



# Peabody Municipal Light Plant

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## PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING MARCH 24, 2016

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, March 24, 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 William Aylward, Charles Bonfanti, and Thomas D'Amato; Manager Glenn Trueira, Attorney Philip Durkin and Recording Secretary, Barbara Previte.

1. Agenda Item A: Approval of Agenda:

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (4-0):

MOVE TO APPROVE THE AGENDA AS AMENDED.

Chairman Wheatley introduced Student Government Representative – Manager Matheus DaSilva. The Student Government Chairman, Marissa Morton, had a previous commitment and could not attend the meeting.

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 AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND VOTED UNANIMOUSLY (4-0):

16-19 MOVE TO APPROVE THE REGULAR MEETING MINUTES OF FEBRUARY 25, 2016.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND VOTED UNANIMOUSLY (4-0):

16-20 MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF FEBRUARY 25, 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

Chairman Wheatley stated that he received a letter from the Peabody Veterans' Council inviting the PMLC to participate in the Memorial Day activities on Monday, May 30, 2016.

## 6. Agenda Item F: Manager's Reports:

- **AMI UPDATE** – Emmanuel Agouridis, Assistant Superintendent of Electric Distribution / Metering, stated that the AMI team has been working on the contract with Landis & Gyr. It is expected to be signed sometime in April. The next phase will be the meter exchange services contract along with an AMI Consultant or Project Management firm. Manole stated that the initial customer communications regarding AMI will begin in June 2016. Then PMLP will hire an electrical contractor and deploy in August with completion in the spring of 2017. Commissioner D'Amato thanked him for his timeline.
- **IPSWICH RIVER/JOHNSON STREET SUBSTATION** – Manger Trueira deferred to Roy Simoes, Associate Electrical Engineer, to brief the Commission on the project. Roy stated that he, Brian Abcunas and Mike Barrett visited Keystone Electric in Des Moines, Iowa. He stated that it was very informative to see the product. Roy stated that Brian Abcunas, Senior Electrical Engineer, will come before the Commission to present an information brief on Johnson Street Substation – Construction. The project is moving along as scheduled.
- **GT-2 REPAIRS**– Manager Trueira deferred to Tim Hennessy, Principal Electrical Engineer – Operations, to discuss the status of GT-2. Tim stated that a few weeks ago the rotor was removed from the turbine. Engineering has finished testing it and hopefully will be reinstalling shortly. The switchgear is expected to arrive by the end of April or early May. Engineering will come before the Commission to hire a contractor to install the switchgear. The substation personnel (PPEM) will be installing battery charges by early next week.

## 7. Agenda Item G: Committee Reports

- **POLICY COMMITTEE** – Chairman Wheatley stated that the Policy Committee has one more book to review. Chairman Wheatley stated that the book that was given to the Commission last month is ready for distribution to staff.
- **125 ANNIVERSARY** – Manager Trueira deferred to Jennifer Santoro, Community Relations, to update the Commission. Jennifer stated that the Lynnfield Town Day is May 21, 2016. She stated that PMLP will be represented as a Touch-A-Truck Event and other activities. Commissioner D'Amato requested a timeline of events for the 125 events. Jennifer reminded the Commission about the luncheon for retirees and employees on Wednesday, April 6, 2016.



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## 8. Agenda Item H: Award of Bids

- **JOHNSON STREET SWITCHING STATION– SITE CONSTRUCTION** -- Manager Trueira deferred to Brian Abcunas, Senior Electrical Engineer, to discuss hiring a general contractor to remove the old equipment, install new circuit breakers, relay panels, and other associated equipment for improvements at Johnson Street Switching Station. Brian explained that this is a major component of the planned upgrades at Johnson Street. Brian reminded the Commission that the Commission awarded two bids for indoor relays and control panels and 25kV vacuum circuit breakers, disconnect switches and other needed outdoor equipment. This bid will provide PMLP with a general contractor and construction services to install the indoor relays and control panels, circuit breakers, disconnect switches along with the installations of new foundations, substation structure, and new control wiring. In addition to the new relay and control panels, a new state-of-the-art HVAC system is being installed as well. The bid package was sent directly to 9 electrical construction firms in February as well as being advertised in the Salem News, Dodge Report and the Commonwealth of Massachusetts Central Register. There was a mandatory pre-bid conference held at PMLP and at the site on February 18, 2016. The bids were opened on March 1, 2016 with seven firms responding to the RFP. Ryan Company was the lowest bidder with no exceptions to either the technical specifications or PMLP's terms and conditions. Ryan Company has been in business for over 60 years and worked on many substation projects. References were checked and PMLP received positive reviews. PMLP staff and Mike Barrett, PLM, recommend the Ryan Company.

