



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING FEBRUARY 23, 2017

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, February 23, 2017 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, Thomas Paras and Robert Wheatley; Manager Glenn Trueira, Attorney Philip Durkin and Recording Secretary, Barbara Previte.

Chairman D'Amato asked if there were any additions to the agenda and Manager Trueira stated no.

1. Agenda Item A: Approval of Agenda

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (5-0):

MOVE TO APPROVE THE AGENDA.

2. Agenda Item B: Announcement:

Chairman D'Amato 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 (5-0):

17-13 MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF JANUARY 20, 2017.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER PARAS AND VOTED UNANIMOUSLY (5-0):

17-14 MOVE TO APPROVE THE MINUTES OF JANUARY 26, 2017.

4. Agenda Item D: Appointments:

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

5. Agenda Item E: Correspondence

There being none, the meeting continued.



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6. Agenda Item F: Manager's Reports:

- **AMI UPGRADE**— Manager Trueira deferred to Manole Agouridis, Assistant Superintendent of Electric Distribution / Metering who spoke about the AMI project schedule. Manole stated that the meters arrived Tuesday. Sample meters were sent out to Tesco which completes the process. Manole spoke about testing the system with Alex Bacon and Will Cardello. Manole stated that PMLP set up four or five accounts to verify the entire process. Manole said deployment will begin during the week of March 13, 2017 and it will begin with the book that reads in Commissioner D'Amato's area. Discussions ensued regarding getting the word out to our customers. Jennifer Santoro, Community Relations Manager, said that the 30-day letter, door hangers, and press release will inform the customers as well as the PATV service announcement. Commissioner Paras stated that Manole and Glenn Trueira attended the St. Val's Men's Club on February 22, 2017 and discussed the AMI project. It was very well received.
- **IPSWICH RIVER/JOHNSON STREET SUBSTATION** – Manger Trueira deferred to Roy Simoes, Associate Electrical Engineer, to brief the Commission on the project. Roy discussed the water quality permit and steps being taken to obtain such permit. It is a joint permit between National Grid and PMLP which will be submitted to DEP early next week. Once submitted, PMLP will move on attending the Peabody Conservation Commission as well as seeking approval from the Army Corp of Engineers. Roy discussed briefly the materials that will be ordered for this project—such as power transformers, switchgear, construction contract, and he will be back before the Commission with these requests. Roy stated that they are working on the specifications with the consultants and the items required have a long lead time which hopefully will be ready for bids by September/October.

7. Agenda Item G: Committee Reports:

There being none, the meeting continued.

8. Agenda Item H: Award of Bids:

There being none, the meeting continued.

9. Agenda Item I: General Business:

- **GAS PIPELINE MODIFICATION AND INSPECTION PROJECTS** – Manager Trueira deferred to Bryan Howcroft, Principal Electrical Engineer, Energy Services, to discuss the gas pipe modification and inspection projects. Bryan Howcroft stated that he came before the Commission at the January meeting where the Commission approved the T.D. Williamson (TDW) contract for in-line inspections services as well as the NEUCO contract for the PIG. Bryan discussed the details of the coordination meeting attended by NEUCO, Tennessee Gas Pipeline (TGP) and Tri-Mont Engineering that TGP notified PMLP that our pipeline tap no longer meets TGP's current



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requirements. In order to meet this requirement, PMLP would have to purchase this valve and install it for an additional cost of \$9,738. Also discussed at the coordination meeting was that the existing tee within PMLP's substation may not be adequate for the PIG to traverse through the pipeline. NEUCO advised PMLP that a new tee should be purchased at an additional cost of \$8,942. During the negotiations with TDW of the terms and conditions, TDW required language that if the PIG gets stuck in PMLP's pipeline, PMLP would be responsible for repair and replacement. This would be very expensive. Therefore, PMLP contacted our insurance provider to see if a policy could be purchased to cover such a cost. Tri-Mont Engineering advised us that this inclusion of language is standard in the industry and PMLP would not be able to find an inspection company that would assume liability if the PIG got lodged in the pipeline. This was then discussed with TDW seeking suggestions on ways of reducing our liability through an insurance policy or other means. TDW advised that they had never heard of such an insurance policy and their customers always assume this liability. TDW suggested three different methods. The first would be prior to running the smart PIG through the pipe, TDW will launch a "caliper PIG" to confirm that there are no significant defects that hinder the PIG's travel. Then if the caliper PIG's results are questionable TDW advised that they can run a smart gauge PIG prior to inserting the smart PIG into the pipe. The smart gauge PIG models the smart PIG but is less expensive. TDW stated that we could rent the smart gauge PIG and have it on-site in case it is needed for an additional \$2,400. Should we run the smart gauge PIG, then TDW quoted an additional \$3,500. TDW advised that instead of running all the modules through at once we could first run the deformation tool, that ensures it traverse through the pipe, then run the more expensive mapping and metal loss tools for an additional cost of \$4,210. Lastly, the additional smart PIG run will use additional nitrogen. To prevent depressurization of the line and loss of nitrogen between PIG runs, TDW can supply trap isolation ball valves for an additional cost of \$2,600.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL (5-0):

17-15 MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF TO ADD AN ADDITIONAL \$12,710 PLUS APPROXIMATELY 10% CONTINGENCY (\$1,290) FOR A TOTAL ADDITIONAL AMOUNT OF \$14,000 FOR THE TDW CONTRACT AND ALLOW AN ADDITIONAL AMOUNT OF \$18,680 FOR NEUCO WITH APPROXIMATELY 10% CONTINGENCY (\$1,920) FOR A TOTAL ADDITIONAL AMOUNT OF \$20,600 FOR THE NEUCO CONTRACT.

