



# Peabody Municipal Light Plant

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## PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING October 22, 2015

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, October 22, 2015 at the Peabody Municipal Light Plant, 201 Warren Street Ext., Peabody, Massachusetts at 6:30 p.m.

Present for the meeting were Commissioners William Aylward, Charles Bonfanti, Thomas D'Amato, and Thomas Paras; Manager Glenn Trueira, Assistant Manager Kristina Frizzell, Attorney Philip Durkin and Recording Secretary, Barbara Previte. Commissioner Robert Wheatley was absent for this session.

Chairman Paras asked if there were any additions to the agenda. Manager Trueira asked that we add under General Business, "Holiday Party".

1. Agenda Item A: Approval of Agenda

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED (4-0):

MOVE TO APPROVE THE AGENDA AS AMENDED.

2. Agenda Item B: Announcement:

Chairman Paras acknowledged that this is an open meeting and informed the public that the meeting is being recorded by hand and voice recorder.

3. Agenda Item C: Approval of Minutes:

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER D'AMATO AND VOTED UNANIMOUSLY (4-0):

**15-71** MOVE TO APPROVE AND RELEASE THE REGULAR MEETING MINUTES OF SEPTEMBER 24, 2015.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER D'AMATO AND VOTED UNANIMOUSLY (4-0):

**15-72** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF SEPTEMBER 24, 2015.



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MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER D'AMATO AND VOTED UNANIMOUSLY (4-0):

**15-73** MOVE TO APPROVE AND RELEASE THE EXECUTIVE SESSION MINUTES OF MARCH 19 AND MARCH 27, 2014.

4. Agenda Item D: Appointments:

• **REMARKS OF THE GENERAL PUBLIC:**

There being none, the meeting continued.

5. Agenda Item E: Correspondence

Chairman Paras stated that we received a letter from the Peabody Veterans' Council inviting us to participate in the Veterans' Day ceremony on November 11, 2015. The Commission accepted the correspondence.

6. Agenda Item F: Manager's Reports:

- **SEDC / UPN REPORT** – Manager Trueira deferred to Kevin Moran, Business Manager, to update the Commission. Kevin Moran stated that the Vax is approaching its last day. Kevin stated that it began its life here at PMLP in 1970. So it has been well-served. The cross over to the UPN system will occur over the week-end of October 31 and November 1. SEDC team will be onsite. This is great news for PMLP. Glenn stated that a mass direct mailing was sent out to our residential customers with a letter along with information on "Understanding Your Bill". Initially, there will be an influx of questions regarding the online portal. Joe Anastasi (IT Department) will handle the technical questions of the online portal and business will handle the operational questions. The commercial and industrial customers will see a letter shortly.
- **IPSWICH RIVER SUBSTATION / JOHNSON STREET SWITCHING STATION** – Manager Trueira deferred to Roy Simoes, Associate Electrical Engineer. The new InterConnection Agreement has been provided by National Grid. The next step is an invoice that PMLP will be billed for their costs to build us the tap. National Grid is building everything on their property, which is common practice. National Grid will build the piece of the tap that is on their property and PMLP pays all costs associated with building the tap. PMLP is going to be responsible for the entire permit piece. Roy expects that there will be three large events happening in the Fall of 2016. One piece is to buy a prefab metal substation similar to Summit Street but bigger. Then PMLP needs to purchase two large power transformers which are expensive



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with long lead times of approximately six to seven months estimating the cost at \$1.2-\$1.5 million each. Roy stated that Brian Abcunas will be in front of the Commission later this evening for some material bids for the Johnson Street Switching Station. The intention is for work to be done in April 2016 if the weather permits. This is scheduled for 3 months. This needs to be done before the high load summer period. After this, PMLP will start working on the specifications for Ipswich River. PMLP will build a big concrete pad, take the transformer from Ipswich River and transport it to Waters River. It will be there as a long-term storage space. It will be a spare unit for us for a catastrophic failure event versus taking parts of it from the other ones still in service. Roy does not think there is enough value to sell it. Also, 23kV is not a popular distribution voltage. There are not a lot of spare units of that size and voltage sitting around. We think it is the prudent thing to do. It can be used at Waters River, Bart Street or Ipswich River, wherever it's needed. Roy is unsure of the costs associated with this move.