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

**16-21** MOVE TO AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT, SUBJECT TO THE APPROVAL OF TERMS AND CONDITIONS, WITH RYAN COMPANY FOR THE SITE CONSTRUCTION CONTRACT AT JOHNSON STREET SWITCHING STATION IN THE AMOUNT OF \$591,707 WITH A CONTINGENCY BUDGET OF \$60,000.

- **JOHNSON STREET SWITCHING STATION – TESTING AND COMMISSIONING** – Manager Trueira deferred to Brian Abcunas, Senior Electrical Engineer, to present to the Commission the results of the testing and commissioning RFP to perform all the necessary equipment and system electrical tests on the control panels, circuit breakers and other equipment as well as assist in commissioning at Johnson Street Switching Station. This will be the final component to complete the planned upgrades at Johnson Street. This testing and commissioning bid will provide PMLP with an outside independent firm, who will test all aspects of the newly modified switching station. The bid package was sent to 8 specific electrical testing firms, as well as being advertised in the Salem News, Dodge Reports, and the Commonwealth of Massachusetts Central Register. Two firms submitted bids. American Electrical Testing was the lowest bidder. They stated no technical exceptions, but did state a few minor exceptions



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to PMLP's Terms and Conditions. PMLP completed a legal review of their exceptions and we expect that these exceptions will be handled within a letter of agreement which will be signed as part of the contract.

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

- 16-22** MOVE TO AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT, SUBJECT TO THE APPROVAL OF TERMS AND CONDITIONS, WITH AMERICAN ELECTRICAL TESTING CORP. FOR THE TESTING AND COMMISSIONING CONTRACT AT JOHNSON STREET SWITCHING STATION IN THE AMOUNT OF \$95,300 WITH A CONTINGENCY BUDGET OF \$9,500.

9. Agenda Item I: General Business

- **CHARGE-OFF LIST FOR THE PERIOD ENDING DECEMBER 31, 2015** – Manager Trueira deferred to Kevin Moran, Business Manager, to discuss the charge-offs for 2015. First and foremost Kevin Moran spoke to the Commission and informed them of how hard and tirelessly Debbie-Davis Leclair has worked on the SEDC / UPN conversion and thanked her for all of her assistance during this transition/conversion. The charge-off list consists of three types of accounts: bankruptcies, non-residential accounts and residential accounts. The Business Division pursues all avenues to collect the outstanding charges that were charged-off in previous years. Discussions ensued regarding PMLP's relationship with Experian. Questions arose about if we could place a mark on a customer's credit status for delinquency on a bill. Kevin Moran stated that the Credit Department does a great job in collecting and PMLP is not ready to pursue this avenue. He did say it is an option though. The Business Division is asking the Commission to write of \$108,427.70.

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

- 16-23** MOVE TO AUTHORIZE THE MANAGER TO ACCEPT RECOMMENDATION OF STAFF TO WRITE OFF UNCOLLECTIBLE FUNDS (BANKRUPT \$2,833.24; RESIDENTIAL \$97,632.25 AND NON RESIDENTIAL ACCOUNTS \$7,962.21) FOR A TOTAL OF \$108,427.70 CORRESPONDING TO 120 ACCOUNTS.
- **WEBSITE REDESIGN / PROPOSAL** – Manager Trueira deferred to Jennifer Santoro, Community Relations, to discuss the redesign of our website. The current website is approximately 10 years old. One of the findings of the Customer Satisfaction Survey was that our customers are looking for more information about PMLP on the website. The website is an extremely important tool for us in communicating essential information. The redesign is an Action Plan on the Community Relations Budget in the amount of \$10,000. The website resign will include three phase: Phase I:



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Research/Analysis / Development / Copy and Image Editing; Phase II: Site Development, and Phase III Site Content Administration and Updates. The original estimate to redesign was \$10,000. However, we realized that we need to increase the budget to accomplish this task with the chosen vendor.

