

MEMORANDUM OF UNDERSTANDING BOARD OF ELECTRIC COMMISSIONERS

The purpose of this Memorandum of Understanding is to set forth our agreement on the role and functioning of the Board of Electric Commissioners ("Board").

Board Authority

The Board consists of five (5) members appointed by the City Council with Mayor presiding for three-year terms. The Board shall consult with the Mayor in the appointment of the General Manager. The Board also shall participate in the annual evaluation of the General Manager in an advisory capacity, and make a formal recommendation to the Mayor concerning his or her reappointment.

The Board has been delegated the following authority by City Council Resolution entitled "Reorganization of the Governance of the City" dated November 19, 2001:

1. To annually approve and submit a budget recommendation for the Department to the Mayor;
2. To itself approve, or delegate to the General Manager to approve, contracts for the purchase or sale of electric capacity, energy, or ancillary products up to five years in duration;
3. To itself approve, or delegate to the General Manager to approve, contracts of not more than \$100,000 or less than one year in duration;
4. To approve contracts in excess of one year in duration or more than \$100,000 in value, provided the Board's authorization is reported to the City Council within five (5) business days of the vote to authorize, and the City Council does not vote to veto the Board's actions within thirty (30) days;
5. To recommend rate increases to the Mayor and City Council for ultimate adoption;
6. To exercise then existing authority with respect to regulations relating to the City's electric system, such as the Department's Operating Guidelines; and
7. To consider/adjudicate employee grievances pursuant to the City's personnel policy and collective bargaining agreements.

In addition, the Board shall: assist in the development of integrated resource plans and recommend same for approval to the City Council; and assist in the development and review of the framework for the Department's Strategic Direction through its regular decision-making process and the use of performance measurements, which will help determine management's success in terms of accomplishment of overall goals, and the specific objectives and implementation of actions following from them.

General Manager Authority

The General Manager is subject to the authority of the Mayor as Chief Executive Officer, and to the orders and ordinances of the City Council. The General Manager has the special and immediate care and practical supervision of the Department, and is responsible for its activities and day-to-day operations. All staff and outside personnel retained by Burlington Electric Department are ultimately accountable to the General Manager.

The General Manager, as well as the Board, will operate in accordance with applicable state law, Ordinances and City Charter provisions.

The General Manager will consult with the Board, at a minimum, regarding the following:

1. The institution or settlement of significant legal action;
2. Proposed changes in rate level or rate structure;
3. Special customer contracts requiring City Council and Public Service Board approval;
4. On any overall reorganization of the Department;
5. On a monthly basis, report on the Department's financial condition; and
6. Before taking a position on legislation or litigation that deviates significantly from established BED policy.

Functioning of the Board

The Board will hold its regular monthly meeting on the second Wednesday of the month, unless the Board

votes to hold the regular meeting on an alternate day. A special meeting may be called at any time by the Chair, or by a majority of the Commissioners in office. The Board will generally follow **Robert's Rules of Order**. A majority of the Commission shall constitute a quorum. A question shall be decided by votes, properly cast in person or by electronic or other means in conformance with Vermont law, representing a majority of the Commission. Commissioners will treat each other with the utmost respect and professional courtesy.

No individual Board member shall have the power to incur expenditures or otherwise act on behalf of the Board without the express prior approval of a majority of the Commission. In public statements, all Commissioners will fairly distinguish their own beliefs and positions from those of the Board as a whole.

The Board may, as it deems necessary, assign specific liaison and committee responsibilities to individuals or groups from among its membership, and members thus appointed will have the responsibility of keeping the full Board aware of their activities. While such liaison efforts may involve serving as a resource person to one or more staff, it does not confer decision-making authority, or otherwise alter the accountability of staff to the General Manager.

Commissioners' requests for information and other matters will be routed through the General Manager, who will assign them an appropriate priority, or hold them for general Board discussion. Information provided to any one Commissioner will be considered available to all. In cases of grievances, communications involving Commissioners and employees will be done pursuant to the union contract or the City's personnel policy.

Adopted by Commission: June 14, 2017