- **GT2 /REPAIRS** – Manager Trueira deferred to Charles Orphanos, Associate Electrical Engineer (Operations), to discuss the repairs to GT2. Chuck stated that we had our generator tested and there are a couple of conditions we need to address, but no serious damage due to the fault/fire. Engineering is obtaining quotes for new air conditioning and fire alarm systems at the control building. Engineering is continuing their work on the low voltage lighting as well as installing new electric heaters. Engineering has started the transition to the new security system. PMLP has hired a consultant, 3C Electric, to perform a root cause analysis along with the insurance company. The insurance company agrees that the switch gear is a complete loss. PMLP is still waiting for a report from 3C. The cost for the replacement of the switch gear is approximately \$250,000 with a lead time of 16-20 weeks. It will hopefully be ready by summer just in time for the summer Forward Reserve Market.
- **AMI PROJECT – BUSINESS CASE** – Manager Trueira deferred to Emmanuel Agouridis, Junior Electrical Engineer, who gave a status update of AMI project. Manole stated that the PMLP AMI team would be meeting with the vendors and evaluating their bids. Demonstrations have been ongoing this week with the highest ranked vendors. PMLP AMI team is still on track with bringing their recommendation to the next PMLC meeting (November 19, 2015).
- **PERSONNEL**
  - **Principal Electrical Engineer (Energy Services)** – Manager Trueira explained the structure of the Engineering Division. Manager Trueira stated that the power supply duties are being handled by Russ Dunn and Bryan Howcroft. Manager Trueira stated that to gain a working knowledge and expertise in power supply is a slow process of



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learning. Engineering has been delegating more responsibility to Bryan who has done very well. Engineering and Administration developed a job description entitled "Principal Electrical Engineer / Energy Services" with a Grade 15. The job description includes NERC compliance, supervising Energy Services as well as more involvement in power supply, training and experience. PMLP had advertised for a Power Supply position and was unsuccessful in their search. Administration and Engineering have been pleased with Bryan Howcroft and want to give him more responsibility and taking some away from Russ Dunn. Bryan Howcroft would continue the work on all the NERC standards as well as supervise John Myers (Energy Conservation Specialist). A draft organization chart is in your agenda package. The direct responsibility would be through the Supervising Electrical Engineer.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):

**15-74** MOVE TO ACCEPT THE RECOMMENDATION OF MANAGER AND CREATE THE PRINCIPAL ELECTRICAL ENGINEER (ENERGY SERVICES) POSITION AS PRESENTED IN THE PACKAGE, AT A GRADE E15 SALARY LEVEL.

- **Network and Systems Administration** -- Manager Trueira explained that this position is in the Information Technology Division ("IT"). IT is expanding and growing quickly with AMI, SEDC/UPN. At present Joe Anastasi has been handling those functions. Several years ago PMLP hired Cliff Martellini to assist with Help Desk functions. A job description was created and it is in your package. Administration and IT solicited information from other municipals as well as the private sector regarding pay and responsibilities. After such research, it was determined that this position should be paid at a Grade E12 salary level. This position was not budgeted in 2015 but we want to move on this.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):



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**15-75** MOVE TO ACCEPT THE RECOMMENDATION OF MANAGER AND CREATE THE NETWORK AND SYSTEM ADMINISTRATOR POSITION AS PRESENTED IN THE PACKAGE AT A GRADE E12 SALARY LEVEL.

7. Agenda Item G: Committee Reports

- **POLICY COMMITTEE** – Manager Trueira stated that there is nothing to report at this time.

