaw, or by other Town Meeting vote.

3-5 Municipal Light Board of Commissioners

There shall be a Municipal Light Board of Commissioners consisting of five (5) members elected for three (3) year terms so arranged that as near an equal number of terms as possible shall expire each year.

~~The Municipal Light Board of Commissioners shall have charge of all the real estate, facilities, personnel and equipment of the Town pertaining to the production and transmission of electrical power, both within the Town and elsewhere.~~

The Municipal Light Board of Commissioners shall have all the powers and duties given to cities and towns in respect to municipal lighting plants under Massachusetts General Laws Chapter 164 Section 34 et seq. and other general and special acts pertaining thereto, together with such further powers and duties assigned to them by the Charter, by Bylaw, or by other Town of Reading Town Meeting vote.

The Municipal Light Board of Commissioners shall hire the General Manager of the Reading Municipal Light Department and set his duties and terms of employment. ~~his compensation; the General Manager shall serve at the pleasure of the Board and may be removed by vote of a majority of the entire Board after notice and public hearing.~~

The Municipal Light Board of Commissioners shall appoint the Accounting Manager or Chief Accountant of the Reading Municipal Light Department and appoint counsel to the Reading Municipal Light Department.

The Accounting Manager or Chief Accountant, as the case may be, and Counsel shall be subject to the supervision of the General Manager.

The Municipal Light Board of Commissioners shall approve warrants for payments of all bills and payroll of the Municipal Light Department and shall approve all contracts which are at or above the competitive sealed bid procedures level as stated in Massachusetts General Laws Chapter 30B Section 5 and, further, all contracts shall be made in accordance with Massachusetts General Laws Chapter 30B. Contracts for purchasing of power shall not be subject to Massachusetts General Laws Chapter 30B but shall be approved by the Municipal Light Board of Commissioners.

The Municipal Light Board of Commissioners shall employ the Auditor appointed by the Town of Reading Audit Committee.

The Municipal Light Board of Commissioners shall annually set electric rates and approve an annual operating budget and Capital Improvements Program each fiscal year. Such approval will be done by a majority vote of the Municipal Light Board of Commissioners. After the Municipal Light Board of Commissioners has approved an annual operating budget and Capital Improvements Program, it will present them to the Town of Reading Finance Committee and Town of Reading Town Meeting. Upon request of any of the other towns served by the Reading Municipal Light Department, the Municipal Light Board of Commissioners shall make a presentation to the Finance Committee and/or Town Meeting of any such town(s).

[Amended April 28, 2003 - Article 7]

[Amended November 15, 2004 - Article 16 and approved by vote of the Town on April 5, 2005]

3-6 Board of Assessors

There shall be a Board of Assessors consisting of three (3) members elected for three (3) year terms so arranged that one (1) term shall expire each year.

~~The Board of Assessors may appoint property appraisers and shall have all the powers and duties given to Boards of Assessors by the General Laws of the Commonwealth not inconsistent with this Charter.~~

[Amended November 30, 1989 - Article 36 and approved by vote of the Town on March 19, 1990]

The Board of Assessors may appoint property appraisers and shall have all of the powers and duties given to Boards of Assessors under the Massachusetts General Laws of the Commonwealth of Massachusetts, and such additional powers and duties as may be authorized by the Charter, by Bylaw, or by Town Meeting vote.

3-7 Moderator

There shall be a Moderator elected for a one (1) year term. The Moderator, as provided in Article 2 Section 2-8, shall be an ex officio representative Town Meeting Member and shall preside and regulate the proceedings at all sessions of the Town Meeting. The Moderator He shall have all of the powers and duties given to Moderators under the Constitution and Massachusetts General Laws of the Commonwealth of Massachusetts, and such additional powers and duties as may be authorized by the Charter, by Bylaw, or by other Town Meeting vote. The Town Moderator shall not simultaneously serve as an elected Town Meeting Member or in any other elected municipal office in the Town.