



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF SPECIAL MEETING August 1, 2016

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Monday, August 1, 2016 at the Peabody Municipal Light Plant, 201 Warren Street Ext., Peabody, Massachusetts at 6:30 p.m.

Present for the meeting were Chairman Wheatley and Commissioners Charles Bonfanti, Thomas D'Amato and Thomas Paras along with Manager Glenn Trueira, Attorney Philip Durkin and Recording Secretary, Barbara Previte.

Chairman Wheatley asked if there were any additions to the agenda, and Manager Trueira stated that under the Manager's Report the GT2 Repairs be discussed when Charles Orphanos discusses the Waters River 13.8 KV Switch Gear Installation.

Manager Trueira also stated that Commissioner Aylward cannot get out of work this evening.

1. Agenda Item A: Approval of Agenda:

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

MOVE TO APPROVE THE AGENDA AS AMENDED.

2. Agenda Item B: Announcement:

Chairman Wheatley 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 D'AMATO, SECONDED BY COMMISSIONER BONFANTI AND VOTED UNANIMOUSLY (4-0):

16-53 MOVE TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 23, 2016.

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

16-54 MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF JUNE 23, 2016.

4. Agenda Item D: Appointments:

- **REMARKS OF THE GENERAL PUBLIC:** There being none, the meeting continued.



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5. Agenda Item E: Correspondence

There being none, the meeting continued.

6. Agenda Item F: Manager's Reports:

- **AMI UPDATE** – Manole Agouridis, Assistant Superintendent of Electric Distribution, Metering stated that he will be before the Commission seeking awards of bids for ringless style meter security locks and removal tools as well as stainless steel screw type meter rings. Manole will also discuss the quotes for the first article and meter testing agreements as well as the opt-out policy. Manole stated that the good news is the Landis & Gyr contract is signed. With the contract signed, PMLP will be able to develop a timeline. PMLP will be working with Landis & Gyr to develop a list of meters along with a schedule and/or timeline for the meter exchange. Manole is finalizing the Wellington contract. Manole informed the Commission that there are a few items outstanding prior to finalizing with Wellington, the meter exchange vendor. The AMI team has been working with IT to integrate the system as well. The AMI team will be looking for a consultant to bring on to the project as well as electrical contractors in the coming months. The AMI team will reach out to our customers in the summer newsletter with frequently asked questions. This is the first step in making our customer aware of the AMI project. Manole reiterated the 90/60/30 day approach. The newsletter is ready to go out just waiting to finalize the Wellington contract and it will be distributed next week.
- **IPSWICH RIVER/JOHNSON STREET SUBSTATION** – Manager Trueira deferred to Roy Simoes, Associate Electrical Engineer, who stated that we reached another milestone and we received our first environmental permit for the Ipswich River project. Roy explained that we will now have to advertise a meeting being held at some public building in Peabody. Roy mentioned that we are working with the City of Peabody on utility pole relocation as part of the Ipswich River / Johnson Street project. Johnson Street is virtually done. Engineering will be energizing shortly. Roy commented that the project was scheduled to be complete within three months and it was pretty much accomplished. Also, PMLP managed to survive with the hot weather.

7. Agenda Item G: Committee Reports

- **125 ANNIVERSARY** – Commissioner Paras requested that he be removed from the 125 Anniversary Committee and is asking for another Commissioner to volunteer. Commissioner Paras has too much work and is seeking someone to help with the parade. Commissioner D'Amato as well as Chairman Wheatley said they would volunteer.

8. Agenda Item H: Award of Bids

- **IN-LINE INSPECTION OF PMLP'S 10" NATURAL GAS PIPELINE** – Manager Trueira deferred to Bryan Howcroft, Principal Electrical Engineer, to present the information brief. Bryan gave background and explained that the Engineering Division began working with an energy consulting firm to update the natural gas pipeline Integrity Management Plan ("IMP"). The