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

**16-24** MOVE TO AUTHORIZE THE MANAGER TO ACCEPT RECOMMENDATION OF STAFF TO ENTER INTO A CONTRACT WITH COMFORT ZONES COMMUNICATION INC. IN THE AMOUNT OF \$16,870 WITH A CONTINGENCY BUDGET OF \$2,500 FOR WEBSITE REDESIGN SERVICES.

- **MMWEC GO PROGRAM AND HELPS PROGRAM** – Manager Trueira deferred to Jennifer Santoro to discuss the programs. The GO Program offers Massachusetts municipal utilities assistance in developing and delivering energy efficiency services to their commercial and industrial customers such as the prescriptive lighting program. The HELPS Program is the leading residential energy conservation service for Massachusetts municipal utility customers. PMLP wants to work with MMWEC on these programs to enhance our residential appliance rebate program and to begin a commercial/industrial program. In order to accomplish this, a Master Agreement will need to be executed with MMWEC, and sub-agreements will also need to be signed for the specific programs that PMLP is interested in.

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

**16-25** MOVE TO AUTHORIZE THE MANAGER TO NEGOTIATE A CONTRACT WITH MMWEC FOR THE AMENDED AND RESTATED ENERGY AND DEMAND SERVICES MASTER PROGRAM AGREEMENT ("MASTER AGREEMENT") REGARDING THE HELPS AND GO PROGRAMS.

- **JOHNSON STREET SWITCHING STATION CIRCUIT BREAKER** – Manager Trueira deferred to Roy Simoes, Associate Electrical Engineer to discuss. Roy stated that this breaker was purchased in approximately 1985 for use at the Johnson Street Switching Station but was never put into service. Engineering reached out to three firms that are engaged in the surplus medium voltage circuit breaker business to determine the interest. Since there was not much interest in purchasing this breaker, PMLP was informed that NEPPA (Steve Socoby, Training Manager at NEPPA) would be interested in the breaker as a training aide for their Substation Certification program.



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

- 16-26** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO DECLARE THE WESTINGHOUSE TYPE SP 38KV CIRCUIT BREAKER AS SURPLUS.

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

- 16-27** MOVE TO AUTHORIZE THE MANAGER TO DONATE THE WESTINGHOUSE TYPE SP 38KV CIRCUIT BREAKER TO NEPPA FOR USE IN THE NEPPA TRAINING FACILITY SUBJECT TO APPROPRIATE RELEASES BETWEEN NEPPA AND PMLP.

- **GAS/DIESEL FUEL SYSTEM AT PMLP BUILDING** – Manager Trueira deferred to Tony Makovitch, Environmental Coordinator, to discuss the removal and replacement of the existing underground gas and diesel tanks and associated pumps and piping at the Main Office Building. Given the recently approved environmental regulations, it is necessary for PMLP to upgrade our fuel tanks and piping to current standards. The system was installed in 1989 and is currently over 26 years old. The useful life of this type of system is typically 20 to 30 years. After investigation, PMLP has determined that there are three options. The first option would be to upgrade the existing system to current standards for approximately \$200,000, but this would not include the replacement of the underground tanks. The second option is to install a new above-ground system for the cost of approximately \$550,000. The tanks would be enclosed steel walled, double walled, or concrete encased. The third option would be to purchase gas and diesel offsite which could leave PMLP vulnerable during storms or other emergencies. Tony Makovitch stated that the Commission approved the second option in the 2016 budget meeting as AP EN #5. Discussions ensued about using the public services tanks. Also discussions regarding if the Commission approves why not look at a cover / overhead over the tanks. Tony Makovitch stated they did price it; however, it was approximately \$200,000. When we go out to bid, we will include a canopy, and a fire suppression system as options and we will determine selection based on price and current regulations.

Commissioner Paras arrived at 7:30 p.m.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (5-0):

- 16-28** MOVE TO AUTHORIZE THE MANAGER TO PREPARE BID SPECIFICATIONS TO REMOVE THE UNDERGROUND TANK SYSTEM AND TO PREPARE A BID PACKAGE TO INSTALL A NEW ABOVE-GROUND FUELING SYSTEM FOR AN APPROXIMATE COST OF \$550,000.