8. Agenda Item H: Award of Bids

- **SUBSTATION EQUIPMENT PACKAGE – JOHNSON STREET SWITCHING STATION** – Manager Trueira deferred to Brian Abcunas, Senior Electrical Engineer, to discuss the request for proposals regarding providing new circuit breakers and other associated outdoor equipment for improvements at Johnson Street Switching Station. This is one component of PMLP's Ipswich River Substation project. The bid package was sent to 8 specific substation firms, advertised in the Salem News, the Dodge Reports and on PMLP's website. The bid opening was held on September 29, 2015 with six firms submitting bids. Early in the evaluation process, it became evident based on pricing that PMLP should concentrate on the four lowest bidders. V&S Schuler was the lowest bidder and stated no exceptions to either the technical specifications or PMLP's terms and conditions. V&S Schuler was in complete compliance. V&S has been in business in their current location since 1988 and has done many substation projects similar to and larger than ours. Their references were very positive. PMLP did review the second, third and fourth lowest bidders and found them to be in complete compliance. However, PMLP did not find a reason to bypass the lowest bidder.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):

**15-76** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT WITH V&S SCHULER, INC. FOR PROCUREMENT AND DELIVERY OF SUBSTATION EQUIPMENT AT JOHNSON STREET SWITCHING STATION IN THE AMOUNT OF \$271,396 WITH A CONTINGENCY BUDGET OF \$27,500.

- **RELAY AND CONTROL CABINETS – JOHNSON STREET SWITCHING STATION** – Manager Trueira deferred again to Brian Abcunas, Senior Electrical Engineer, to discuss the request



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for proposals regarding providing new relay and control panels for improvements at Johnson Street Switching Station. This bid is another component of major upgrades at Johnson Street which will be on schedule for completion in 2016. The bid will provide PMLP with a new lineup of relay and control panels inside the Johnson Street control house. The bid package was sent to 8 specific electrical manufacturing firms, advertised in the Salem News, Dodge Reports and on PMLP's website. Six firms submitted bids. Keystone was the lowest bidder as well as being in complete compliance. PMLP did review the second and third lowest bids and found them both to be complete. However PMLP did not find a reason to bypass the lowest bidder. Keystone has been in business since 1964 and has done many relay and control panel projects similar to and larger than ours. PMLP verified references and they were positive.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):

**15-77** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT WITH KEYSTONE ELECTRICAL MANUFACTURING CO. FOR PROCUREMENT AND DELIVERY OF SUBSTATION EQUIPMENT AT JOHNSON STREET SWITCHING STATION IN THE AMOUNT OF \$280,195.47 WITH A CONTINGENCY BUDGET OF \$30,000.

9. Agenda Item I: General Business

- **Holiday Party** – Manager Trueira stated that we have a Holiday Party each year. In the 2015 budget, we only budgeted \$1,000. In 2014, PMLP spend \$2,000 so we want to make sure we cover ourselves and ask the Commission to budget another \$1,500 so we have sufficient funds to cover this event for current and retired employees. It was very well received last year—especially from retirees.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER D'AMATO AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):



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**15-78** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO ADD ADDITIONAL FUNDING TO THE HOLIDAY PARTY BUDGET IN THE AMOUNT OF \$1,500 WHICH BRINGS THE TOTAL TO \$2,500 FOR SUCH EVENT.

- **National Grid** (\$177,799.66 August 2015 Transmission Network Service) – Manager Trueira stated that this is a rebate check for Network Transmission Service for the month of August 2015.
- **REMARKS OF COMMISSIONERS**
- Chairman Paras welcomed and thanked Danvers Light Commissioner, Stanley Svensson, for attending our meeting.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED BY ROLL CALL (4-0):

MOVE TO ENTER INTO EXECUTIVE SESSION IN ACCORDANCE WITH CHAPTER 11A ½ SECTION 11A 1/2 AND CHAPTER 164, SECTION 47D OF THE OPEN MEETING LAWS FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION FOR THE PURPOSE OF DISCUSSING AND CONDUCTING STRATEGY SESSIONS IN PREPARATION FOR COLLECTIVE BARGAINING SESSIONS AND TO DISCUSS TRADE SECRETS OR CONFIDENTIAL, COMPETITIVELY-SENSITIVE OR OTHER PROPRIETARY INFORMATION.

Chairman Paras declared the Regular portion of the Meeting of October 22, 2015 adjourned at 7:20 p.m.

A TRUE RECORD

Attest:

Thomas M. D'Amato, Secretary  
Peabody Municipal Lighting Commission