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IMP is required by Federal Regulations. Within this IMP, one of the elements is to identify an individual Pipeline Manager. This Pipeline Manager must have extensive knowledge and experience in natural gas pipeline infrastructure maintenance and design. PMLP teamed up with Tri-Mont Engineering to perform these services. Bryan stated that PMLP and Tri-Mont began working on finalizing and implementing the IMP. PMLP is required to assess the condition of the pipeline. To do so, PMLP and Tri-Mont created a RFP seeking services of a pipeline In-Line Inspection ("ILI") contractor. The purpose of the ILI is to supply a "smart PIG" ("Pipeline Integrity Gauge"). This PIG would be launched through the pipeline taking continuous measurements and assessments. The tool measures pipe deformation, corrosion, dents, metal loss and position in space. A report is then issued indicating the findings. PMLP believes that based on the age of the pipeline and quality of the gas travelling through it, PMLP expects that the test will not uncover any significant issues. It was determined that PMLP's natural gas pipeline is not configured to accept a PIG launcher and therefore, flanges would have to be installed to accommodate the work. PMLP sought a proposal from NEUCO. NEUCO is PMLP's contracted pipeline emergency services provide, who could cut in the necessary flanges so that we cannot accept the launcher. NEUCO's proposed costs for this project are \$60,000 to \$80,000 which is not included in this year's budget. Bryan explained that this work does not need to be bid through an RFP because the rates for the labor have already been approved under NEUCO's existing contract. The RFP was sent to three companies that are capable of pipeline ILI work. On June 30, we opened the bids and found that we had only received one from TD Williamson at a cost of \$124,530. Total expenditures for this project are estimated to amount to \$184,530 to \$204,530 whereas PMLP only budgeted \$80,000 in the budget. Staff is recommending rejecting the bids.

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

16-55 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND REJECT THE IN-LINE INSPECTION OF PMLP'S 10" NATURAL GAS PIPELINE BIDS FOR THE REASON THAT THE BID RECEIVED IS MORE THAN 50% OF THE BUDGETED AMOUNT.

- **WATERS RIVER 13.8 KV SWITCH GEAR INSTALLATION** – Manager Trueira deferred to Charles Orphanos, Associate Electrical Engineer, to discuss the status of the GT2 repairs as well as the 13.8 KV Switch Gear Installation. The repairs are complete at GT2. Chuck gave an overview of the fire at GT2 which destroyed the 13.8KV switch gear cubicle as well as the switch gear and surrounding equipment. PMLP in connection with Energy and Transit Engineering developed specifications and bid package for the installation of the new switch gear and ancillary equipment. The bid package was advertised in the Salem News, Dodge Reports and Commonwealth of Massachusetts Central Register. It was sent to nine electrical construction firms with a mandatory pre-bid conference on June 16, 2016. Eleven contractors were



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present for the mandatory pre-bid conference. Six firms submitted bids in the amount of \$53,171 to \$279,000. The lowest bidder McDonald Electric Corporation was in complete compliance. PMLP and Energy & Transit Engineering recommend that McDonald Electric Corporation be awarded this bid.

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

16-56 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND RECOMMEND THAT THE MANAGER ENTER A CONTRACT WITH MCDONALD ELECTRIC CORPORATION IN THE AMOUNT OF \$53,171 WITH A CONTINGENCY BUDGET OF \$6,000 FOR THE INSTALLATION OF THE 13.8 KV SWITCH GEAR.

- **REMOVAL OF TWO UNDERGROUND STORAGE TANKS** – Manager Trueira deferred to Tony Makovitch, Environmental Coordinator, to discuss the existing underground gas and diesel storage tanks. Tony Makovitch stated that five bids were received at the bid opening on July 14, 2016. All bidders were aware of the questions regarding the contaminated soil that would need to be handled as hazardous waste. When factoring in the contaminated soil, asphalt and water removal, the bids received were priced from a low of \$41,360 to a high of \$62,250. Tony stated that three of the five bids were deemed ineligible for not using the updated bid form or not providing a bid bond. Another bid was also deemed ineligible for not supplying a lump sum bid. The last bid that did meet the bid specifications was the highest bid of \$62,250. The budget for the project was \$50,000. Since only one bid was eligible and more than budgeted, it is recommended that the PMLC reject all bids for this project and prepare new specifications. Discussions ensued regarding the bidding laws. Manager Trueira deferred to Attorney Durkin.
- MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER PARAS AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):

16-57 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND REJECT ALL OF THE BIDS FOR THE REMOVAL OF THE EXISTING UNDERGROUND GAS AND DIESEL TANKS, ASSOCIATED PUMPS AND UNDERGROUND PIPING AND TO AUTHORIZE THE MANAGER TO REBID THE PROJECT.