- **NEW PMLP WEBSITE** – Manager Trueira deferred to Jennifer Santoro, Community Relations Manager, to discuss the additional funding for the new PMLP website. At last month's meeting, it was suggested that Jenn come back before the Commission for the additional \$1,000 needed to complete the project. Staff entered a contract with Comfort Zones Communication Inc. in the amount of \$16,870 with a contingency budget of \$2,500 for website redesign services. A few



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additional pages were needed to launch the website at a cost of \$1,000. Jennifer Santoro, Community Relations Manager, is requesting such increase.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY BONFANTI AND VOTED BY ROLL CALL (5-0):

17-16 MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF TO ADD AN ADDITIONAL \$1,000 TO COMFORT ZONES COMMUNICATION CONTRACT FOR ADDITIONAL PAGES FOR THE PMLP WEBSITE.

- **BUDGET 2017** – Manager Trueira asked if the Commission had any questions on the 2017 budget. If not, Manager Trueira is seeking a motion to move forward with the 2017 budget.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL (5-0):

17-17 TO ACCEPT AND APPROVE THE 2017 BUDGET AND ACTION PLANS AS PRESENTED AT THE JANUARY 20, 2017 BUDGET MEETING.

- **CHARGE-OFF LIST FOR PERIOD ENDING DECEMBER 31, 2016** – Manager Trueira deferred to Assistant Business Manager, Debbie Davis-LeClair to discuss the charge off list for 2016. 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 protected accounts. Debbie Davis-LeClair explained protected accounts are based on illness or financial need. Debbie explained that if it is illness a medical note is obtained each year, month, etc. to confirm the accountholder's illness. The Business Division is asking the Commission to write off \$148,613.21.

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

17-18 MOVE TO AUTHORIZE THE MANAGER TO ACCEPT RECOMMENDATION OF STAFF TO WRITE OFF UNCOLLECTIBLE FUNDS (BANKRUPT \$2,440.19; RESIDENTIAL \$142,281.96 AND NON RESIDENTIAL ACCOUNTS \$3,891.06) FOR A TOTAL OF \$148,613.21 CORRESPONDING TO APPROXIMATELY 350 ACCOUNTS.

- **THIRD PARTY COLLECTION AGENCY FOR RENTAL CUSTOMERS – DEBT MANAGEMENT, INC.** – Manager Trueira deferred to Karen Repucci, Business Manager. The Business Division has been giving some consideration to hiring a collection agency, namely DMI, to help reduce uncollectible accounts. Karen Repucci explained the collection process. Karen gave a background of DMI. The delinquent accounts that could be sent to DMI would be at the discretion of the Business and Administrative Divisions and would be ratepayers that are



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renters not property owners. Karen stated that she utilized the services of DMI at Ipswich. Karen explained that it would be on a contingency basis with no upfront costs. The commission rate is 35% of the collectible account. Credit reporting is also included in the program. Discussions ensued about this being brought before the Commission previously. Karen emphasized that it would only be renters that Business would identify and it would not be property owners. Commissioner Aylward confirmed that we could write off these accounts and then some of those 350 accounts could be sent to this company and we could still get a percentage of the money back. The Commission recommended that Karen Repucci investigate further, and then come back before the Commission with a copy of the contract to be added to next month's agenda.

- **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 offices held by the Peabody Municipal Lighting Commissioners in 2017.

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

- 17-19
- (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 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 Voting Representative, have all the powers conferred upon the Voting Representative, and
 - (3) 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 and second designee, have all the power conferred upon the Voting Representative, and
 - (4) that William Aylward, (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, and the third designee, have all the power conferred upon the Voting Representative, and

- (5) that Thomas Paras, (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 Robert Wheatley, (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, the fourth designee, and the fifth designee, have all the power conferred upon the Voting Representative.

- **REMARKS OF COMMISSIONERS**

- Commissioner Wheatley stated that he has spent time working with Attorney Durkin in reviewing the Manager's contract. Commissioner Wheatley said he will be working with Jennifer Santoro rewriting the substance abuse policy.
- Commissioner D'Amato thanked Manole Agouridis and Glenn Trueira for their presentation/speeches at the St. Val's Men's Club last evening. It was very informative. Glenn hit it out of the park. It made him proud to be a Commissioner at PMLP.

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

MOVE TO ADJOURN.

Chairman D'Amato declared the Regular portion of the Meeting of February 23, 2017 adjourned at 7:30 p.m.

A TRUE RECORD

Attest:

A handwritten signature in black ink, appearing to read "Thomas Paras", is written over a horizontal line.

Thomas Paras, Secretary
Peabody Municipal Lighting Commission