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- **MMWEC DESIGNATION OF VOTING REPRESENTATIVES OF MEMBER SYSTEMS** –Manager Trueira has received correspondence from MMWEC regarding Peabody Municipal Light Plant and their designated voting representatives. The voting representatives need to change based on the current state of the Peabody Municipal Lighting Commission.

**MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY BY ROLL CALL (5-0):**

- 16-29**
- (1) that the Peabody Municipal Light Plant (City of Peabody), pursuant to Article III, Section 6 of the Massachusetts Municipal Wholesale Electric Company (MMWEC) By-Laws, as revised and amended, and Section 3(b) of Chapter 775 of the Acts of 1975 hereby designates Glenn R. Trueira, its manager of Peabody Municipal Light Plant, as its Voting Representative, to vote and execute written instruments on its behalf relative to adoption, amendment, or repeal of MMWEC By-Laws, the election of President and Directors of the Corporation, and other action by the Member cities and towns of MMWEC; and
  - (2) that Robert Wheatley (a member of the municipal light board) is hereby designated as an Alternate Voting Representative who shall, in the absence of the Voting Representative, have all the powers conferred upon the Voting Representative, and
  - (3) that Thomas D'Amato, (a member of the municipal light board) is hereby designated as an Alternate Voting Representative who shall, in the absence of the first designee and second designee, have all the power conferred upon the Voting Representative, and
  - (4) that Charles Bonfanti, (a member of the municipal light board) is hereby designated as an Alternate Voting Representative who shall, in the absence of the first designee, the second designee, and the third designee, have all the power conferred upon the Voting Representative, and
  - (5) that William Aylward, (a member of the municipal light board) is hereby designated as an Alternate Voting Representative who shall, in the absence of the first designee, the second designee, the third designee and fourth designee, have all the power conferred upon the Voting Representative, and
  - (6) that Thomas Paras, (a member of the municipal light board) is hereby



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designated as an Alternate Voting Representative who shall, in the absence of the first designee, the second designee, the third designee, the fourth designee, and the fifth designee, have all the power conferred upon the Voting Representative.

- **EXEMPT EMPLOYEES COMPENSATION** – Chairman Wheatley stepped down from the Chair and proposed a 2% vote for exempt employees. Chairman Wheatley asked for discussion as well as a second. Chairman Wheatley stated that the Manager's position is not part of this vote, since he is under a separate contract. Discussions ensued regarding the percentages for the Union. Manager Trueira explained the breakdown of compensation for the Union as follows: it is 1% the first year (7/1/14); and then it is 1.25% year two (7/1/15) and lastly 1.75% on the third year (7/1/16). Discussions ensued regarding that the vote should be unanimous and that some of the Commissioners might need more time. There were differing views on the vote. Commissioner D'Amato took the Chair and asked for a second on the motion.

MOTION BY COMMISSIONER WHEATLEY, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL WITH COMMISSIONERS PARAS AND BONFANTI VOTING NO AND COMMISSIONERS D'AMATO, AYLWARD AND WHEATLEY VOTING AFFIRMATIVELY (YES) (2-3):

- 16-30** MOVE TO ACCEPT THE RECOMMENDATION OF THE MANAGER TO INCREASE THE EXEMPT EMPLOYEES SALARIES BY TWO PERCENT (2%) RETROACTIVELY TO JULY 1, 2015.

A short discussion ensued about reaffirming the above motion.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER D'AMATO AND VOTED UNANIMOUSLY BY ROLL CALL (5-0):

- 16-31** MOVE TO REAFFIRM MOTION # 16-30 REGARDING THE TWO (2%) INCREASE FOR THE EXEMPT EMPLOYEES RETROACTIVELY TO JULY 1, 2015.

- **REMARKS OF COMMISSIONERS**

- Commissioner D'Amato was impressed with Tony Makovitch's vocabulary lesson.
- Commissioner Aylward thanked Debbie Davis-Leclair and the Credit Division (Business) for their hard work with collections.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED BY ROLL CALL (5-0):

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





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Chairman Wheatley declared the Regular portion of the Meeting of March 24, 2016 2016 adjourned at 7:50 p.m.

A TRUE RECORD

Attest:

William Aylward, Secretary  
Peabody Municipal Lighting Commission