- **AMI – RINGLESS STYLE METER SECURITY LOCKS AND REMOVAL TOOLS** – Manager Trueira deferred to Manole Agouridis, Assistant Superintendent of Electric Distribution / Metering, to discuss the purchase of ringless style meter security locks. These security locks are to be purchased in conjunction with PMLP's AMI project with the purpose of being used to secure meters in the field installed within ringless style meter sockets. Manole stated that because PMLP will not be physically visiting the meters every month it was determined that a higher security lock would be better suited to deter and prevent any unauthorized



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removal of the meter and/or meter socket cover. Two bids were received in respect to this request. Both were in complete compliance with technical specifications and terms and conditions.

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

16-58 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND RECOMMEND THAT THE MANAGER ENTER A CONTRACT WITH AVCOM FOR THE PURCHASE OF RINGLESS STYLE METER SECURITY LOCKS FOR AN AMOUNT UP TO \$45,118.75.

- **AMI – STAINLESS STEEL SCREW TYPE METER RINGS** – Manager Trueira deferred to Manole, Assistant Superintendent of Electric Distribution / Metering, to discuss the use of meter rings which will be replaced in conjunction with the AMI project. Manole explained that customers either have a ring style meter socket or a ringless style meter socket. The ringless style meter socket can be removed by just cutting the utility seal which would allow for the ability to tamper with an electrical service. Since meters may only be visited on per year in the Ifuture, a simple seal does not provide adequate security. It is for this reason, an inexpensive, higher level security lock was investigated and pursued by staff. Manole continued to explain that with a ring style meter socket, a seal must be cut and a ring removed to remove the meter itself. After an AMI system has been installed, removal of the meter would notify PMLP personnel by means of an alarm which would prompt a follow up by a PMLP employee. An RFP package was sent to six vendors along with publishing in the Salem News and Dodge report. Three bids were received—Graybar, Wesco and Irby. Manole stated that Irby's price was far lower than the other two vendors. PMLP followed up with Irby to verify this was in fact correct and it was.
- MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER BONFANTI AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):

16-59 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND RECOMMEND THAT THE MANAGER ENTER A CONTRACT WITH IRBY FOR THE PURCHASE OF STAINLESS STEEL SCREW TYPE METER RINGS FOR AN AMOUNT UP TO \$18,600.

9. Agenda Item I: General Business

- **AMI – FIRST ARTICLE AND METER TESTING AGREEMENT** – Manole Agouridis said that PMLP will be looking for a consultant for first article and meter testing. Manole will be before the Commission in September for an update.



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- **AMI – CUSTOMER AMI OPT-OUT POLICY** – Manole Agouridis stated that all meters will be equipped with a meter utilizing wireless means to allow PMLP to obtain meter readings remotely. Customers may choose to “opt-out” by having their AMI meter replaced with a non-AMI meter. At the customer’s request, PMLP shall allow the customer to use a non-AMI meter for the purpose of billing electric service. Manole explained that customers who choose to opt-out will be charged an initial fee for the removal of the existing AMI meter and installation of the non-AMI meter. The adjustment will be removal of AMI and installation of Non-AMI meter for \$40; monthly meter reading \$23 and reinstallation of AMI Meter \$40.
- **MOTION BY COMMISSIONER D’AMATO, SECONDED BY COMMISSIONER PARAS AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):**

16-60 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO ADVERTISE THE PROPOSED RATES FOR THE OPT-OUT CUSTOMERS IN CONNECTION WITH THE AMI INSTALLATION.

- **MOTION BY COMMISSIONER D’AMATO, SECONDED BY COMMISSIONER PARAS AND VOTED UNANIMOUSLY BY ROLL CALL (4-0):**

16-61 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF AND ACCEPT THE RECOMMENDATION FOR THE OPT-OUT CHARGES AS AMENDED.

- **REMARKS OF COMMISSION**

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

MOVE TO ENTER INTO EXECUTIVE SESSION IN ACCORDANCE WITH CHAPTER 30A, SECTION 21(a) TO DISCUSS COMPETITIVELY SENSITIVE INFORMATION.

Chairman Wheatley declared the Regular portion of the Special Meeting of August 1, 2016 adjourned at 7:35 p.m.

A TRUE RECORD

Attest:

Thomas M. D’Amato, Vice Chairman
Peabody Municipal Lighting Commission